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The Rise and Fall of the Bristol Pound. An Exploration of the Learnings from Bristol's Eponymous Currency

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ABSTRACT:

Bristol Pound became one of the best-known, largest, and longest-running community currencies in Europe. Yet behind that apparent success story, there were many issues that undermined its ability to become financially viable without grant funding. The lack of financial viability limited the Bristol Pound's potential to create significant impacts on the local economy. Despite this, Bristol Pound gained a global reputation and inspired many to try to replicate its achievements. We seek to answer the question: How and why was the Bristol Pound CIC changing into Bristol Pay CIC? We present a case study of the Bristol Pound, exploring its functionality and results, and drawing out the key learnings that needed to be addressed by Bristol Pay CIC, its proposed successor. That successor was primed for implementation, but full operational implementation ultimately was not realised due to a lack of funding. Our analysis looks at a Community Interest Company and the institutional environmental factors that affected its success as an early innovator in digital payments. We here outline the novel approaches to influencing economic perceptions and social norms that were to be the focus of Bristol Pay.

KEYWORDS:

Transition town; digital money; community currency; near money; business sector

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1. INTRODUCTION

The local currency movement has for many years worked to create economic interventions to correct the functioning of local economies to reduce environmental harms and build community capital (Kennedy et al. 2012a; Rogers 2013). Bristol Pound (hereafter £B) was one such currency (Marshall and O'Neill 2018, see Box 1 for our view of that paper), operational from 2012-2021. In its early years, £B became the largest UK local currency, both in terms of numbers of users (Gilbert and Kenny (2014) reported 1,600 £B account holders and 600 business users) and quantity of money, over a million £B issued and over 700,000 £B in circulation (Hickey 2015). It, along with the Brixton Pound, which used the same technology (Bindewald and Steed 2015), was one of the first local currencies to offer digital and paper money. It was the first local currency in the world accepted as payment for local taxes.

Bristol Pound was similar to several "transition town pounds" (Gilbert and Kenny 2014; Kennedy et al. 2012b; Naqvi and Southgate 2013). These currencies developed in various towns and cities across Britain in the first two decades of the 21st century as part of the Transition Town movement, which seeks to empower local communities and reduce environmental harms (Aiken 2012). The first to be introduced was the Totnes Pound in 2007 (Morris 2007) and the last to be used was the Lewes Pound in 2025 (Cockburn 2025). Town pounds were special purpose monies with restrictions on how they could be spent. They could only be spent with members of their particular scheme. The £B was thus a special purpose money, locally restricted and limited to use with Bristol-based traders. Membership, like a credit union (McKillop et al. 2011), was in principle only open to those meeting various membership criteria based on size and location. Bristol Pound Community Interest Company (hereafter B£CIC) had intended the £B currency would be eventually used across all parts of Bristol and by people of all economic means.

By early 2019 research from the School of Management at the University of Bristol, was making B£CIC aware of specific problems with the model for the £B local currency for the business sector (Sealy 2019), and work started on thinking about how the organisation could develop a different approach. Clearly the organisation's mission of creating a more environmentally sustainable, equable, and resilient local economy was still relevant, but the method of achieving this through a local currency in the Bristolian context was shown as not viable as a business operation and had not achieved the scale of impact hoped for. (N.B., we do not claim that: No community currency scheme is viable. See September and Kobayashi (2022) for details of economically and socially durable examples in Japan).

Currently, an academic and systematic documentation of the latter experience of the Bristol Pound and the attempted transition to Bristol Pay is felt to be lacking (Gregory 2024), yet academics, policy-makers, and other community currency schemes could learn much from the experience of B£CIC and the data within this paper. Here we look at the impacts of the £B, and the reasons for its inability to become viable as a business in its own right.

Box 1: Evaluation of Marshall and O'Neill's 2018 paper on the Bristol Pound Scheme

We are glad that their paper was published. However, it appears that it was somewhat futuristic, and although dated 2018 was based on research carried out in July 2015. Thus, it fails to correctly represent the way Bristol Pound CIC manifested. We here give some corrections based on our experiences with Bristol Pound.

The paper refers to the Digipay funding, which was largely concerned with adding a mutual credit currency (to be called Bristol Prospects) to the existing convertible local currency (CLC). Whilst much development work was undertaken thanks to the Digipay funding, it should be noted that the mutual credit offer failed to take off.

The paper says that the area in which the Bristol Pound circulated was across the counties that used to be Avon. Whilst in the original plans, that was postulated, and the name of the company was originally The Bristol and Bath Local Currency Scheme CIC, this plan was dropped. The scheme rules focused on the BS postcode region, and the population of the greater Bristol area at the time was ~650,000, with population of the area covered by Bristol City Council ~450,000 (ONS 2023). At its peak, there were ~1,300 individual members, being about 0.2% of the population. However, closer analysis of the data shows that only about 10% of members used the currency in any given month. It is therefore more accurate to put the number of individual users of the currency at 0.02% of the population.

Marshall and O'Neill refer to 'surplus profits' being generated and distributed to the active scheme members. This is completely incorrect. First, no surpluses were ever generated. Had they been, there was nothing in the rules or constitution to lead to distribution of those profits to scheme members. The operation was not set up as a cooperative, a company form that gives members a financial stake in any surpluses, but rather as a CIC without share capital.

The paper expresses the argument that Bristol Credit Union (BCU)'s administration of the scheme could extend the use of £B to a more diverse demographic than previous local currency projects. In reality this was not shown to happen. On the contrary, the demographic of BCU members was shifted to include more comparatively affluent people. This was always predicted by James Berry, the CEO of BCU (Finch 2024). As the authors point out, no benefits nor universal basic income were given out in the currency. This is likely to be the only way that the currency use would have significantly spread to a broader demographic.

The authors of the paper share their scepticism about the £B being ecological because of its lack of alignment to degrowth. Whilst this is true, it should be noted that degrowth was not part of the aims of the Bristol Pound. From the outset, the aim was to grow Bristol's economy, but to do this by focusing on the endogenous local economy. Similarly, the authors look at how effectively material flow was localised, when this was not the key aim of the project. Rather, the £B founders sought to localise financial flow, with the only environmental aim being to reduce CO_2 emissions by reducing transportation. Whilst this is clearly aligned to the localisation of material flow, it is not the same driving principle. Regardless of the principle, it is certainly the case that there is no evidence that transportation of goods into the city was reduced by the scheme.

It should be noted that one of the experts who fed into the paper was Mark Burton, who was heavily involved as a volunteer and member of staff both before and after the period of research. This potential lack of impartiality is not mentioned by the authors.

The authors find little evidence of procurement decisions in favour of localisation. However, it is worth noting that the 2019 analysis of all business-to-business digital transaction data (Thurstain-Goodwin 2020) shows that the connections between business members was not maximised until 2016, at which point all businesses were trading with at least one other business member. That said, it is the case that it cannot be shown that these were new trading connections. It may be that previously existing trading connections were made visible by the circulation of the currency.

Conversations with business members indicated that most were reluctant to change their suppliers on the basis of currency use, and were somewhat reluctant to recommend joining the currency scheme to those of their suppliers who were eligible to join. Meanwhile, in terms of Bristol City Council (BCC)'s procurement using the currency, overall the transaction data showed that BCC spent more in £Bs than it received in council tax and business rates, thanks to the refurbishment of City Hall, undertaken by Alec French Architects (who were paid in £Bs). BCC was not able to award contracts on the basis of £B use, as this would have been in contravention of EU laws in operation at the time, which were aimed at encouraging free trade and open competition.

