



Rural watchdog calls for more backing for community-led personal finance solutions

The Commission for Rural Communities (CRC) is today launching the 'Quids In' campaign to create greater awareness of the financial services needs of rural people.

Access to financial services is vital to everyone, irrespective of where they live. But rural areas face specific challenges. The CRC's State of the Countryside report 2007 reveals that:

- around one in eight banks and building societies are in rural areas, though one in five of the population live there;
- under a tenth of cashpoints are in rural areas, with fewer of these free to use — around 45% compared to 60% in urban areas;
- 300,000 people in rural areas do not have a bank account; and
- more than 1 in 5 (22%) of rural households live in poverty.

The 'Quids In' campaign includes research findings which highlight a number of imaginative community-based solutions to the provision of financial services in rural areas.

Commenting on the findings, Graham Russell, Director of Practice at the CRC said: "In terms of access to financial services, no one should be disadvantaged by where they live. The work we are launching today has highlighted some invaluable examples of community-led approaches to the provision of financial services in rural areas. It is really encouraging to see communities doing it for themselves and I hope that these inspiring examples will now encourage many more locally-based solutions. I also believe that these sorts of community inspired initiatives can be extended to provide alternative provision of post office services in towns and villages around the country.

"We are now calling on the private sector to engage more extensively with rural communities and support and encourage future initiatives; government to help promote the value of community-based initiatives and how they can be applied and supported elsewhere; and communities themselves, to come forward with further examples of successful locally-developed solutions so these can be shared more widely. I now look forward to further positive steps being taken to ensure no one is excluded from access to financial services and sources of financial information and advice no matter where they live."

Commenting on the involvement of the British Bankers' Association (BBA) in the work to promote financial services in rural areas, Eric Leenders, Executive Director of Retail said: "Banks are keen to find ways to serve their customers living in rural areas. Many customers now routinely opt to bank online or by using telephone services making it easy to access their accounts around the clock. They also can get cash back when shopping or by using the bank network — which has more branches than Tesco stores."

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“We do, however, realise banks need to tailor services to meet customers' needs which is why we have been keen to work with the government to meet its targets on increasing financial inclusion and to put cash machines into areas traditionally poorly served by ATMs. It is clear, from initiatives such as Nat West's in the south west, that our members are working to help provide access to finance wherever our customers live and work.”

Speaking about the opportunity to extend the reach of the 'now let's talk money' campaign to include more rural areas, Lindsay Watt Stakeholder Manager at the Department for Work and Pensions said: “We are delighted to be involved with the 'Quids in' campaign. It fits perfectly with our overall financial inclusion plans and gives that much needed focus to rural poverty, an area so easily forgotten about.”

Today's announcement begins an intensive programme of promotion of financial inclusion in rural areas, ahead of a good practice exchange event being planned for April which will be a further opportunity to explore solutions in this area. And as part of CRC's continuing involvement in tackling rural disadvantage, Dr. Stuart Burgess the government's Rural Advocate will be visiting Devon on 17 and 18 January to see for himself work that's underway in the county to deal with financial exclusion and rural poverty.

ENDS

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Notes for editors:

1. 'Promoting Financial Inclusion in Rural Areas', November 2007 by SQW Consulting can be found at www.ruralcommunities.gov.uk/financialinclusion The report includes the following case studies: Tackley village shop and post office; NatWest's mobile bank, Cornwall; D&von Pound; Cumbrian Debt Rescue and Financial Advice; Financial Education Project, Dumfries; Bank i Butikk, Norway; Ely Citizens Advice Bureau; Farm Crisis Network; and Just Credit Union, Shropshire.
2. The Financial Inclusion Advisory Group involved the following: British Bankers' Association, Leeds City Council, South Tyneside MBC, National Consumer Council, Save the Children, Community Development Finance Association, Liverpool John Moores University, Help the Aged, National Federation of Women's Institutes, Citizens Advice, HM Treasury Payments and Inclusion Team, and the Commission for Rural Communities.
3. Information about the British Bankers' Association can be found at: www.bba.org.uk
4. Information about the Department for Work and Pensions' 'now let's talk money' programme can be found at: www.nowletstalkmoney.com
The campaign offers a free phone service 0800 012 1656, which offers advice about where to go for affordable credit, information about banking, or free face-to-face money and debt advice.
5. Information about the Commission for Rural Communities and our work can be found on our website www.ruralcommunities.gov.uk
Our Annual Review provides an overview of our activities during the last year www.ruralcommunities.gov.uk/publications/annualreview20062007
6. CRC is supporting Rural Service Support providing national and local organisations with on-line access to experts who can help to find alternative ways to provide post office services www.expertsonline.org.uk/rssupport