

# NORTH LONDON L.E.T.S.

## Local Exchange Trading Scheme

With the Pound Sterling you are  
stuck when you are broke.  
**Get out of the money trap !**

*With LETS you can spend on credit.  
Zero interest. No fixed repayments.*

***Money often costs too much !***

*Ralph Waldo Emerson*

### Meetings

**We are a mutually supportive network. Members take it in turns to host free open meetings where you can learn more and meet members.** Our management committee is appointed at our AGM in February and we hold other social events throughout the year.

The members' area of our website works as an online system where members can manage their own profiles, contact other members, and do transactions in Pledges, which is our very own currency.

**North London LETS**  
**[www.nllets.org.uk](http://www.nllets.org.uk)**

## Joining North London LETS

At the Introductory meeting, further information will be available to explain how the scheme works. There are no actual coins of bills, just an agreed credit between you and your neighbours when you trade. The name of our local currency is **pledges**.

To join you will be invited to make an initial list of the goods and services that you would like to offer to other members. These will be entered into the computer and will later appear in the printed directory. Then you pay the joining fee (currently £16) and sign our membership agreement.

If shortage of money is a problem, you can pay some of the joining fee in pledges, and these are deducted from your account before you start trading, ie you will be starting with a small commitment - which not the same as a debt, because no interest is charged within a LETS.

You will receive a copy of our latest directory of goods & services and a membership number. Your account will start at zero and you will be able to start trading immediately.

When trading it's best to agree beforehand how many pledges you are going to pay for the services or goods on offer. Once the work is done, give a pledge cheque to the other member. If you give a service to another member, they should write you a pledge cheque for the amount you agreed. Send your pledge cheques promptly to the office (or hand them in at a social event) so that they can be entered into your account on the computer.

The directory shows the balance of each member. Try to keep yours near zero, ie trade back and forth, not just one way. If in doubt who to ask for a service it helps keep the system balanced if you give work to those whose account is below zero. We have introduced a credit limit of -500 pledges.

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**So simple, yet so revolutionary,  
it's bound to sweep the country –**

*The Mail on Sunday*

LETS are local non-profit "exchange" networks in which all kinds of goods and services can be traded without the need for money. A LETS network uses an interest-free local credit or "currency" so direct swaps do not need to be made. A LETS member may earn local credit by doing, eg childcare or computer work for one person, and spend it later on food, hiring equipment, plumbing or carpentry with another member of the network.

LETS was pioneered in Canada in the 1980s and cultivated in Great Britain by LETSlink UK, founded in 1991, who are continuing to develop the way LETS operates successfully and legally in more than 300 groups throughout Britain.

### Benefits of LETS to you:

- Access to all kinds of goods and services
- Cash savings
- Interest-free credit (less need to borrow from a bank).
- Opportunities to turn your skills or resources into assets.
- A wide variety of skills are recognised and valued.
- Trade any level of skill or service.
- Practice skills through trading.
- Test the waters for new business.
- A very supportive community (like having 100 friends).

### Benefits of LETS to the Community:

- Reaches the parts other currencies can't – families on low incomes, part-time workers, single parents, people who have been unwaged for a long time, young or retired. people, disabled people, and those without bank accounts.
- Resources can be shared between people and organisations, saving all kinds of costs.
- Reduced loneliness, boredom, depression, psychological illness, vandalism, crime etc.
- A supportive and co-operative rather than fragmented, alienated community – people really get to know one another.
- Encourages local production and better quality products (doors made by carpenters rather than mass produced ones, fresh local food rather than supermarkets).
- Leads to a thriving, diverse local economy – less dependent on single large employers.

## Common Questions about LETS

**Q) What exactly is the currency, and what is it worth?** In North London LETS one unit of our local currency (called a pledge) is nominally equivalent to £1 sterling. However, it does not have exact equal value because it can only be used within the scheme. You price your goods and services in pledges and write a cheque for an agreed number of units when a service is given. There are no physical tokens, just like using a bank cheque, the units you earn and spend only exist as figures in the LETS accounts. They are simply a way of measuring the value of services given.

**Q) If I have no LETS currency, how can I trade?** No problem. Everyone's account starts at zero. LETS currency is only created by trading. You just earn credits to balance your account when it suits you. For the system to work, about half the accounts will be in commitment (debit) at any one time. So you can start spending immediately. Your account can go into commitment but no interest is charged, and there's no fixed repayment schedule. To deter freeloading, the balance and turnover of all accounts is published with each directory, and the system "bounces" cheques which would cause your account to go more than 500 pledges in debit.

**Q) Do I have to trade with any member?** There's never any obligation to trade. It is entirely up to you whether to respond to a particular request. If you are ever unsure about a person's qualifications to do a job, ask them direct, ask for references, or you can call the LETS office. Make sure that you are both clear about the price and standard of workmanship expected.

### Q) How do I price my skills/goods?

The choice is yours. Look in the directory to see what others are asking for their services. Or you could base your charges on an average hourly wage, market "going rates", or leave them open for negotiation. Low prices may attract trade, and likewise if your prices are too high you may get less trade. You are entitled to charge more for difficult jobs, or a high quality of services. Whatever rates you decide to charge, you can always revise them for the next directory.

### Q) Do I need to find a direct exchange?

Not at all. The LETS account allows you to earn LETS currency from any member, and spend it as and when you like on the scheme.

### Q) I don't feel I have anything to offer.

Many people's reaction! A big advantage of LETS is that it helps people realise they do have things to offer. Whether they have skills or not, their time, energy or resources will be of value to someone. Just a few examples are shopping, a pair of muscles, cleaning, house minding, lending home equipment or tools. Start by asking yourself what you enjoy doing. Or sit down with a friend and tell each other what you are good at.

### Q) How does LETS support local traders?

All kinds of traders extend their business and cash flow through barter networks. With LETS the service is cheaper, and as the currency can only be spent locally the customer comes back again. LETS can bring in vital extra work to keep small businesses afloat in a recession. The system creates new demand, as people who could not otherwise afford a service at all can pay for it wholly or partly in LETS.

## The Five Criteria of a LETS System

### 1. LETS is non-profit-making.

LETS serves the whole community. The system operates on a not-for-profit basis.

### 2. There is no compulsion to trade.

Consent is required at all times. There is never any obligation to trade with another member.

### 3. Information about accounts is open to members.

All key information is available to all account holders - balances, transactions, trading history, etc.

### 4. The LETS unit is equal in value to the national currency - a convenient measure

which allows members to quickly assign a value to the local currency.

### 5. No interest is charged or paid.

Your currency belongs to you, and is issued by you. It is personal, and in every way your own. No interest is charged or paid on balances.

*(Adapted from "LETS Work. Rebuilding the Local Economy" by Peter Lang – Grover Books)*

## Want to Join?

The best way is to attend one of our regular socials, which are hosted in different locations in North London on a regular basis – details are shown in the News & Events page of our website.

If this is not possible, you can access the remaining information that you would have got at the meeting by sending an SAE to the office address or from our website: [www.nllets.org.uk](http://www.nllets.org.uk)

Once you have read this, please phone the office **020 7607 7852** and ask for an appointment – do not turn up there as members go there to work and are not geared up to interviewing new members.