2. METHODS

Our methodology is based on a mixed-method approach, which includes:

Firstly, B£CIC surveys of business and individual users. B£CIC used semi-structured questionnaires and guided interviews to capture data. For Bristol Pay implementation, Bristol Pay Community Interest Company (hereafter BPCIC) surveyed various local businesses (former members and non-members) on their attitudes towards the proposed payment methods. This surveying was conducted as part of normal customer service relationships which took place when visiting Cashpoints (where physical currency operations took place) and other meetings with business members, which tended to be unstructured, yet focused on understanding perspectives, rather than idle chats where casual observations might be made such as at a coffee klatch.

Secondly, secondary data collection. Econometric data, from the operation of the £B, with a sufficient market capitalization and time-series thus making it realistic to consider technological transfer to other comparable sized cities. For the digital money, the ownership of transaction data remained with Bristol Credit Union (BCU), and for regulatory reasons of data protection, financial security, and customer protection, was not freely available to us. Most data we used is therefore aggregated, with limited scope for analysis. However, in 2019 BCU gave Thurstain-Goodwin of Geofutures Limited access to the data for research purposes, on condition that any results were fully anonymised (Thurstain-Goodwin 2020). Some of the data presented derives from his analysis.

Thirdly, experiential knowledge of the leaders of B£CIC and BPCIC. The second author (Finch) is a participant observer as she was managing B£CIC, subsequently renamed BPCIC, and carried out interviews as part of her role. Our data is generalizable. Our innovative field-based approach is linked with common business practices, not a limited academic study, pilot nor prototype.

This paper is not about those practices, though we have consulted the literature and think that there is a good fit to the idea of describing the leadership and this approach as "intellectual leadership" (Meredith et al. 2021, 97; Galvin et al. 2014). This categorization, from the competency school of leadership style, manifested from Finch being recruited by the board of B£CIC to carry out a strategic perspective based on critical analysis and judgment. These areas of competence were thus emphasised over the "emotional" or "managerial" areas of competence. Finch says "my leadership had a focus on fact finding and critical analysis. The organisation was in the midst of a decline when I joined - my role really was to try to save it - to discover what was going wrong and try to fix it".

Finch sought out scholarly connections and approaches via RAMICS, academic conference attendance with seminar discussions and where possible academic experts to help her appraise vision and imagination. With this approach in mind, we here look at actual implementation in a social system. Both: academic audiences, for heterodox economic theory development; and practitioners, for implementation purposes can learn wisdom from a working case. Thus, we give a thick description (Geertz 1973) of the milieu in which B£CIC operated.

These three methods combine to provide in-depth learning and understanding of what £B achieved, where it was less successful, and finally to explore the time of transition and how the planned new model would have been different.

We present our results as a case study (Yin 2018) of the now closed £B currency and early research which was done to support the design of Bristol Pay. The intention of Bristol Pay was to carry out action research (Lagae 2012; McNiff 2013) as a pilot in partnership with Bristol Payji (https://bristolpayji.com/about), a new platform, with some local service providers and charities (see Petz and Finch 2022 for details). These developments were informed by an analysis of nudge economics (Sunstein and Thaler 2021). Contemporary functioning reputational schemes were surveyed too. Market analysis and population surveying within the cultural milieu of Bristol targeted for behavioural change were carried out. These researches inform this paper.

There are data limitations:

Neither B£CIC nor BPCIC conducted any detailed or systematic academic research regarding attitudes to tokens, though this was planned as part of the development and implementation co-creation process. BPCIC has, however, explored the ideas around tokens through conversations with potential partners and surveyed businesses using the Bristol Pound on potential payment methods (cf. Petz and Finch 2022). No detailed white paper was written for Bristol Pay outlining how it would operate financially, technically and in terms of regulatory requirements (See Finch (2022) for the City Pay White Paper, which was the generalised format Bristol Pay was to be based on). Though this limited market research was done on the proposed payment method, it was not done on the tokens, which were non-market and generally non-exchangeable tokens. Only a conceptual exploration was carried out on the tokens.

For the paper money (hereafter £B-notes), which operated as vouchers from a regulatory perspective and thus fell outside UK financial regulation[1] (Naqvi and Southgate 2013), detailed analysis is impossible, as the only points at which data were captured were at the point of sale of £B-notes, and the point of traders 'paying in' any £B-notes received to their digital £B account. As such, we cannot know to what extent businesses may have used £B-notes in purchase transactions (although data was available for digital business to business transactions).

As some traders accepting the £B-notes had no digital account, and some businesses gave £B-notes to staff to repay expenses or in wage-payment, the journey of each 'paid in' £B-note might have included more than one purchase transaction. The following data, makes the overly conservative assumption that each £B-note 'paid in' was transacted only once.

3. RESULTS

3.1. Background

Bristol is a city of ~472,500 people (ONS 2023), within a wider built-up area known as Greater Bristol of ~670,300 (Mills and Legg 2021). "Bristol is a very diverse city socially, economically and culturally with areas of great wealth and deprivation" (Collier 2014). Despite being a city with a Gross Value Added (GVA) per capita placing Bristol City

Council in the top 15% of local authorities in the UK (see ONS (2022) for GVA estimations), it is in the bottom 30% of local authorities in England and Wales considering income deprivation.

Nevertheless, £B was created, with more of an environmental aim than a poverty-fighting one. Yet the mechanism envisioned was one of strengthening local supply chains and thus stimulating the local economy, which would have a positive impact on fighting poverty and social exclusion. The aim of localising supply chains drew directly from the Transition Town movement (Barnes 2015). The founders designed the currency to encourage individuals to favour independent retailers and businesses, and in turn encourage those businesses to favour other local businesses in their supply chains (see Finch 2024, Chapter 2: Bristol Pound, The Early Days). This was expected to:

- reduce CO_2 emissions, via reducing long distance transportation of goods
- increase turnover of local businesses, in turn creating profits locally that would be reinvested in growing local businesses
- create closer, mutually supportive relationships between local businesses, in turn creating more resilience in the sector
- encourage diversity and plurality in the local economy, helping make the local economy as a whole less affected by changes in global markets

A key theory underpinning this approach, based on stimulating local economic development, was the multiplier effect (Domański and Gwosdz 2010). Namely, each pound trapped in the local currency would change hands more times locally, enabling greater economic activity, more reinvestment, and more job creation over time than a pound spent in sterling (the pound sterling being the UK's official fiat currency), which would be likely to leave the city quickly. The velocity of the currency (de la Rosa and Stodder 2015), being the ratio of expenditure to balances held, was seen as a key metric used to determine whether this effect was being achieved. These ideas around the "velocity of circulation of the money" (Douthwaite 1999, 22) were well known in the milieu of community economics in Bristol during the formation of the Bristol Pound. The source of this idea may well have been Douthwaite in his book The Ecology of Money (1999), which was commissioned in Bristol. Though his Short Circuit (1996) and the New Economics Foundation's The Money Trail (Sacks 2002) may have been influential on the milieu neither use the term velocity.

3.2. Institutional environment for the Bristol Pound

Bristol Pound was incorporated as The Bristol and Bath Local Currency Scheme CIC, a Community Interest Company (CIC) limited by guarantee in 2010. The CIC has developed as a legal form (CIC Regulator 2024(2016); Reiser 2013; Michael 2005) to support the creation of social enterprises, and organisations created specifically to address social and environmental issues in defined communities, with variable proportions of grant and earned income. Companies, including CICs, that put a social or environmental purpose ahead of creating a return on investment for shareholders are frequently referred to as 'purpose driven' in the UK (Gartenberg 2022; Quinn and Thakor 2019).

From the outset, it was recognised that grant-funding would be needed to develop the currency and technology, and to cover the operational and marketing costs. Initially this was made difficult by the lack of any track record, but trusts and foundations such as the Tudor Trust did provide grants from an early stage. Once the currency was running, there was a different problem, which is that it was difficult to attract funders to support a by then existing project. As a result, ongoing funding applications tended to focus on new areas of work.

