

**South Ayrshire Council**

**Report by Assistant Director - Place  
to Leadership Panel  
of 14 June 2022**

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**Subject: Scotland Loves Local - Gift Card Scheme**

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**1. Purpose**

- 1.1 The purpose of this report is to provide an update on the progress of the 'Scotland Loves Local' Gift Card Scheme and to seek approval to continue with the programme for another year based on the costs provided in this report.

**2. Recommendation**

**2.1 It is recommended that the Cabinet:**

- 2.1.1 notes the benefits of the 'Scotland Loves Local' Gift Card Scheme for local residents, businesses and the Council;**
- 2.1.2 approves continuation of the scheme for 1 year from 31 August 2022 based on costs provided within paragraph 6.1 of this report; and**
- 2.1.3 agrees any continuation of the scheme past June 2023 is subject to further approvals**

**3. Background**

- 3.1 The 'Scotland Loves Local' campaign is a national initiative supported by the Scottish Government and Scotland's Towns Partnership (STP), designed to encourage all those who live in Scotland to think local first and support their town centres and high streets.
- 3.2 The concordat between South Ayrshire Council and STP to participate in the Scotland Loves Local Gift Card initiative was signed by South Ayrshire Council on 31 August 2021. The initiative is recognised as one that promotes the principles of Community Wealth Building – ie a people centred approach to local economic sustainability and growth.
- 3.3 Local businesses participating in the gift card initiative have the potential to unlock a new level of local spending which is important as businesses recover from the impact of the pandemic and build for a future that has localism at its heart.
- 3.4 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. The gift card can be used in any type of business, and online or offline - so long as the merchant has a 'bricks and mortar' presence in the area.

- 3.5 Funding to administer the scheme in year 1 (August 2021 to August 2022) was provided by the Scottish Government. There is a £600 (plus VAT) monthly fee requirement to further operate the scheme past 31 August 2022 (covering fulfilment, e-commerce, platform access/ data access, licence and management fee and participation). A three-month notice to quit the scheme is required if the Council does not wish to participate in the scheme after Year 1.
- 3.6 Scotland Towns Partnerships have confirmed that no decision has been made as yet by Scottish Government, on whether any further funding will be available to Local Authorities post 1 September 2022 to subsidise the scheme.
- 3.7 As of 20 April 2022, 113 businesses across South Ayrshire have registered to participate in the scheme.
- 3.8 196 South Ayrshire gift cards have been purchased via the Scotland Loves Local website since the consumer campaign started at the end of November 2021. The total value of gift cards purchased via the Scotland Loves Local website is £9,640.00, with an average gift card purchase of £49.18. There are approximately 4,800 gift cards remaining for purchase, funded
- 3.9 The Economy and Regeneration service continue to target businesses that have the potential to benefit from the aforementioned campaigns - for example, hotels, restaurants, cafes, bars, cultural and heritage sites, town centre shops, coastal experiences.
- 3.10 Discussions are taking place with the gift card provider on how identified national chain stores in targeted areas could be onboarded to ensure a better balance of food and convenience stores in Maybole, Girvan and surrounding areas.
- 3.11 Opportunities are being investigated to utilise the gift card for corporate rewards and recognition/incentives by South Ayrshire Anchor Institutions. This would further support the retention of local spending, support the local economy, and encourage staff from anchor institutions to engage with South Ayrshire businesses, towns and high streets.

#### **4. Proposals**

- 4.1 There is a £600 (excluding VAT) monthly fee requirement to further operate the scheme (covering fulfilment, e-commerce, platform access/ data access, licence and management fee and participation) once the funded pilot period has ended.
- 4.2 Anticipated operational costs from the card provider for continued participation in the scheme are provided below:
- Financial Year 2022/2023 (Sep 22 – end Mar 23) £4,200.00 (excluding VAT);
  - Financial Year 2023/2024 (April 23 - end Mar 24) £7,200.00 (excluding VAT); and
  - Financial Year 2024/2025 (April 24 – end Mar 25) £7,200.00 (excluding VAT).

- 4.3 In addition, the production cost for a minimum quantity of 5,000 South Ayrshire Gift Cards is £3,000.00 (excluding VAT). Anticipated additional supplies of cards for April 23-24 and April 24-25 will add an additional £3,000.00 to each year.
- 4.4 In order for the Scotland Loves Local Gift Card scheme to continue past the Scottish Government funded pilot period, it is proposed that Cabinet approves budget to operate for another year to August 2023, based on costs provided within this report, with funding available through the Economy and Regeneration budget.
- 4.5 Should central funding from the Scottish Government become available, there would be no requirement to make funding available from the Councils budget.
- 4.6 A further update will be provided on the Gift Card scheme in May 2023 to coincide with the notice to quit period.

## 5. Legal and Procurement Implications

- 5.1 There will be a requirement to serve notice in terms of the arrangement in June 2023 and the service will co-ordinate with the legal department the notice that needs served where required.
- 5.2 There are no procurement implications arising from this report.

