



## Frequently Asked Questions

### **Could the scheme fold? Wouldn't I lose out?**

It won't, but if you're really unsure, you could keep your account balance below zero until you've gained confidence in LETS

### **Couldn't someone run up a huge debit, then leave?**

LETS has built in safeguards. All balances and turnovers are published regularly, and members can also ask to see the current balance and turnover of another's account. If anyone has a large negative balance and not much more turnover, they can be investigated. A free-loader would easily be identified, and called to account, or removed from the scheme in the last resort.

If anyone goes further and further into debit and finds it difficult to earn enough credit to balance their account, they can get advice and support from the LETS organizers. They may be advised to offer more popular services, sell something, or put a 'very keen to trade' code with their listings in the directory

### **Who Runs Salisbury LETS**

Salisbury LETS is run by an elected Core Team. Each year, in the run up to the AGM, Members are encouraged to put their name, or the name of somebody they would like to be part of the Core Team, forward for election. You must gain permission before submitting someone else's name.

### **Will LETS affect tax or benefits?**

Most trading on LETS is well below taxable income thresholds. People are doing irregular odd jobs. This 'social favour' level of trading is not of interest to the tax office.

The welfare benefit rules are more complex and the majority of claimants should trade below sixteen hours per week to keep their benefit entitlements

### **If I start with no credits, how can I trade?**

All LETS credits are only created by trading. Everyone's account starts at zero, but you can spend straight away from your account because LETS is interest free. In fact, for the scheme to work, at any one time a number of accounts have to be in debit. You just earn credits by doing work for other people, whenever it suits you. So you may start spending immediately. Your account can go into debt; no interest is charged and there's no fixed repayment schedule. However, the limit for debt is 100 Ebbles at any time.

### **What exactly is the credit and what is it worth?**

There are no physical tokens, the units you create only exist as figures recorded in the LETS accounts. They are just a way of measuring the value of services given. When you have received a service, write a credit note for the agreed number of ebbles. Price your own goods and services in ebbles. Ten ebbles are loosely equated to one hour of time spent

### **Am I supposed to find a direct exchange?**

Not at all. The reason for having an account is to enable you to earn LETS ebbles from any member, and spend them as and when you like with anyone else on the scheme

## **How do I price my skills/goods?**

The choice is yours. Low prices may attract trade and if your prices are too high, you may get less trade

## **Do I have to trade when someone calls me?**

There is never any obligation, it is entirely up to you but make sure that you are clear about the price before you start to trade

## **I don't feel that I have anything to offer**

Many people's reaction! One great advantage of LETS is that it helps people to realize that they do have things to offer. Whether they are skilled or not, their time, resources or equipment will be of value to someone. Start by asking yourself what you enjoy doing. Or sit down with a friend and tell each other what you are good at. Take a look in the Directory which might give you some ideas.

## **I still need cash**

LETS can always be used along with cash. Ask for the cash required to cover the cost of materials, petrol or other cash costs, or for a proportion in cash (e.g.25%). Only the LETS part is recorded on your account

## **What if I'm not satisfied with someone's work?**

Minimise the chances of misunderstanding by agreeing clearly in advance the price, time-scale and expected standards of work. Ask about qualifications and/or experience. You can also speak to others who have used that person's services. LETS cannot take responsibility for the quality of what is on offer, so, if in doubt, check it out first.

## **I have no spare time. How could I participate?**

You can both earn ebbles and usefully support the system by offering the hire of equipment and assets which others might need. You may also have a surplus of fruit and vegetables, or homemade preserves, etc. There may be jobs around the home you cannot find time to do which are being offered by someone on LETS