



Rural Economies Recession Intelligence

April 2009 - Briefing note from CRC to Hilary Benn: Rural Financial Inclusion

Summary and Key Proposals for Action

Key Facts

- Demand for financial services such as face to face debt advice and affordable credit is outstripping supply in rural areas.
- Of the 25 local authorities with the highest unmet demand for affordable credit, four are classified as rural and eight have significant rural populations.
- A 2008 study by the East of England Development Agency showed that rural areas feature amongst the most financially excluded.
- Around 200,0000 people in rural England do not have access to a bank account.

Policy Issues

- The recession is affecting the extent to which people are financially included in rural England. New groups of society are seeking debt advice as a result of the recession, and traditionally vulnerable groups such as the self employed and older people are creating a stronger demand in rural areas.
- Rural areas are less well equipped to respond to the rise in demand for financial services brought about by the recession. Despite the recent uplift in Government resources and action to promote financial inclusion, the infrastructure required (credit unions, debt advisers, banking facilities etc) is weak and often missing in rural areas.
- Existing mechanisms, including the Post Office Network are increasingly important in addressing financial exclusion in rural areas. Innovative delivery mechanisms exist to promote financial inclusion in rural areas, but high start-up costs are a barrier to uptake.
- There is no single indicator on financial inclusion and debt issues within local government's new national indicator set. Consequently, financial inclusion is often not considered a priority by local strategic partnerships and not included in community plans and local area agreements.
- Government has committed £139 million up to 2011 to promote financial inclusion across the country. This is supporting access to debt advice and affordable credit and promoting financial inclusion through the development of local partnerships and strategies. They are also encouraging high street banks to improve lending to private and business customers, reduce home repossessions and resourcing credit unions across England. They need to build on this start to be effective in rural areas.
- The CRC is working with the Department for Work and Pensions to promote financial inclusion and hosts the Government's Rural Financial Inclusion Champion team.

Recommendations

- Government should use the current review of the National Indicator Set to adopt new financial inclusion indicators on access to face to face debt advice and affordable credit.
- Government should establish a Financial Inclusion Technology Fund to support the use of new innovative delivery mechanisms, including video conferencing for face to face debt advice and the new Credit Union Current Account, to ease access in rural areas.
- Government should work with Post Office Ltd to expand the financial services the network provides to include debit-card facilities, current accounts, savings plans, loans, business services and financial advice
- Government should expand support through the Growth Fund to develop credit unions and community development finance institutions in rural areas beyond 2011.
- Government should increase the supply of free face to face debt advice in rural areas.

1. Financial markets affect everyone's daily life. If they fail to function properly, the impact is felt across our economy and by every one of us¹. At times like this the issues around financial inclusion matter more than ever. The Government has to deal with both the short term and the longer-term issues to make sure that people get the support they need through the tougher times, but also to help those that are financially excluded in the long-term.²
2. People in rural areas are experiencing the same financial challenges as those living in towns and cities³. But **living in a rural area brings additional challenges**. Like poverty, financial exclusion is less visible in rural areas than urban areas. This makes it harder for service providers to target support to the people who most need it and can mean policy and programmes end up focusing on urban areas. Poor public transport and long travel times make physical access to mainstream financial services difficult and more costly for people living in rural areas. Also the widely dispersed client base and poor economies of scale make higher service costs a real challenge to delivering financial services in rural areas⁴.
3. A result of this is the infrastructure required to promote financial inclusion (credit unions, debt advisers, banking facilities etc) is weak or missing in rural areas. Therefore, **rural areas are less well equipped to respond to the rise in demand for financial services**, such as face to face debt advice and affordable credit, brought about by the recession.