The creation of a mutual credit scheme, which the founders had originally hoped to launch at the same time as the £B, was a key focus for funding, first attracting funding as part of the EU funded DigiPay programme, and later from Partners for a New Economy. Other smaller subsidiary projects that were funded included the creation of a network to share learnings and technological solutions with other Town Pounds, and the creation of a food cooperative network (Real Economy Co-operative Limited) operating within the Bristol Pound scheme (see Gutherie et al. 2006 for more on real food). As such, much of the grant money was not really given to run the Bristol Pound currency operations, even though the currency was effectively being supported by these funds.

For an exploration of the resultant tensions from these funding pressures and other problematic operational aspects of B£CIC see Finch (2024). In total over £1.2 million of funding was received over an eight-year period, broken down as follows: 13% Bristol City Council, 5% central government 24% EU and 58% a variety of trusts and foundations both in the UK and overseas. Despite the funding for mutual credit, this project failed to gain traction. In 2019 it became apparent the only potential route for the organisation to raise the funds necessary to save itself was to develop a totally new approach that might stand both a better chance of raising initial funding and becoming financially viable in the longer term.

3.3. Operation of scheme

All £B digital transactions were part of the mainstream market economy, and were recorded, reported, and taxed in the same way as any other business income. It was intended that all voucher transactions should be part of the mainstream economy. However, it is possible casual or illicit exchanges were taking place; research suggests some usage around illegal drugs (Bowdler et al. 2020).

There were two classes of membership in the £B scheme: individual and business. Individual members had to either live or work in the BS postcode area. Members had to be aged 18 or older and so young people who might more readily adopt new ways were excluded. Businesses had to be registered with Companies House as located in Bristol or operate mainly in the BS postcode area. Exceptions were included for strategic reasons, e.g., FirstGroup Plc the main provider of bus services in Bristol.

Both individuals and businesses could transfer money from their sterling bank accounts with a reference number into their £B (BCU) account through normal banking functionality, although in practice it was mainly individuals who did this and, in this way, acted as the liquidity pump into both the £B scheme and crucially the local economic system. Both individuals and businesses could extract money from their £B account to a sterling account associated with the account, but in practice unspent balances largely remained as deposits.

In common with other town pound currencies, £B-notes were representative money, and like cheques (Vines et al. 2012; Hamilton 2002; Geva 2016), each one issued represented a fixed amount of real fiat money[2]. £B-notes were backed with and were redeemable by businesses (and by individuals in the event of the scheme closing) for that fiat money which was pounds sterling on a denominational basis of 1£B:1pound sterling.

That backed money was in a separate trust account held in a ring-fenced account, not part of the B£CIC balance sheet (so the money could not be seized to pay any debts from B£CIC in the event of bankruptcy). Basically, each time the spreadsheet was updated from topping up Cashpoints, B£CIC knew the value of paper £B in circulation and transferred equivalent money in pounds sterling to that trust account held by BCU. Triodos Bank held Bristol Pound CIC's own bank accounts. Triodos allowed the free use of a function room, might subsidise refreshments at joint events, but did not give any money either as a loan or grant to B£CIC or BPCIC.

Notably, The Bank of England do not like the £B paper local currency (Figure 1) to be referred to as notes[3], they see this as potentially confusing what they regard as vouchers (any town pound currency) with banknotes (which to them are any fiat, and in particular, pound sterling note issued as a banknote according to the Banking Act 2009) which could under some circumstances undermine pounds sterling or the macroeconomy. They are also not keen on the idea of Bristol Pounds (or any local currency) being referred to as money – again as there is a potential for consumer loss of faith in fiat currency (Naqvi and Southgate 2013).

B£CIC offered (though due to regulatory reasons some of the operations – particularly the e-money – at times were handled by Bristol Credit Union) both e-money (initially online and via SMS (known as Text2Pay)[4], with the app being added later) and £B-notes from the start of operations on the 19th of September 2012. It was only the second local currency to achieve having a digital currency after the Brixton Pound, which launched in paper in 2009, and digitally in 2011. It was the first local currency accepted by its local authority, Bristol City Council (BCC), in payment of local taxes and other fees (e.g., rent, library charges).

This was indeed encouraged and promoted by BCC initially, with instructions for how to pay bills in £B included on council tax invoices. Use of the currency was further acknowledged by the council to improve social value (BCC 2021) in its 2019 Social Value Policy; thus, use of the currency could help local businesses to secure contracts through the council's tendering process. This environment led to businesses promoting the £B as part of the National Planning Policy Framework's planning gain, which helps "achieve sustainable development, [whereby] economic, social, and environmental gains are to be sought jointly and simultaneously through the planning system" (Alcorn 2020, 13). Thus, the support of local government was a factor of operational reinforcement (cf. September and Kobayashi 2022 for: i. the support of business evangelists – missing in Bristol's case, and ii. having a designated area for CC use – present in Bristol's case, as other factors of operational reinforcement).

Figure 1a: Series 2012 £B-notes, fronts

Source: Finch 2024, 61

Figure 1b: Series 2015 £B-notes, fronts

Source: Finch 2024, 86

Figure 1c: Series 2018 £B-notes, fronts

Source: Finch 2024, 109

Whilst this level of support from the local council was helpful in generating trust in the currency, it is worth contrasting with the REC currency in Barcelona (Belmonte et al. 2021), which also gave out certain benefits to people living in poverty in the local currency, thus simultaneously addressing needs and preferentially supporting local businesses through this intervention. This meant people living in poverty could participate in the local currency scheme. By contrast in Bristol, people in poverty did not receive benefits in the local currency, meaning any benefits were less likely to be spent in local businesses.

The e-money was hosted on the Cyclos platform (Höllhumer and Trukeschitz 2016). Cyclos was the interface used by all individuals and businesses for the e-money (SMS-gateway for transactions effected to accounts at the BCU) and Cyclos hosted all the transactions. However, B£CIC had to mirror all those made at the BCU, hence the daily batch update process to keep BCU records in line with Cyclos. There was some movement the other way, in that people moving money into and out of their accounts at the BCU also had to be reflected in Cyclos. But Cyclos was the payment engine.

The digital money, as it represented fiat currency and was used by consumers as well as businesses, fell within a regulated area of activity. The digital money attracted regulation because a) it was real money and b) consumers were involved. B£CIC could have avoided regulations if they had kept it B2B only, or said it was mutual credit. One way around the consumer law was if B£CIC said that it wasn't real money, but rather membership tokens representing shares like in a cooperative (which the Social Trade Organisation (STRO) who made Cyclos advocated). But it was B£CIC's decision to make it as easy and money-like as possible; the bigger goal being to get the Bristol City Council to endorse and use it, which meant compliance with regulation as an instrumental means of achieving trustability.

As the Cyclos platform had not achieved a recognised regulatory status in the UK, B£CIC had to select another organisation in the UK to provide the desired regulatory oversight. Had B£CIC bought in e-money services (which basically didn't exist then), the payment platform would have been regulated. That would have made things so much easier. B£CIC couldn't get BCU to develop a payment platform from scratch. Instead, an off the shelf payment platform, that was designed for community transactions was chosen, which then had to bolt on a back end to achieve regulation.

When the e-money was first being designed, the Electronic Money Institution (EMI) regulatory framework (enacted 2011) did not exist[5] (FCA 2017). Had B£CIC been creating the currency a few years later, other options would have been available to simplify the technical architecture, allow real-time transactions and enable B£CIC to use data to manage the network more effectively. Both regulatory and technological capabilities were recognised as needed once the scheme was running and eventually provided the push to move to Bristol Pay.

