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# NORTH AYRSHIRE COUNCIL

2 November 2021

## Cabinet

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**Title:** Scotland Loves Local Gift Card Scheme

**Purpose:** To provide information on the 'Scotland Loves Local' Gift Card Scheme and to seek approval to sign the Local Authority Concordat.

**Recommendation:** That Cabinet:

- a) Notes the update on the Scotland Loves Local Gift Card Scheme;
- b) Approves participation in the scheme for the first year at no financial cost to the Council;
- c) Approves the signing of the Local Authority Concordat.

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## 1. Executive Summary

1.1 The Scotland Loves Local (SLL) Gift Card Scheme is a national initiative, supported by Scottish Government and Scotland's Towns Partnership (STP), with the aim of encouraging communities to 'shop locally' to support local businesses recover from the economic impact of Covid-19. All Local Authorities in Scotland are being asked to participate in the scheme through the signing of a Local Authority Concordat.

## 2. Background

2.1 The SLL campaign is a national initiative designed to encourage all those who live in Scotland to think local first and support their local high streets and town centres. The SLL Gift Card Scheme is a component part of this wider campaign and the set up of the programme has been funded by Scottish Government and will be launched by STP. STP state that the primary objective of the Scotland Loves Local Gift Card is to encourage consumers to spend money locally – in turn supporting local businesses that are recovering from the impact of the Covid-19 restrictions.

2.2 The Scottish Government funded element of the programme comprises the production and fulfilment of 32 Gift Cards that are unique to each of Scotland's local authority areas and can only be spent in that area, with 5,000 cards per Local Authority area being produced. The gift card is free for every business across Scotland to accept and uses the MasterCard network, so any business with a card reader can sign up. Each business has to register to be able to then accept the card within their business. Onboarding can be completed at the Scotland Loves Local website: [www.lovelocal.scot/giftcard](http://www.lovelocal.scot/giftcard). Once a business has registered it means that Gift Card recipients will be able to spend their Local Gift Card in that business, and they will

appear on the relevant online map and business directory listings. The gift card can be used in any type of business, and online or offline – so long as the merchant has a physical presence in the area. All production and fulfilment of the product, as well as merchant and customer care, will be managed by STP and partners Miconex, the operational partner delivering the programme and they will provide all cardholder and merchant support. Gift cards can be purchased online through a central website and will be available for purchase following the national consumer launch.

- 2.3 The Scottish Government is meeting the set up costs of the programme and there will be no financial costs to Local Authorities in the first year of the programme (September 2021 to August 2022). Should there be demand for more than 5,000 gift cards within the Local Authority area, Miconex will facilitate orders of supplementary cards. Costs will depend on the size of the order, however Miconex state a minimum order will be 5,000 cards at a cost of £4,500. Thereafter, it will be a decision for each Local Authority that is not already enrolled in an existing gift card programme whether they wish to continue in a local gift card programme for the area. Such a decision will be subject to a commercial discussion and agreement between the Local Authority and Miconex. Should the Council wish to remain within the scheme beyond the pilot year, there would be a monthly fee of £600 as well as card printing costs. This fee encompasses participation in the scheme, fulfilment, promotion, e-commerce and platform access. A three-month notice to quit the scheme is requested.
- 2.4 At the June 2021 meeting of the COSLA Environment and Economy Board, the Board agreed to note the launch of the Scotland Loves Local Gift Card Scheme and 'encourage local uptake and engagement with the scheme to support and promote inclusive growth and local economic recovery from the Coronavirus pandemic'. To confirm the participation of the Council in this scheme, Local Authorities are being asked to sign the Scotland Loves Local Gift Card Local Authority Concordat which gives the support of the Council to:
- Use of the Gift Card in the local authority area – in so doing, promoting the sale, use and circulation of gift cards in our local authority area.
  - Promotion of registration and onboarding to the Scotland Loves Local Gift Card scheme amongst outlets, merchants and attractions in the local authority area.
  - Working with STP partners to launch the gift card in our local authority area. STP partners can provide support with communications activities, including provision of launch packs, drafting and distribution of news releases, and local photographer support.
  - Provision of content for a landing page specific to our local authority area to encourage use of the Gift Card in our local authority area. The content required will be our local authority logo and any introductory content we wish to display on the landing page.
- 2.5 As of the 6 October, 18 Local Authorities have committed to the scheme, including East Ayrshire Council and South Ayrshire Council. The design of the scheme means that a number of national chains have committed to taking part in the programme. In line with Community Wealth Building aims, the Council would wish to see wealth retained locally through spend in local SMEs, social enterprises and wider forms of plural ownership models and would emphasise that aspect in any local promotion. As outlined above, STP have requested that Local Authorities utilise their networks to engage with businesses within their area to sign up to the scheme and there will be a requirement from the Economic Development and Regeneration and Communications

services to deliver a campaign targeting local businesses for inclusion. This would be delivered primarily through the Council's social media channels and business advisor promotion as part of the wider package of ongoing business engagement and support. There is already an existing 'ArranCard' gift card scheme operating on the island that can be used in a variety of island businesses including cafes, restaurants, shops and other venues and if the Council's participation is agreed, this scheme would not seek to compete with this existing provision. STP have noted that the gift card does not necessarily need to be used purely for gifting and Local Authorities may wish to utilise their individual programme to meet wider local priorities.