Changes in rural demand

4. **As a result of the recession new groups are seeking debt advice**. The combination of rising unemployment and a falling housing market is creating a fundamental shift in the nature of the UK's debt problems. According to the Consumer Credit Counselling Service, their clients are increasingly affluent with almost half of those seeking help being homeowners and 12% with an annual net household income of more than £30,000. On average homeowners owe 83% more than renters. As over-indebtedness becomes a problem for more affluent people the CCCS is also seeing more complex debt problems⁵. Debt advice providers need to tailor their services to this new demand and resolving increasingly complex debt issues.
5. As the recession continues to affect employment and pensions, a MORI study has showed older people, manual and casual workers and those who depend on the welfare state for their income are feeling less financially secure⁶. Between October to December 2007 and the same period in 2008, casual workers in rural areas declined by 9%, seasonal workers by 16.8% and there were 25% fewer workers in other forms of temporary tenure⁷.
6. **Self-employed and small business are particularly vulnerable** to financial exclusion because of the recession. The UK Insolvency Helpline assisted 1,322 small and micro enterprises in the first two months of 2009, a 30% increase compared to the same period last year. Similarly, Financial Inclusion Fund Debt advisers have seen an increase in self-employed people seeking advice due to increasing personal debt or the loss of their business⁸.

¹ *Pre-Budget Report statement to the House of Commons*, Rt Hon Alistair Darling MP. 24 November 2008.

² Yvette Cooper MP, Chief Secretary to the Treasury speaking at the Financial Inclusion Taskforce conference on 21 October 2008: http://www.hm-treasury.gov.uk/speech_cst_211008.htm

³ A 2008 study by the East of England Regional Development Agency showed that rural areas feature amongst the most financially excluded³. Of the 25 local authorities identified by the Treasury as having the highest unmet demand for affordable credit 4 are classified as rural and 8 have significant rural populations³. The English and Welsh Civil Justice Survey found 6.8% of respondents from village, hamlets and isolated dwellings have experienced debt problems compared to 6.4% of urban respondents.

⁴ *Promoting Financial Inclusion in Rural Areas*, Commission for rural Communities. November 2007.

⁵ *Consumer Credit Counselling Service Statistical Yearbook 2008*

⁶ *'Tackling the recession – the national mood'* Ipsos MORI Social Research Institute, December 2008

⁷ Source: ONS, 2009 Quartely Labour Force Survey

⁸ The Financial Inclusion Fund (FIF) is investing significantly in free face to face debt advice (£85 million between 2008 -11). The FIF pays the salaries of 24 face to face debt advisers operating in rural areas.

7. Sole traders and micro enterprises account for 86% of active rural enterprise, totalling some 526,832 businesses⁹. In a 2009 survey of over 6,000 members of the Federation of Small Business (FSB), a third of small firms said their bank was less helpful now than it had been before the credit crunch. 18% said they had seen an increase in bank fees and 33% said their banks were imposing a change in their financial arrangements which made them less well off – such as setting new lending conditions with increased charges and rates, reducing overdraft facilities and requesting more security for loans. Problems of steep increases in the costs of bridging loans and overdrafts for otherwise successful businesses during seasonally quiet periods is a particular challenges for tourism and other businesses that are prevalent in rural areas. The FSB survey also showed nearly 40% of businesses have had to reduce their staff levels, either by reducing hours or pay or owners doing more work and longer hours themselves.¹⁰
8. The number of insolvency and bankruptcy petitions was higher in regions with predominantly rural populations between October to December 2008. Devon and Cornwall experienced a 51% increase in creditor bankruptcy and a 37% increase in debtor bankruptcy between October and December 2008 compared with the same period in 2007. This compares to increases of 0% and 17% in London and 39% and 18% in Birmingham¹¹.
9. **Demand for financial services such as face to face debt advice and affordable credit is outstripping supply in rural areas.**
10. Between July and December 2008 Citizens Advice Bureau (CAB) debt advisers experienced a 3.1% increase in debt cases from people living in rural areas compared to a 1.4% increase in urban areas¹². This has notably bucked a traditional trend of a lower number of debt cases reported during the last quarter of any calendar year. The largest increase over the same six months, 20.2%, was experienced by people in sparse rural villages. Inability to pay mortgages, bankruptcy and Individual Voluntary Arrangement requests were the most common rural cases. There has also seen an increase in the number of self-employed people seeking advice due to increasing personal debt or the loss of their business¹³.
11. Average waiting times for Financial Inclusion Fund face to face debt advisers working in rural areas have increased from 2.1 weeks to 3.1 weeks over the last nine months with eight advisers now reporting waiting times of four weeks or more. Advisers have also reported a significant **increase in demand for debt advice** in rural areas and an increase in the average number and value of debts their clients have.
 - In the last 12 months High Peak CAB's overall caseload has increased by 20%. In the same period their debt caseload has increased by 100%. High Peak is among many CABs struggling to cope with the increase in demand, and district manager Stephen Minter, says there are times when clients have to wait for an unacceptably long period for an appointment to see a specialist debt adviser.
 - Northumberland CAB has experienced a sharp rise of 29% in debt enquiries and an 84% rise in redundancy enquiries.
12. Access to banking is a fundamental aspect of financial inclusion and can act as a gateway to further products and services. Inability to access a basic bank account can have significant impact on both individuals and economies¹⁴. The number of people in rural England without a bank account has not significantly changed in recent years.