Later there was an option of B£CIC becoming a regulated entity, as a small electronic money institution (SEMI). That was for some time the next big step in the plan, but eventually dropped as the starting point to become a SEMI was too great; it would have taken at least £50 000 in legal fees etcetera to jump through the hurdles to regulation, and then have needed an ongoing internal compliance function. There was also the need to see contingency money in a bank account. All this was beyond B£CIC.

To get regulatory compliance B£CIC had to buy in the regulation. A similar situation existed with the Payments Systems Regulator. While a report had called for a regulator in 2000 (Cruickshank 2000) it was only operationalised in 2015 (PSR 2025). Consequently, B£CIC chose to partner with the Bristol Credit Union (BCU), mainly because both organisations were committed to serving the local community and were purpose-driven organisations.

Importantly, BCU was the regulated entity for the currency (strictly there were 3 currencies: 1. £Sterling; 2. £B of paper and 3. £B e-money. As deposit accounts also count as money in the Bank of England's eyes it could be said there were 4. - particularly 1 and 4 required strict financial regulation). This regulatory status meant that within the regulatory framework, BCU were not permitted to share transaction data with B£CIC. What was provided to B£CIC was a weekly summary report, showing transaction numbers and values split by individual / business member status and by payment type, as well as overall account balances held by individual and business members.

Figure 2: Skit £1B-note

Source: Finch 2025, this paper

This lack of transparency made it impossible for B£CIC to effectively intervene to manage the scheme: for example, by contacting businesses receiving £B-notes in payment for goods and services, but not spending forward those £B-notes in their supply chains; or by promoting businesses who were the most connected and active nodes in the business to business (B2B) network.

In 2018 a smartphone payment app developed by Scott Logic was introduced, offering a simpler and more stable method of payment for retail and hospitality customers than text messages. The app contained a map, making it easy to search and locate participating businesses. The app was upgraded about a year later to automate Know-Your-Customer checking, to streamline the onboarding process for new individual members.

The £B-notes were produced on a three-year cycle. The 2012 series (Figure 1a) expired in 2015, the 2015 series (Figure 1b) in 2018; and the third final series were printed in 2018 (Figure 1c) and expired September 2021. The number of notes varied with each print run, increasing in 2015, and reducing in 2018. The proportion of £B1 notes increased at each print run. In 2018, 54,000 notes were printed, of which 35,000 were £B1 notes.

When people bought £B-notes from a business offering exchange services (known as Bristol Pound Cashpoints), the sterling funds would be collected by B£CIC staff and banked to a trust account (held at Triodos Bank) that did not form part of B£CIC's balance sheet. When businesses 'paid in' £B-notes at a 'Cashpoint', an SMS text would be sent automating a transfer from the trust account to their £B digital account.

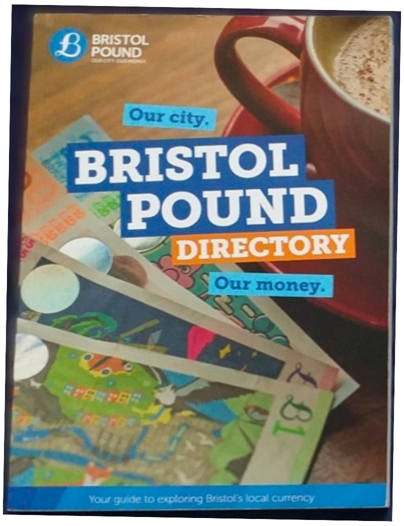
Individuals with digital £B accounts could 'take out' funds from their account at Cashpoints in the form of £B-notes, again via an SMS instruction. A separate trust account was set up for each issue of £B-notes. Three months after the expiry of the notes, funds remaining in the trust account would be transferred to the B£CIC's sterling account and treated as income[6].

The amount of staff time spent visiting Cashpoints (delivering £B-notes, picking-up sterling and reconciling their floats) and reconciling records of £B-notes in circulation against the trust account, was significant, representing about 22 hours per week. Producing the £B-notes was costly, at over £10,000 per issue due to counterfeiting prevention. See Gómez and Dini (2016) for how a large community currency scheme can be undermined by counterfeiting. At least one skit note, of the first series, a 1 £B-note has been found (Figure 2), though there is no evidence of any counterfeiting examples. The history of this skit note is not known. Though the artivist Banksy is from Bristol and has made skit notes (Addley 2019) we know of no connection between him and this note.

3.4. *Membership*

At the height of operations, ~630 business members had digital accounts, a further ~200 stated they accepted £B-notes but did not have a digital account.

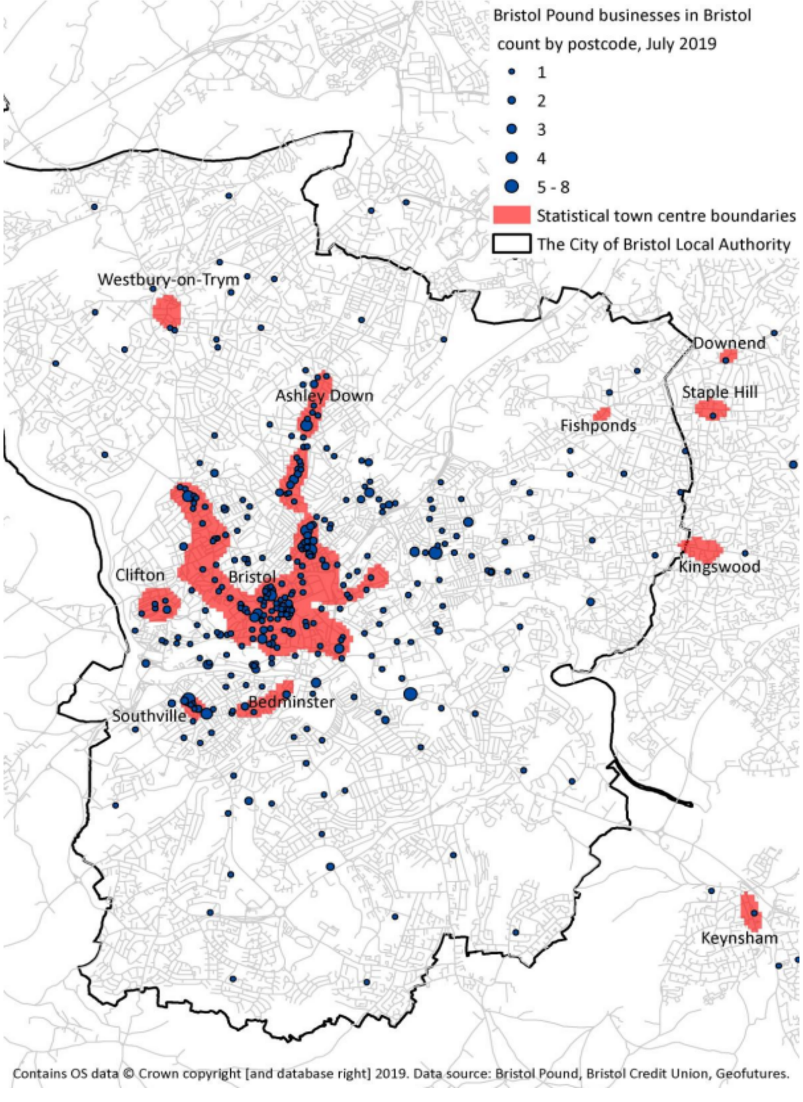
Figure 3: Bristol Pound Directory, Source: Finch 2025, this paper



Based on complaints received by B£CIC, many of them did not actually accept the £B currency. Whilst in some cases non-acceptance was found to be due to staff error, in many cases it seemed those businesses had little intention of using the currency, but were keen to be included in the Bristol Pound Directory (Figure 3) and on the website for marketing purposes and so were effectively free-riding on the £B community of users. See Nakazato and Lim (2016) for a discussion of free riders in community currency schemes.