- 2.6 As part of the wider Community Wealth Building strategy and to support local economic recovery, the Council launched a 'Keep it Local' campaign in 2020. This marketing campaign ran from July 2020 – September 2020 and again in April 2021 – May 2021 and focused on 'shop and visit local' but also expanded to include local employment and investment to promote the Community Wealth Building approach. This included a 'Keep it Local' animation and town centre promotional video. Officers are developing options to continue this campaign following the launch of the Community Wealth Building Annual Report in October 2021.

### **3. Proposals**

#### 3.1 That Cabinet:

- a) Notes the update on the Scotland Loves Local Gift Card Scheme;
- b) Approves participation in the scheme for the first year at no financial cost to the Council;
- c) Approves the signing of the Local Authority Concordat.

### **4. Implications/Socio-economic Duty**

#### **Financial**

- 4.1 None. However, if the Council wishes to continue beyond the fully funded first year of the scheme there will be financial implications.

#### **Human Resources**

- 4.2 Existing resourcing will be required to be used within Economic Development and Regeneration and Communications to support the campaign.

#### **Legal**

- 4.3 None. However, if the Council wishes to continue beyond the fully funded first year of the scheme there may be legal implications.

#### **Equality/Socio-economic**

- 4.4 STP state that the primary objective of the Scotland Loves Local Gift Card is to encourage consumers to spend money locally – in turn supporting local businesses that are recovering from the impact of the Covid-19 restrictions.

## **Environmental and Sustainability**

4.5 None.

## **Key Priorities**

4.6 The report covers information relevant to the following Council Plan priorities:

- North Ayrshire has an inclusive, growing and enterprising economy

## **Community Wealth Building**

4.7 In line with Community Wealth Building aims, the Council wishes to see wealth retained locally through spend in local SMEs, social enterprises and wider forms of plural ownership models.

## **5. Consultation**

5.1 Engagement has taken place with Scotland's Towns Partnership. The SLL Gift Card Scheme has been considered by the COSLA Environment and Economy Board.

Russell McCutcheon  
Executive Director (Place)

For further information please contact **Caitriona McAuley, Head of Service – Economic Development and Regeneration**, on **01294 324257**.

## **Background Papers**

Appendix 1 - Scotland Loves Local Gift Card Local Authority Concordat

# Appendix 1 – Scotland Loves Local Gift Card Local Authority Concordat

## SCOTLAND LOVES LOCAL GIFT CARD

### LOCAL AUTHORITY CONCORDAT

By participating in the Scotland Loves Local Gift Card initiative, Scottish local authorities can help businesses in their region unlock a new level of local spending – one which we believe will be important in helping businesses both recover from the impact of the coronavirus pandemic, and which will build for a future that has localism at its heart.

To confirm the participation of your local authority in the scheme, please complete the details in this form and refer to the terms of engagement and business below.

**Name of Local Authority:**

**Lead Economic Development Officer:**

- Name
  
- Phone
  
- Email

**Lead operational contact (if different from Economic Development Officer):**

- Name
  
- Phone
  
- Email

**Lead communications contact:**

- Name
  
- Phone
  
- Email

If it would be useful for Scotland Loves Local to provide a briefing for councillors within your local authority on the scheme and rollout, please tick here:

**Terms of engagement**

By participating in the Scotland Loves Local Gift Card, your local authority is agreeing to:

1. Support the use of the Gift Card in the local authority area - in so doing, allowing the sale, use and circulation of gift cards in your local authority area.
2. Promote registration and onboarding to the Scotland Loves Local Gift Card scheme amongst outlets, merchants and attractions in the local authority area.
3. Work with our partners to launch the gift card in your local authority area. Our partners can provide support with communications activities, including provision of launch packs, drafting and distribution of news releases, and local photographer support.
4. Provide content for a landing page specific to your local authority area to encourage use of the Gift Card in your local authority area. The content required will be your local authority logo and any introductory content you wish to display on the landing page.

**Terms of business**

All production and fulfillment of the product, as well as merchant and customer care, will be managed by Scotland's Towns Partnership and our partners Miconex, who are experienced providers of town and city gift cards.

Year one of the scheme is free of charge. 5,000 Gift Cards unique to your local authority area will be produced upon launch of the scheme. There are no initial setup costs for local authorities to become part of the Scotland Loves Local scheme. These are being met with the support of the Scottish Government.

However, should there be demand for more than 5,000 Gift Cards within your local authority area, Miconex will facilitate orders of supplementary cards. Costs will depend on the size of the order, but a minimum order will be 5,000 cards at a cost of £4,500.

Should your local authority wish to remain within the scheme after year one of the scheme, there will be a nominal fee to continue within the scheme from year two onwards amounting to £600/month plus printing costs for the Gift Cards. This fee encompasses participation in the scheme, fulfillment, promotion, e-commerce and platform access.

If your local authority does not wish to participate in the scheme after year one, we politely request a minimum of three months' notice, by email to: leigh@mi-cnx.com

**Signed:**

**Date:**