⁹ ONS, 2008 Annual Business Inquiry

¹⁰ FSB press release, Small businesses respond to the challenge of the credit crunch. 20 March 2009

¹¹ Company winding up and bankruptcy petition court statistics – fourth quarter 2008. Ministry of Justice

¹² Data from the Citizens Advice Bureau's CASE data base.

¹³ Financial Inclusion Fund Citizens Advice National Rural Project: Quarter 3 Report, 2008-2009. BERR

¹⁴ Financial Inclusion Task Force: Response to the European Commission consultation: Financial Inclusion: Ensuring access to a basic bank account, March 2009

The latest figures from the Government's Family Resource Survey show around **200,000 people living in rural England do not have access to a bank account of any kind**. This compares to 1.5 million living in urban areas.¹⁵

13. The British Banking Association recorded that personal overdraft lending fell by £0.3 billion and £1.5 billion new personal loans were made in February, 47% less than the same time last year¹⁶. In many urban areas this drop in high street lending has been mitigated by the presence of a burgeoning credit union market. However, as the recent Social Fund Feasibility Study recognised **many rural areas are currently not covered by a credit union** and/or a community development finance institution¹⁷. According to the Association of British Credit Unions Limited (ABCUL) less than 20% of credit unions in the United Kingdom operate in predominately rural areas.
14. The majority of Credit Unions are seeing an increase in demand for loans, from both people on lower incomes and from people with higher incomes. In a recent ABCUL survey 73% of respondents reported a slight (42%) or significant (31%) increase in demand for loans from members on low incomes. Half of the credit unions also reported an increased demand for loans from members on medium or higher incomes.

Changes in support for financial inclusion

15. **Access to mainstream banking facilities** in rural areas continues to decline. As a result people living in rural areas find it difficult to access cash and other financial services^{18 19}. In 2008 only one in eight banks and building societies were in rural areas, though a fifth of the population live there. The number of rural households living within 2.5 miles (4km) of a bank or building society decreased by 1.3% between 2000 and 2008²⁰.
16. Encouragingly, there has been an increase in the number of free-to-use **cashpoints** in rural areas²¹. This is likely to continue as the Post Office implements a programme to install up to 4,000 free-to-use cash points at Crown and sub-post offices across the country. As at 31 January 2009 Post Office Ltd had installed 1,545 ATMs, of which 932 are located outside branches thus allowing for access 24 hours a day²².
17. The **credit union** movement in the UK has grown rapidly over the last decade, with assets, loans and savings all more than doubling. On average credit union membership has been growing by between 5 and 15% for the last 10 years. There are currently 484 credit unions in the United Kingdom with a combined membership of over 650,000. They hold around £600 million in assets, with around £475 million held in savings and £430 million out on loan²³. However, credit unions in rural areas face substantial challenges linked to growth and becoming financially sustainable. Operating in a sparsely populated area, they find it difficult to reach the critical mass of membership base. Rural areas are also associated with increased time and travel costs for volunteers to oversee the 'collection points', and a scarcity of local banking facilities, which can make collection and transfer of cash difficult²⁴.
18. The lack of credit unions operating in rural areas meant DWP received a very small number of applications to deliver **Growth Fund** loans in rural areas between 2006 and 2007²⁵.