After 2016, the number of participating businesses gradually declined. A breakdown of business members by location (Figure 4) shows most businesses were in the less affluent areas of the city. Business membership was unequally distributed across the city, with many clustered in North Street (BS3), and Gloucester Road (BS7).

Figure 4: The location of Bristol Pound accepting businesses relative to town centres



Source: Thurstain-Goodwin 2020, 7

The business membership, whilst broad in nature, was found "to include more accommodation, food service, wholesale and retail trade, arts, entertainment and recreation and manufacturing businesses than average. In addition, businesses are less represented in construction, transport, storage, information and communication, financial and real estate" (Thurstain-Goodwin 2020, 10). The majority were small and micro businesses, with 35% of members unincorporated self-employed operators. Individual membership grew quickly for the first 3 years. Afterwards, growth in membership continued at a slower rate. A B£CIC survey in 2014, n=204 suggests 82% were graduates, 77% were professional managers, 37% had household incomes exceeding £2000 per month. 89% self-described as White British (11% higher than the local population). Interestingly, whilst there is no comparable data for Bristol's population, individual members were concerned about the social value of their work; 58% said the social importance of their work was very important, and a further 34% that it was fairly important.

3.5. Transactions and usage

Transaction levels grew strongly in the first three years of the project. The currency was initially seen as highly successful, thanks to its quick growth in membership and the volume of transactions, both of which significantly outstripped other UK local currencies, and similar currency schemes around the world.

Typically, in any given month, ~10% of members made payments on the system. However, from 2016 onwards there was an ongoing decline in individuals' usage of the currency for payments. The percentage of members who used the system at all in the preceding 12 months decreased steadily, according to summary transaction data reports provided by BCU, from 44%, in August 2016, to <33% at the end of the digital scheme in August 2020.

Meanwhile. despite the 2016 consumer decline business payments continued increasing, reaching a peak in 2018. In March and April 2018, summarised data suggests a small number of larger-than-usual payments occurred, creating one peak in the data. Similarly in the autumn of 2018, there was an attempt to contact all business members, reminding them of the aim to re-spend £B in their supply chain, and this resulted in a temporary boost to B2B transactions. It should be noted, however, that the number of active business members was declining over this period, and by 2017 the network of business members as evidenced by Thurstain-Goodwin was already fragmenting (Figure 5).

Of all transactions, the board considered the B2B subset of all transactions as a key metric, providing an indicator of how well the currency was recirculating. A further important metric was velocity, being the ratio of transactions over a specific period to balance levels, providing an indication of how effectively the currency was enabling a local multiplier effect.

3.6. Behavioural changes

In the summer of 2019, B£CIC board undertook a survey of individuals and businesses by sending out a questionnaire to all members (2 slightly different questionnaires: one for business members, and another for individual members) to see if use of the currency changed people's awareness of and behaviour in relation to their wider social and environmental impact. Response rates were low, ~6.7% for individuals and ~2.1% for businesses.

When businesses were asked: Has your membership with Bristol Pound encouraged you to consider the fairness, environmental sustainability, and stability of the economy more?, 58% reported it had; 92% had taken at least one other action to improve their own impact as a business, such as changing how they chose suppliers (75%), changing personnel-related policies (42%), changing energy supplier (50%) or changing bank account (17%).

When individuals were asked: How much did you shop with local independent businesses before joining the Bristol Pound compared with after?, 61% reported shopping quite a lot at such shops before using the £B compared with 73% after, an increase of 12%. However, the wider effects of using the currency were more notable. 81% of respondents reported they thought more about the sustainability and fairness of the economy since using the currency.

When asked specifically: What else have you changed since using the £B to improve your personal impact?, 78% reported they changed what brands they bought, 77% switched energy provider, 73% changed how or where they shopped, 53% were buying more second-hand goods, 43% changed their banking provider 28% had begun producing their own food, and 8% changed their pension provider. It should be noted that these changes may not have been caused by their use of the £B; it might be that changes in members' behaviour, whilst correlating with their use of the £B, is attributable to other influences.

4. ANALYSIS

On closer examination, the key metrics of velocity and levels of B2B transactions suggest the growth in membership and money held within the system did not deliver the expected increase in velocity. Changes in how data was reported from the BCU mean there is no reliable comparable velocity calculation which can be used throughout the life of the currency. However, from September 2016 onwards, the steady decline in the velocity of the currency is apparent, dropping from 1.79 in 2016-17 to 1.59 in 2019-20. The velocity was calculated using internal £B records, along with other key performance indicators, for the 6-weekly board meetings by Finch.

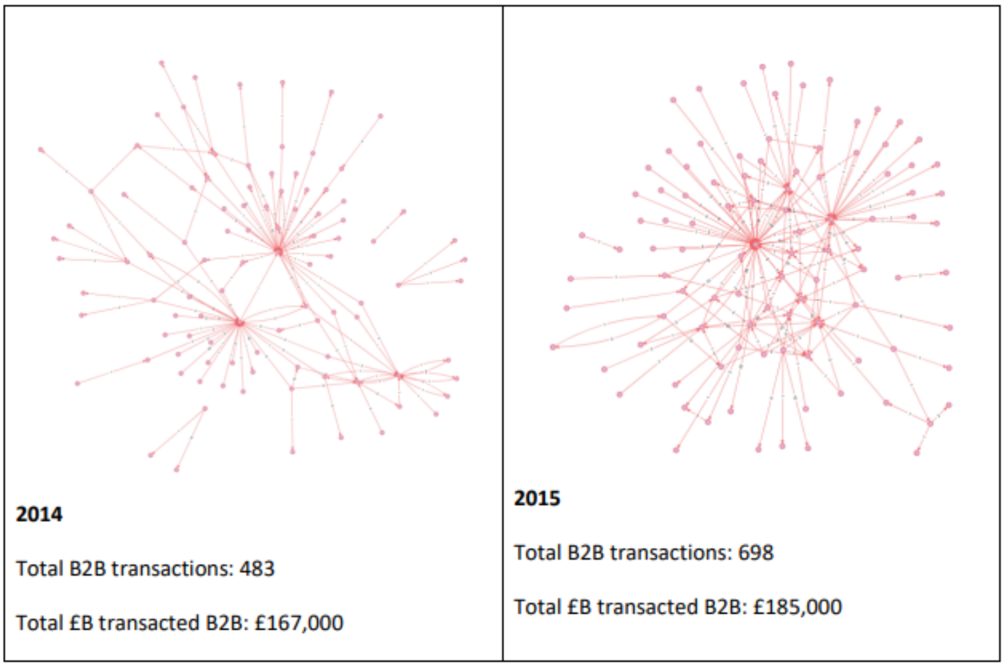
It is difficult to attribute the start of the decline to any single cause. In May 2016, there was a change in the political administration of the city, with the independent mayor, George Ferguson, first elected in 2012, being replaced. The new Labour administration was quick to criticise many of Ferguson's policies and to distance itself from projects he had openly supported, including the £B. The Labour administration, rather than championing small local businesses, were keen to attract inward investment from big business, and to portray Bristol as a global player. Alongside this, the Bristol Pound benefited from a promotional boost from 2012 to 2015 as B£CIC was a partner in Bristol's successful bid to be European Green Capital 2015, and this effect faded away with the end of the city's year in the limelight.

