



CRC 19/09

1 July 2009

Help for rural communities to deal with their money matters

'The economic downturn is bringing into sharp focus the need for rural people to be able to get the right financial advice at the right time. Rural Money Matters will help to achieve this.' Dr. Stuart Burgess, Chairman of the Commission for Rural Communities and the Government's Rural Advocate.

'Rural Money Matters: A support guide to rural financial inclusion' is being launched today (1 July) at the Royal Norfolk Show by Dr. Stuart Burgess, Chairman of the Commission for Rural Communities (CRC) and the Government's Rural Advocate, and in Parliament at a meeting of the All Party Parliamentary Group on Rural Services.

Around 1 million people live in rural areas with high levels of financial exclusion, but the financially excluded are less visible in rural areas compared to in towns and cities and it is more difficult to reach those who need help. Rural Money Matters is an important step forward both in raising awareness of and improving rural financial inclusion.

Produced by DWP's 'Now Let's Talk Money programme, with the CRC, the guide will help local authorities and their strategic partners understand and tackle financial exclusion in rural areas.

To ensure Rural Money Matters brings real benefit to people living in rural communities the Department for Work and Pensions (DWP) is funding a new post in the Rural Financial Inclusion Champion Team to encourage the use of Rural Money Matters and directly support the growth of suitable financial services in underserved rural communities.

Councillor Shelagh Gurney, Chair of Norfolk County Council, said, "The County Council supports the launch of Rural Money Matters, which will provide the guidance to promote financial inclusion in Norfolk. By working together, I am confident we can face up to the challenges in our economy, and get the right help to the people of Norfolk, at the right time.'

Helen Goodman MP, Minister at the DWP, also supports the guide. "As a person who represents a large rural community, I know how important financial inclusion is. I'm delighted to be working with the CRC to ensure people in rural communities have access to the advice, support and services they need to improve their financial situation. Rural Money Matters is an important step towards making that happen."

Will Aston, the Government's Rural Financial Inclusion Champion explained, "Financial inclusion is about ensuring everyone has the capability and opportunity to access the financial services and products needed to participate fully in modern day society. These include access to affordable and responsible credit, an appropriate bank account, face-to-face debt advice, basic home contents insurance and savings. People are financially excluded when they do not have access to these basic financial services and products."

Mr. Aston continued "Financial exclusion is a real challenge in rural areas. 200,000 people living in rural communities have no access to a bank account of any kind, 250,000 people have no local access to a post office, bank or building society or cash machine and demand for affordable credit and debt advice is outstripping supply. Despite these significant challenges, financially excluded people living in rural areas are less visible and more difficult to reach than those in urban areas. Rural Money Matters marks an important step forward in raising awareness of this issue and improving rural financial inclusion."

Sheila Childerhouse, Deputy Chair of the East of England Regional Development Agency (EEDA), agreed. "Access to financial products and money management skills are important in every aspect of people's personal and working lives. EEDA recognises the importance of improving financial inclusion and capability, and is working with partners on local strategies to support economic inclusion."

Teresa Perchard, Director of Public Policy, Citizens Advice said: "Citizens Advice welcomes the launch of Rural Money Matters, and calls for concerted action to assist rural communities in overcoming the economic challenges they face."

Dr. Burgess concluded: "We are pleased to be introducing our guidance and hope that Rural Money Matters will find its place as a useful source of information for advisers."

ENDS

Notes to editors:

1. Rural Money Matters:

- shows how financial inclusion can make a significant difference in people's lives;
- describes the current state of rural financial inclusion;
- identifies financial exclusion 'hot spots' in rural areas;
- includes case studies highlighting good practice; and
- helps policy makers ensure their work is 'rural proof' by considering rural circumstances.

The launch at the Royal Norfolk Show includes speeches on the challenges of the recession for rural communities and how the Government is working to help people manage their finances:

- Keynote speech, 'National response to financial inclusion' – Chris Pond, Director of Financial Capability for the Financial Services Authority
- 'The challenges and opportunities for rural financial inclusion' – Dr. Stuart Burgess, Chairman of the Commission for Rural Communities and the Government's Rural Advocate
- 'Regional support for financial inclusion' – Sheila Childerhouse, Deputy Chair, East of England Regional Development Agency
- 'Norfolk County Council's support for financial inclusion' – Shelagh Gurney, Chair, Norfolk County Council.

'Rural Money Matters: A support guide to rural financial inclusion' will be available to download at www.ruralcommunities.gov.uk/financialinclusion from 1 July 2009

2. The CRC was established in April 2005 to provide well-informed, independent advice to Government and ensure that policies reflect the real needs and circumstances of people living and working in rural England. It gives particular focus to tackling disadvantage and economic under-performance.

The CRC has three key functions:

- advocate: the voice for rural people, business and communities;
- expert adviser: providing evidence-based, objective advice to Government and others; and
- independent watchdog: monitoring and reporting on the delivery of policies nationally, regionally and locally.

The CRC hosts the Government's Rural Financial Inclusion Champion team and is working in partnership DWP to promote financial inclusion in rural areas. The Rural Financial Inclusion Champion team is working closely with local authorities and financial inclusion stakeholders

from the voluntary and private sectors across England to promote good practice and develop local financial inclusion partnerships and strategies. The team is also helping to 'rural proof' the work of central and local government to ensure financial inclusion related policy and programmes consider rural circumstances and benefit people living in rural communities.

Further information about the CRC and its work can be found at: www.ruralcommunities.gov.uk

3. 'Now Let's Talk Money' was launched by the Government in January 2007. It is a government-funded campaign to help people living on low incomes find out about how they can get bank accounts and low cost loans, as well as helping to provide advice on how to manage their money better.

www.nowletstalkmoney.com