¹⁵ 2006/07 Family Resources Survey using weighted sample data, DWP

¹⁶ *BBA Statistics release*, 24 March 2009

¹⁷ *Social Fund Feasibility Study*. DWP October 2008

¹⁸ *Payments Council: Cheque Use Research*. October 2008:

¹⁹ *Promoting Financial Inclusion in Rural Areas*, Commission for Rural Communities. November 2007

²⁰ CRC Rural services series: Analysis by Defra RSU 2008.

²¹ Commission for Rural Communities, 2008. Rural Service Series. Analysis by Defra RSU

²² BERR PUSS Baroness Vadera. Hansard 11 Mar 2009 : Column WA260

²³ ABCUL Policy Briefing. April 2009

²⁴ Ibid

²⁵ Since 2006, the Financial Inclusion Fund has provided Growth Funding for third sector lenders. The Growth Fund is a £80 million initiative run by the Department for Work and Pensions (DWP), which has contracted with third sector lenders

As a result only 2.3% of Growth Fund loans were made to people living in rural areas in this period. Since 2007 the Growth Fund has supported the expansion of credit union services in rural areas including Devon, Norfolk, Shropshire and Cumbria.

19. The **Credit Union Current Account** was introduced in March 2007 to provide access to the mainstream banking network at a local level. The account offers a debit card which can be used in shops and to withdraw money from cash machines, and account holders can set up standing orders and direct debits, giving them much greater control over their finances. However, there is no overdraft facility so account holders cannot incur charges for going overdrawn. The number of credit unions subscribing to the Credit Union Current Account is growing rapidly, with 20 credit unions (supported by DWP) now providing the account to over 17,000 people²⁶. Research on the Credit Union Current Account shows that 95% of credit union members who used the new account thought they received a very good or quite a good deal from their credit union compared to 41% of other basic bank account customers²⁷.
20. The new Credit Union Current Account is a major step forward. However, with a set up cost of around £100,000 it remains beyond the reach of most credit unions. Furthermore, many rural communities still have no access to credit unions and/or community development finance institution services²⁸. Without access to appropriate and affordable credit there is an increasing risk that vulnerable people in these rural areas will turn to high interest door step lenders and illegal money lenders. A possible means of delivery of credit union services in rural areas could be via the post office.
21. The post office continues to have extensive geographical coverage with 10,263 offices in England, 57% in rural locations²⁹. Over recent years **Post Office Ltd has extended the range of financial services** that branches can provide. This includes access to some current accounts (eg Barclays, Lloyds TSB, Alliance & Leicester) and 17 basic bank accounts, savings accounts from the Bank of Ireland and mortgages from Bristol & West. The Post Office Network is an increasingly important means of addressing rural financial exclusion.
22. People who only have a Post Office card account cannot make electronic payments or write cheques. They therefore need to be able to go somewhere like the Post Office to pay their bills and there may be a charge to make the payment.
 - A rural Citizens Advice Bureau had negotiated repayments for a client on a catalogue debt of £1 per month. However, the client was unable to make payment without substantial costs to herself. She had poor basic skills and did not have a bank account or wish to open one. The debt collection agency did not provide a payment book and had no PayPoint facility. Consequently the client incurred substantial costs (around £2 on a token payment of £1) to make payment via the Post Office. The collection agency had just produced new bank payment slips, but the nearest branch of this bank to the client was in a town 15 miles away, which would result in significant travel expenses to make payment by this method.
23. The Post Office network could also be used to ensure better access to all current accounts, including the new credit union current accounts.³⁰ In fact, a number of postal operators around the world have gone into banking.

around Great Britain. The Fund provides capital for lending to financially excluded customers, with revenue support to meet costs.