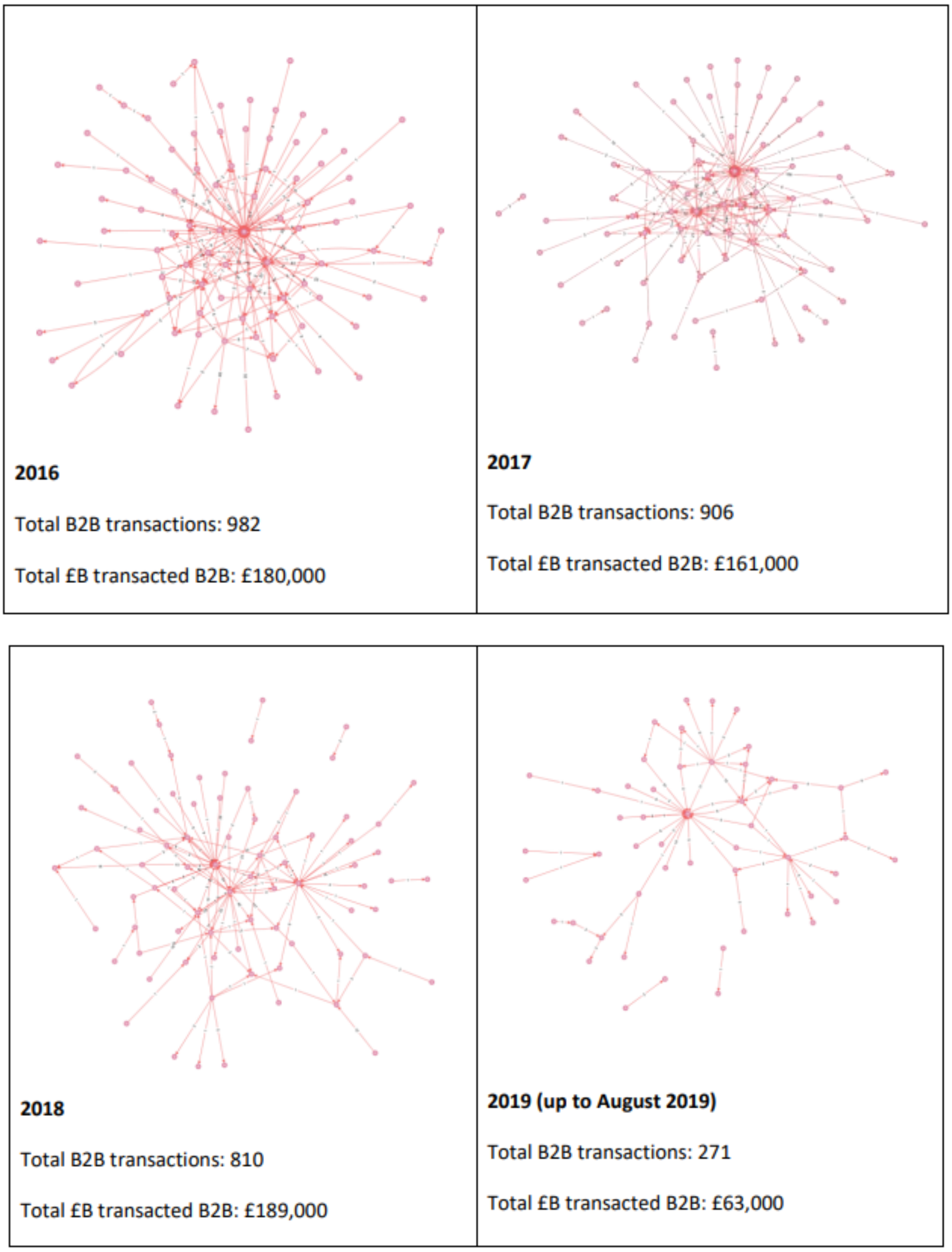
There were broader external reasons for the decline. When the £B was launched in September 2012, there was a certain novelty factor in being able to pay using a phone, albeit using rather clunky SMS texts. In October 2014, Apple Pay was launched, enabling contactless payments using a mobile phone, and starting a whole new era of frictionless smartphone payments. Against this competition, the £B was no longer new and exciting, but old-fashioned and slow.

The likely biggest cause of the decline was the start of a gradual attrition of member businesses. Businesses had often joined the £B to gain a marketing boost, increase footfall and turnover from membership. In reality, they generally reported (through regular customer service meetings with business members) attracting few new customers due to the scheme, rather than new customers some existing customers changed their payment method to £B. Meanwhile, accepting £B as a payment method created burdens:

- additional staff training
- slower processing of customers at checkout
- till reconciliation complexity
- cash flow and banking management complexity

Figure 5: Transaction webs over time





Source: Thurstain-Goodwin 2020, 15-18

The analysis of B2B transactions undertaken by Thurstain-Goodwin (2020) demonstrated the development over time of a trading network (Figure 5). In the first year of operations, many businesses were connected to only one other business, and with no connectivity to the wider network. However, by year three, all businesses were connected to the network. Key nodes gradually emerged that were vital in creating this coherent network. However, from 2017 on, the network started fragmenting again as some key nodes stopped participating.

Feedback gathered in research into what services were needed by businesses (Sealy 2019) showed that the currency itself was not a service that helped SMEs. Sealy's research, which included both member and non-member businesses, uncovered 3 main service areas that SMEs would value:

- assistance with marketing (through publicity and events)
- more effective networking (primarily to help lead-generation)
- business support services

B£CIC did start developing services along these lines in the summer of 2019, but this had no significant effect on transaction levels, though business membership grew slightly.

Network analysis showed the most important nodes either provided generic business services or were wholesalers, particularly in the food sector (Thurstain-Goodwin 2020). Indeed, the analysis showed the trading loops emerging in the early years of the operation, were focused primarily on the food economy. Furthermore, these food-related trading loops tended to be resilient, even when B2B currency use was declining.

Maybe much of this connectivity pre-existed or would have developed outside the currency area and was purely made visible (albeit only in this retrospective anonymised analysis) by the currency. However, this visibility had the potential to radically improve the perception of the impact of localisation, and could thus have encouraged more people and businesses to join the scheme or change their purchasing decisions (cf. Krugman (2012) for how optimal currency areas as smaller areas, rather than larger areas, can better serve communities as smaller economies).

5. DISCUSSION

Bristol's business community and customers have been open to fintech innovation in the past, with widespread issuance of coins by businesses in the 19th century (Mays 1978). Product innovations (from paper to digital money) and process innovations (paying by mobile phone) in recent years saw this community alter its behaviour, yet more disruptive innovation is required due to institutional pressures, cultural change and increasing digitalization. Bristol is a more innovative place than many others (see Roper and Bonner 2021; Wells and Harrison 2020; and Hire 2021(2016) for sources and methodologies for innovation assessment in Bristol which support this conclusion).

The pressure of climate change creates a need to persuade consumers and businesses to transition to more localised circles of production and consumption. This vision can be found in the Transition Town Handbook (Hopkins 2008, 112), where peak oil, climate change, and localised resilience building as a response were envisioned in a world wherein "Each town and city now has its own printed currency used by all local businesses and proudly bearing the heads of prominent local historical figures. As part of national government policies to strengthen local economies, government grants and funding for the community are invested in the local currency and local authorities also accept part payment of Council Tax in local currencies. Shops pay part of their business rates and their local suppliers in them." The £B was designed as a tool to encourage localised economic behaviour for SME businesses and ordinary Bristolians very much in line with this Transition Town scenario.

This rationale and purpose were not easily understood nor valued by potential Bristol Pound members. When B£CIC staff engaged with the public at market stalls, festivals or with a clipboard in the street to interest them in joining the scheme, common rebuffs that are direct quotes from what was said were:

'What's in it for me?' People expected to get some kind of loyalty bonus such as percentage discounts in participating shops. Reward schemes, which are a well-known form of customer relationship management by businesses in the UK, give such loyalty bonuses e.g. Nectar Points or Tesco Clubcard (Rowley 2004).

'What difference will it make?' Most did not see their economic activity as having any meaningful impact on the way the economy functioned, and found concepts such as 'local multiplier effect' incomprehensible or unlikely to be achieved.

