



## **Evaluation reveals cautious support for Local Exchange Trading Systems (LETS) in Schools**

A Local Exchange Trading System or Scheme (LETS) is an arrangement between a group of people, whereby they agree to exchange goods and services, not as one-to-one bartering but with a pooled system of credits and debits. Thus they create a local currency which can only be spent within this group.

On providing a service, traders earn local currency units which are issued by other traders as cheques, and are then registered as credits in a locally-managed central account. Traders then spend from their account with any other members of the network. All credits and debits are interest-free. LETS can complement the work of existing micro-credit initiatives in a variety of ways, building social capital and enabling both marginalised and wealthier communities to effectively identify and pool local resources to meet local needs. LETS are based on the value of the individual within the community. This involves both freedoms and responsibilities.

There are over four hundred LETS in the UK, containing between thirty and three hundred members. In the USA, some LETS or 'time money' systems have thousands of members.

Over the past two years ippr has led a project involving a small group of primary and secondary schools have been exploring the potential of LETS and TimeBank models in school settings.

An evaluation carried out for ippr by the Citizenship Foundation reveals that the local exchange models can deliver benefits for participating schools, in line with the project's initial objectives:

- To produce greater parental involvement in school life, particularly from those who are alienated from current opportunities for engagement
- To increase the focus on the school as a community hub or 'social capital bank'
- To support more approaches to citizenship education, active citizenship and financial literacy

Tony Breslin, Chief Executive of the Citizenship Foundation said,

"The School Lets project has played an important part in initiating thinking about how schools can use local exchange trading frameworks to promote active learning, parental involvement and community engagement, not least in the areas of Citizenship and Personal Finance Education"

However, as with so many initiatives, schools that have found the models of greatest value have been characterised by an approach that features:

- Strong involvement by the head and senior leadership team
- The allocation of real time to the trading process and a profile for it in school communications
- A structure that accords a commensurate status to the broker within the school structure
- A strong local support network, provided through either the participation of other schools in the local exchange model or through an LEA or EAZ cluster.

Primary schools, in particular, have found the models useful in generating pupil and parental engagement and, here, their generally less formal and less hierarchical structures have often proved a good foundation for the kind of face-to-face and word-of-mouth basis on which many local exchange trading models are based.

With support of its partners ippr will continue working with primary schools in Liverpool and London for another year. The full outcomes of the project will be evaluated during Summer 2005 and, if the project deemed successful at that stage, a resource pack will be produced for schools wishing to start up their own SchoolLets.

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**SchoolLets is supported by:**