²⁶ ABCUL Annual Report 2007/8

²⁷ The Credit Union Current Account – A research study into low income consumer expectations of the operation and charging structure of the Credit Union Current Account. Jones, P.A. ABCUL 2008

²⁸ *Social Fund Feasibility Study*. DWP October 2008

²⁹ CRC Rural services survey: Analysis by Defra RSU 2008.

³⁰ *Uncorrected transcript of oral evidence on future of post offices to BERR Select Committee*, 24 March 09

The New Zealand government launched Kiwibank Limited in 2002 as a subsidiary of the state-owned enterprise New Zealand Post Limited. Kiwibank provides banking services through 300 post offices throughout New Zealand. Kiwibank reported a 13.7 % rise in net profit to \$25.8 million for the six months to the end of December 2008. It's success is reflected in its sign-up rate for new customers. More than 600,000 customers have joined so far, with 300 more signing up every day. The UK Government is being called to take a similar approach by the new Post Bank Coalition³¹.

24. **Video-link** is a cost-effective way of serving some of the remotest areas with money advice³². Shropshire County Council has teamed up with Age Concern, Citizens Advice and housing associations to develop 'Telly Talk', an innovative videoconferencing system enabling face to face interviews on a range of subjects, including debt issues, employment and housing. The roll out of video conferencing facilities, like Telly Talk, offers help to residents in rural areas unable to access services as easily as people in towns and cities.

Traditional barriers to financial inclusion remain

25. **People living on low incomes** are most likely to be affected by financial exclusion³³. The lowest levels of average full-time weekly pay are found in peripheral rural counties. In 2007 mean weekly pay for England was £461.30. Local authorities with the lowest average weekly pay were Berwick upon Tweed, Northumberland (£292.10) and Penwith, Cornwall (£302.40)³⁴.
26. In 2007, 24 of the 50 English local authority districts with the lowest resident earnings were rural³⁵. Research by Cornwall County Council has shown rural areas in Cornwall have a high proportion of low income households and individuals with medium to high value debts. South West Regional Development Agency has published recession scenarios which show the region entered the downturn with relatively high household debt ratios. The "baseline" forecast suggests 15 months of output decline and 33 months of rising unemployment. The "worse" forecast scenario has a similar length of output decrease but 39 months of job losses. This is nine months longer than the UK average, reflecting the impact of prolonged household adjustment to pressures on debt and disposable incomes. The total loss in employment is predicted at about 72,000³⁶.
27. Issues of physical access and mobility can make **older people and people with disabilities** particularly vulnerable to financial exclusion. Compared to urban areas, rural communities have a higher proportion of people in the age groups 45 to 59 and 60+³⁷. The move to direct payments of benefits, increased use of credit and debt to manage cash-flow and the introduction of Chip and Pin technology worried some older people, a significant number of whom have little experience of banking. Many older people are left behind as the growth of internet banking and efficiency savings result in the closures of bank branches³⁸.
 - A CAB in rural Cambridgeshire reported that a disabled woman living in a rural area had extensive water arrears. The CAB had negotiated affordable repayments for her and the company sent the client a payment book. However, due to her disability, the client could not easily access the limited public transport to the nearest town.