'I have other priorities for my time and money.' Many people would need to travel further, visit more shops, and pay higher prices to change their purchasing habits to favour independently owned businesses. This consideration was particularly important for people living on low incomes, and in parts of the city with few participating businesses. Thus the ideological expectations (from B£CIC staff) as a motivating factor were of less import than time and money to typical Bristolians.

For businesses, motivation for joining was not framed around an argument for localisation. Rather, the initial value proposition was: by participating in the £B you will increase your turnover. This benefit did not manifest over time; after joining the £B, according to annual individual-member surveys conducted by B£CIC, ~40% claimed they increased the amount they purchased from local shops; yet in the 2015, 2016 and 2017 surveys, the amount spent in local independent shops stayed constant.

B£CIC intended to support SMEs in Bristol by creating a local multiplier effect. Businesses joining the scheme were asked to commit to re-spending monies received in the local currency, but little was re-spent through localised supply chains. Only a few were prepared to increase their business risk and undertake the administrative effort in changing suppliers. Meanwhile, far from supporting businesses in their day-to-day operations, the local currency put unrealistic demands on small businesses which given the lack of increased turnover were an unacceptable drain on resources. As a result, businesses started leaving the network, meaning individuals found it harder to spend their £B. Consequently, individuals gradually decreased their use of £B, which further precipitated the loss of businesses to the network.

Other reasons were proffered for not getting involved. Many pointed-out that buying exogenous goods which were clearly imported, like coffee or cocoa-based products, did not have an endogenous effect merely by buying those products at local shops. Others complained that independent shops did not necessarily pay staff better, take better care of the environment, and that many stocked branded products from global corporations: these sorts of comments seemed to undermine the potential impact of a local currency.

Retrospective analysis of transaction data shows the currency did create or make visible aspects of localisation of supply, particularly in food. As this data was not available in day-to-day operations, and only provided in an anonymised form, it could not be made use of operationally. For example, it would have been helpful to know which businesses operated as key nodes in the system, so they could be promoted to other business members to increase recirculation.

A key question that the mature, yet declining community economics scheme of the Bristol Pound faced was: Should the organisation remain focused on local independent businesses, or should it think in broader terms about influencing behaviours amongst both individuals and businesses using some kind of money / tokens as a tool? Given the range of organisations trying to assist SMEs in the region (Bristol Chamber of Commerce, the Federation of Small Businesses, etcetera), the team felt it made more sense to take a wider perspective around behavioural change whilst still playing to its experiences with alternative money. It was decided that a rebranding was needed, and the name Bristol Pay was decided on.

It was clear by Autumn 2019 (so before the COVID-19 Pandemic) that B£CIC could not continue to operate, that the needed growth was not going to happen, that nobody was going to fund B£CIC to do more of the same. Consequently, it was agreed by the board of management that the currency would stop at the end of the 2018 notes' expiry date. In the end the e-money had to stop before, because of BCU changing their software systems. The board then discussed, "Do we just wind down the organisation and give any money left at the end to Transition Network (as per our articles)?, or "Do we spend the money trying to do something different, and hopefully give the organisation a new lease of life doing a somewhat different economic intervention, based on our learnings?"

Finch had meanwhile got lots of ideas through the Finance Innovation Lab (Gryszkiewicz et al.), through which she met Farid Tejani, a fintech specialist and founder of Fintech for Good (https://www.youtube.com/@fintechforgood3835), who subsequently advised on Bristol Pay. The board backed her to develop those ideas, and the resulting concept was a non-profit e-money platform that would raise funds for the voluntary sector, with a game element that created tokens to count non-market pro-social, and pro-environmental activities.

Board minutes document this process, which Finch advocated for, thus persuading the board to take this path. Finch also interacted with Arthur Brock's work (Brock 2018) to shape a possible future alternative. Over the course of 2020 and 2021, various partnerships were embarked upon to try and develop both elements of this project, but sadly all attempts to raise sufficient funding failed, and in autumn 2022 the board had to take the sad decision to start the process of winding up operations. The organisation ceased to exist in December 2023, and all data was destroyed.

6. CONCLUSIONS

The learnings from £B gave rise to the following design principles for Bristol Pay, which must:

- have a clear unique selling point (USP) for people and businesses
- have no exclusionary hurdles in either operation or marketing
- be able to operate at scale
- take people on a journey of incremental behaviour change
- create a slick, fun and engaging user experience
- avoid alienating people with judgemental language
- have clear indicators of direct environmental and social impact, rather than making high-level claims to reduce CO_2 emissions or build community wealth, which are difficult to measure and attribute
- have access to data, to enable proactive responses in line with usage patterns
- not introduce additional risk or complexity for businesses
- create a viable business model to give any new project longevity
- conform to the institutional environment in terms of regulatory standards

While none of these points might seem novel, and even the initial proponents of the Bristol Pound would have agreed with them, they were not met by the design of the Bristol Pound currency. For example, a key exclusionary hurdle was the ideological nature of the marketing of the Bristol Pound, but this was not recognised as a barrier at the time. There had been a lack of auditing or even ways of measuring and assessing many of these principles, which became apparent when failures emerged in their implementation.

After the decision to rebrand (the Bristol Pay name had been in use since January 2020, brand design was done in 2021, and registration with Companies House carried out in April 2022) was made BPCIC spent two years developing the propositional phase of Bristol Pay (Bristol Pound CIC was renamed Bristol Pay CIC) based on these principles. The organisation worked on designing a system to include an EMI regulated closed-loop payment system that could operate at scale at low cost, thus creating an income stream not only to fund currency operations, but other voluntary sector organisations too. This income stream would have created a USP: by using this payment method, both individuals and businesses could have raised funds for social and environmental projects, which was found to be a strong marketing proposition in market research carried in summer 2020. The design would have created an easy way to onboard people at scale, without requiring users to espouse any economic, environmental, or social arguments.

Alongside this, the system was planned to include a variety of tokens that would count pro-social and pro-environmental activities. The tokens would operate like a game, in similar ways to Fitbits and Duolingo, encouraging people to adopt new behaviours (in this case, behaviours such as reducing shower length, volunteering, or refilling reusable take-out drinks containers).

Rather than these tokens conferring any kind of extrinsic reward, they would work on an intrinsic level, helping people feel good about their progress. BPCIC based the design of the token schemes broadly on an understanding of behaviour described by the ISM (Individual, Social, Material) tool: that behaviour is determined by our individual beliefs and roles, the social mores, and norms in which we live, and the material options available to us. This tool was developed by Darnton (Darnton and Horne 2013) and was launched by the Scottish Government in 2013. The tool was in turn based on research showing that behaviour change required interventions at each of these levels (Southerton et al. 2011).

BPCIC planned to use the tool to test and evaluate the token data (Darnton and Horne 2013). As well as creating personal motivation, the tokens were envisioned to create a data set that could be used to communicate emerging social trends which would hasten the creation of a social “tipping point”, at which point the new behaviour could become a social norm (Barrett and Relph 2021). See Petz and Finch (2022) for more details.

Overall, the Bristol Pound was a success in terms of its rapid growth, and the exemplar it created, acting as a springboard to many other local economic initiatives. Yet it was also a failure in that it did not manage to create a viable business model for the longer term. Why it ultimately failed can be attributed to various factors. Most significant was the lack of a financial revenue stream to fund its operations. For this to have been generated by the currency itself calculations by Finch show the scheme would be required to grow by a factor of fifty to a hundred. In other words, to get at least 2% of the population using it to a significant level. That is basically not going to happen in any modern city, with supermarkets and existing digital payment operators already cornering the market, whether you are considering this as a product-based or a money-based intervention. While grants, subsidies and breakage income staved off the eventual demise for some years, the lack of alternative reliable funding was terminal.