## 6. Financial Implications

- 6.1 To continue with the Gift Card scheme from September 2022 until March 2023, financial resource, aligned to the Economy and Regeneration service budget (from underspend in the 2021/22 budget) is required as follows:

<i>Scotland Loves Local Gift Card operational costs</i>	<b>Operational Costs from Card Provider (excl VAT)</b>	<b>Production costs of min qty 5000 cards (inc VAT)</b>	<b>Anticipated Annual Financial Implications (excl VAT)</b>
<b>Sept 22 - March 2023</b>	£4,200.00	n/a 4,800 cards still av.	<b>£4,200.00</b>

- 6.2 Participation beyond August 2023 will be subject to review and any funding requirements identified from the Council budget. Anticipated costs are estimated as follows:

<i>Scotland Loves Local Gift Card operational costs</i>	<b>Operational Costs from Card Provider (excl VAT)</b>	<b>Production costs of min qty 5000 cards (excl VAT)</b>	<b>Anticipated Annual Financial Implications (excl VAT)</b>
<b>April 23 - March 2024</b>	£7,200.00	£3,000.00	<b>£10,200.00</b>
<b>April 24 - March 2025</b>	£7,200.00	£3,000.00	<b>£10,200.00</b>

- 6.3 There may be costs associated with the purchase of additional cards (if required) depending on the scope of the disbursement programme. This would be the subject of a further budget proposal.

## 7. Human Resources Implications

- 7.1 There is the requirement for the Council to engage with businesses to support the scheme. Team resource will be made available from the Economy and Regeneration Service and Communications team to develop and deliver a campaign that encourages local businesses to sign up to the Gift Card Scheme. It is also proposed that resources from the Thriving Communities Team could be

utilised to expand the base of businesses, particularly in Girvan, Maybole and rural communities.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

8.1.1 There are no risks associated with adopting the recommendations.

### **8.2 *Risk Implications of Rejecting the Recommendations***

8.2.1 Rejecting the recommendations will result in South Ayrshire Council and local businesses not benefitting from participation in the 'Scotland Loves Local' Gift Card Scheme.

## **9. Equalities**

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 1](#).

## **10. Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **11. Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## **12. Link to Council Plan**

12.1 The matters referred to in this report contribute to Commitment 4 of the Council Plan: South Ayrshire Works/ Make the most of the local economy.

## **13. Results of Consultation**

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Martin Dowe, Portfolio Holder for Corporate and Strategic, and Councillor Bob Pollock, Portfolio Holder for Economic Development, and the contents of this report reflect any feedback provided.

## **14. Next Steps for Decision Tracking Purposes**

14.1 If the recommendations above are approved by Members, the Assistant Director - Place will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<b><i>Implementation</i></b>	<b><i>Due date</i></b>	<b><i>Managed by</i></b>
Implement the recommendations within this report	27 August 2022	Assistant Director – Place
Provide an update to the Cabinet on take-up of the scheme	30 May 2023	Assistant Director – Place

**Background Papers**    [Scotland Loves Local Gift Card Scheme](#)

**Person to Contact**    Louise Reid, Assistant Director – Place  
County Buildings, Wellington Square, Ayr, KA7 1DR  
Phone 01292 612032  
Email [louise.reid@south-ayrshire.gov.uk](mailto:louise.reid@south-ayrshire.gov.uk)

Theo Leijser, Service Lead – Economy and Regeneration  
County Buildings, Wellington Square, Ayr, KA7 1DR  
Phone 01292 616332  
Email [theo.leijser@south-ayrshire.gov.uk](mailto:theo.leijser@south-ayrshire.gov.uk)

**Date:** 7 June 2022

## South Ayrshire Council Equality Impact Assessment Scoping Template

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: [Equality Impact Assessment including Fairer Scotland Duty](#)

Further guidance is available here: [Assessing impact and the Public Sector Equality Duty: a guide for public authorities \(Scotland\)](#)

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. See information here: [Interim Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018.

### 1. Policy details

Policy Title	Scotland Loves Local - Gift Card Scheme
Lead Officer (Name/Position/Email)	Louise Reid, Assistant Director – Place – louise.reid@south-ayrshire.gov.uk

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-
Sex – gender identity (issues specific to women & men or girls & boys)	-	-
Sexual Orientation – person's sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-
Thematic Groups: Health, Human Rights & Children's Rights	-	-

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage? (Fairer Scotland Duty). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	-
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	-
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	-
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent’s education, employment and income	-	-

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
Eliminate unlawful discrimination, harassment and victimisation	Low
Advance equality of opportunity between people who share a protected characteristic and those who do not	Low
Foster good relations between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low
Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

**5. Summary Assessment**

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<input type="checkbox"/> <b>YES</b>  <input checked="" type="checkbox"/> <b>NO</b>
<b>Rationale for decision:</b>	
<p><b>This report provides information on the ‘Scotland Loves Local’ Gift Card Scheme and seeks approval on behalf of the Council to sign the local authority concordat and implement the scheme. Members’ decision on this has no specific equality implications</b></p>	
<b>Signed :</b> Theo Leijser	<b>Service Lead – Economy &amp; regeneration Service</b>
<b>Date:</b> 10 <sup>th</sup> May 2022	