³¹ The Post Bank Coalition is made up of the Communication Workers Union, Federation of Small Businesses, new economics foundation, public interest research centre and Unite the Union. The The proposal for the Post Bank was formally launched at a parliamentary reception hosted by Jon Cruddas MP on 17 March 2009 and is available at:

<http://www.neweconomics.org/gen/uploads/ybinhz3vnaycibvywr05erqml6032009181800.pdf>

³² *Money Advice Outreach Evaluation: Qualitative Outcomes for Clients*, LSRC 2008

³³ *Financial inclusion: the way forward*. HM Treasury, March 2007

³⁴ *Annual Survey of Hours and Earnings, 2007*. ONS

³⁵ *Rural financial poverty: priorities for action*. Commission for Rural Communities 2008

³⁶ *UK Recession Scenarios: Impact on SWE Sectors & Places*. SW RDA January 2009

³⁷ *Midyear population estimates by age group, 2007*. ONS.

³⁸ *Lost in the Money Maze: Help the Aged* 2008

She would need to travel to make payments free of charge at a Payzone point, or would have to incur additional charges to pay at the post office

What is the Government doing?

28. The Government has committed **£139 million up to 2011** to promote financial inclusion. This is paying the salaries of over 500 face to face debt advisers, giving access to affordable loans through credit unions and community development finance institutions and promoting financial inclusion through local partnerships and strategies.
29. The Government has committed a further £10 million between November 2008 and March 2010 for Citizens Advice Bureaux to expand local face to face advice capacity. This funding is supporting 342 Citizens Advice Bureaux, with 157 of them being based in predominantly rural local authorities.
30. The Financial Inclusion Champion Initiative is a key part of the government's drive to promote financial inclusion. Through this the Department for Work and Pensions has recruited **16 regional Financial Inclusion Champion teams** and two specialist Champion teams focusing on the role of social landlords and the needs of rural communities. These teams are working in partnership with local authorities and a broad range of stakeholders from the voluntary and private sectors to help deliver money guidance and increase the number of people with basic bank accounts, savings, access to affordable credit and face to face debt advice, as well as promoting the benefits of having home contents insurance.
31. **The Commission for Rural Communities hosts the Government's Rural Financial Inclusion Champion team** and is working in partnership with DWP to promote financial inclusion in rural areas. The Rural Financial Inclusion Champion took up post in November 2008 and participated in the Government launch of this three-year initiative. The team has worked closely with local authorities and financial inclusion stakeholders from the voluntary and private sectors in Devon, Shropshire, Cornwall, Norfolk and Lincolnshire to promote good practice and develop local financial inclusion partnerships and strategies. The team has promoted the engagement of rural interest groups in the Financial Services Authority's £12m Money Guidance Pathfinder and is helping to 'rural proof' the work of central government and the 16 regional financial inclusion teams to ensure financial inclusion policy and programmes consider rural circumstances and benefit people living in rural communities.
32. The Financial Inclusion Action plan for 2008-11 sets out how Government plans to ensure everyone has access to appropriate financial services, enabling them to manage their money, plan for the future, cope with financial pressure and deal effectively with financial distress³⁹. Despite these national goals there is no single indicator within local government's new national indicator set that references financial inclusion or debt issues. As a consequence, **financial inclusion is often not considered a priority by local strategic partnerships** and therefore not included within community plans and local area agreement outcome targets⁴⁰. Despite this, a survey of the impact of the economic downturn on local authorities found 32% of respondents identified provision of debt, benefits and advice services as a priority for action to ameliorate the impact of the downturn on their community.⁴¹
33. Evidence from Cornwall and Shropshire shows that financial inclusion is important to achieving a number of local area agreement outcome targets, particularly around worklessness and social inclusion.

³⁹ Ibid.

⁴⁰ Debt on Our Doorstep 'Review of National LAA Indicators' April 2008. Debt on your Door Step was established in September 2004 as a campaign group by the Money Advice Association and Church Action on Poverty, the network of support has grown to include Oxfam, the National Housing Federation, Citizens Advice Scotland, and numerous local advice agencies, credit unions, and church and community organisations, as well as thousands of individual supporters.