The Business Directory and even the Bristol Pounds themselves were successfully marketed and adopted. However, they were not monetized in a way that supported the organisation behind them. Other factors which contributed to the financial difficulties were the institutional context of regulations, party politics and the way that the UK macro-economic environment functioned. Partly, there was an element of luck. Finding suitable sponsors or revenue providers might have been possible, for example a dormant assets scheme might have supported continued operations from a financial point of view. There was an approach from a company that included gambling in its operations too, which was felt not to align with the ethical principles of those running the Bristol Pound CIC. Possible fundings for Bristol Pay looked for were grants, business partnerships and subsidies, however none were found that were suitable and the project remains dormant.

The opportunity cost of seeking funding from similar sources prevented these and other alternatives being given sufficient consideration. See September and Kobayashi (2022) for 3 forms of reliable funding they identified, which had all been in place for at least 5 years: Local Government Funding (Toda Oar and Sarari); Corporate Social Responsibility (CSR) Funding (Atom Currency); and Operating as a Subdivision of a Nonprofit (Sarari).

Yet simply blaming the lack of money is not enough. The Bristol Pound was questioned right from the start as a long-term solution to transforming society and community economics. The decline in usage by individual members and businesses shows there was some validity in that critique. This was the major reason for why Bristol Pound had to evolve or die. Evolution toward Bristol Pay was the most agreed upon direction for change. Efforts were made to develop Bristol Pay as a successor project. Ultimately, these efforts have not been successful.

7. ENDNOTES

[1] *Under the Financial Services Compensation Scheme set up by the UK's Financial Services and Markets Act 2000, vouchers (which included £B-notes) were not covered nor considered. Rather vouchers were considered under contract law and regulated under that provision (see Conway 2023 for details).*

[2] *This can be somewhat confusing. Fiat money is given its value by an authority, the central government asserting that money has such a value and this must be accepted by all under its jurisdiction. Commonly, the authority's assertation is backed by assets, which can be land, commodities and even assets which are a basket of international currencies as a reserve i.e. in the case of pounds sterling the SDR (Special Drawing Rights, which is to a limited extent circular backing by a basket of fiat currencies, see https://www.imf.org/en/About/Factsheets/Sheets/2023/special-drawing-rights-sdr). However, representative money is backed directly by a commodity such as gold, silver or land. In the case of the Bristol Pound the backing was the fiat currency of pound sterling itself.*

[3] *It is curious that the Bank of England takes this approach as promissory notes exist as a type of note, and the Bank of England notes still have written on them "I promise to pay the bearer on demand the sum of five pounds." All these items can be referred to as instruments and the term "bills of exchange" is also found in use as they were all considered as negotiable. Fiat means that by force of law some of that negotiation is abrogated i.e. they become legal tender and must be accepted for payment of a debt by a debtee.*

[4] *"E-money is broadly defined as an electronic store of monetary value that may be used for making payments." (Bailey 2021), see also McLeay, Radia and Thomas (2014).*

[5] *E-money was first proposed to be regulated by the Directive 2000/46/EC of the European Parliament and of the Council of 18 September 2000 on the taking up, pursuit of and prudential supervision of the business of electronic money institutions, in which "electronic money can be considered an electronic surrogate for coins and banknotes,*

which is stored on an electronic device such as a chip card or computer memory and which is generally intended for the purpose of effecting electronic payments of limited amounts". However, article 15 allowed that "It is appropriate to afford competent authorities the possibility of waiving some or all of the requirements imposed by this Directive for electronic money institutions which operate only within the territories of the respective Member States." and despite 2 following directives (2005 and 2006) it was Directive 2009/110/EC on the taking-up, pursuit and prudential regulation of the business of electronic money institutions amending Directives 2005/6-/EC and 2006/48/EC and repealing Directive 2000/46/EC where Bristol Pound CIC found itself when designing its services. At this time there was a consultation from the UK government (HM Treasury 2011) which touched on 2 aspects that were confounding the designers of small schemes. Firstly, the idea of a limited network. What did this consist of, and did it affect what was possible? Secondly, the idea of a small electronic money institution (SEMI). Both should bring different regulatory requirements than those applicable to larger networks and institutions. The means of regulatory development was via the Financial Services Authority. This FSA was divided in 2013 into the Financial Conduct Authority and the Prudential Regulatory Authority of the Bank of England. However, all of them were biased in approach to the ways of large financial institutions and away from community economics and small organisations.

[6] *There are 3 related terms: seigniorage, we make money (notes or coins or digital tokens) and gain profit from the face value being worth more than the production cost (this income is what many working for Bristol Pound CIC erroneously called seigniorage); breakage, when vouchers are sold and not used or cashed in by the purchaser and the income from sales value is kept by the seller (the majority of the income into the B£CIC's sterling account); and escheatment, when an asset is abandoned by the owner and then it can be taken, traditionally in the UK by the crown, i.e. the UK government (these assets go into what is called the General Fund Revenue Account). In the case of the Bristol pound, this would be money which was e-money and abandoned in the digital £B accounts held by the Bristol Credit Union. However, since there is a Dormant Bank and Building Society Accounts Act 2008, those assets are now taken and used in 3 funds for financial literacy. However, that 2008 Act does not cover e-money, vouchers nor credit unions. Currently the dormant assets law is being expanded. At present it is unclear what will happen to that money (if there is any when the time for dormancy expires, which it has not yet. Credit Union accounts after 15 years of inactivity are considered dormant). Currently, money from the dormant assets is spent on various things that are not statutory requirements, i.e., in 3 funds, one of which has some funds going to the Great Western Credit Union (the successor to Bristol Credit Union).*

8. ACRONYMS FOUND IN THE PAPER

BCC – Bristol City Council

BCU – Bristol Credit Union

BPCIC – Bristol Pay Community Interest Company

£B – Bristol Pound

B£CIC – Bristol Pound Community Interest Company

CIC – Community Interest Company

CIC Regulator – Office of the Regulator of Community Interest Companies

EMI – Electronic Money Institution

FCA – Financial Conduct Authority

GVA – Gross Value Added

HM Treasury – Her Majesty's Treasury, now His Majesty's Treasury

ONS – Office for National Statistics

PSR – Payment Systems Regulator

SEMI – Small Electronic Money Institution

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10. DECLARATIONS

Both authors have no conflicts of interest to declare that are relevant to the content of this article.

Ethical approval: Data that was used was anonymised and no sensitive (special category data) used in any way that could identify individual businesses or individuals. Data handling was carried out in accordance with UK Data Protection Act 2018, and the best practice under GDPR in accordance with the Finnish National Board on Research Integrity TENK. No ethical approval by a committee was needed as the data used was exempt due to being anonymised and existing data.

Informed consent: This study does not contain any studies with human participants by any of the authors. The only named participant is the second author, reporting on the "team" of workers at Bristol Pay CIC, and the word "team" is used so no individual or category of individual worker can be identified.

Author contributions: Both authors contributed equally to the study's conception and design. The manuscript was collaboratively written. Both authors read and approved the final manuscript.

Data availability: Econometric data is controlled by Great Western Credit Union, the successor to Bristol Credit Union, and is not publicly available. Survey data carried out by Bristol Pound CIC is controlled by Bristol Pay CIC and is not generally available. Diana Finch can be approached for further information on the data.

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12. ABOUT THE AUTHORS

Marcus Petz' expertise is in Public and Social Policy. He takes an integral economics perspective and has engages in activism,
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Diana Finch has been working in the non-profit sector in the UK for the last 25 years in a variety of leadership roles including as CEO. Her specialist skillset focuses on charity financial management. Prior to this, she worked in systems design and implementation. In 2018 she was appointed as Managing Director of the Bristol Pound, and wrote Value Beyond Money (available in paperback, as an e-book and as an audiobook) to document the organisation's work. She continues to work in charity finance, and offers consultancy, system design and mentoring services for charities and those studying or developing alternative economic systems.