⁴¹ Council Leader survey on the impact of the economic downturn on local authorities, LGA. March 2009

By integrating financial inclusion within their **Local Strategic Partnerships** (LSPs), Cornwall and Shropshire County Councils have ensured a multi-agency response that can draw on a number of existing funding streams. For example, in response to the recession, in Cornwall Jobcentre Plus and Citizens Advice are working together to give money advice to Jobcentre Plus customers following redundancy. Shropshire County Council's Worklessness Action Group supported the launch of Shropshire's Just Credit Union's current account and is now identifying opportunities for focused marketing through its member organisations.

What more could the Government do?

34. The economic downturn is having an impact across both urban and rural areas. It is vital that Government is able to quickly identify any particular rural issues that may be less apparent because of the nature of these areas but which may require specific action⁴²:

1. **Government should use the current review of the National Indicator Set to adopt new financial inclusion indicators on access to face to face debt advice and affordable credit.**

To achieve the Government's ambition that everyone has the opportunity to access the financial services and products requires the full commitment of every local authority. The Department for Communities and Local Government currently chair a cross-Whitehall working group responsible for reviewing, and if appropriate updating, the National Indicator Set in advance of the 2011-14 spending round. DWP and BERR are represented in this working group. The Government should use the review to adopt new financial inclusion indicators on access to face to face debt advice and affordable credit. The LAA refresh process provides a window of opportunity for Councils to reflect on the credit crunch and adopt a specific commitment to tackling financial inclusion⁴³.

2. **Government should establish a Financial Inclusion Technology Fund to support the use of new innovative delivery mechanisms.**

Over recent years a number of innovative delivery mechanisms have been developed to promote financial inclusion in rural areas. New technologies, like video-link, are making face to face debt advice more cost effective and the recently launched Credit Union Current Account is making it easier to deliver credit union services and basic banking in rural areas. However, uptake of these new ways of working is often constrained by the initial start up costs. The Government should establish a fund to support the use of new technologies to promote financial inclusion.

3. **Government should work with Post Office Ltd to expand the financial services the network provides to include debit-card facilities, current accounts, savings plans, loans, business services and financial advice.**

Allowing post offices to act more like banks would double the number of banking outlets and, more importantly, promote financial inclusion by providing banking services to communities presently without such provision.. It would also place the post office on a sounder business footing and give it a greater sense of purpose. The Post Bank Coalition has set out how the Government should set up a Post Bank based on the Post Office Network⁴⁴. A similar approach was adopted by the New Zealand Government in 2002.

⁴² *Resilience and Opportunity: The Government's Response to the report of the Rural Advocate: England's rural areas: steps to release their economic potential.* February 2009.

⁴³ Cornwall Strategic Partnership Minutes 15 October 2008.

⁴⁴ The Post Bank Coalition is made up of the Communication Workers Union, Federation of Small Businesses, new economics foundation, public interest research centre and Unite the Union. The proposal for the Post Bank was formally launched at a parliamentary reception hosted by Jon Cruddas MP on 17 March 2009 and is available at: <http://www.neweconomics.org/gen/uploads/ybinhz3vmaycibvywr05erqml16032009181800.pdf>

4. Government should expand support through the Growth Fund to develop credit unions and community development finance institutions in rural areas beyond 2011.

The Growth Fund should expand support to develop the capacity and reach of credit unions and community development finance institutions in areas where there is currently no coverage. This will help to ensure their long-term sustainability in rural areas. Government should support development of a banking platform that can offer current account facilities to credit unions at an affordable rate. Government should also work with the Post Office to integrate delivery of financial services and facilities offered by the post office and local credit unions.

5. Government should increase the supply of free face to face debt advice in rural areas.

The recession is causing new groups to experience financial stress and debt issues. In comparison to urban areas these groups – such as older people and the self employed – make up a larger proportion of the rural population. Furthermore, Citizens Advice Bureaux are seeing a higher increase in the number of debt cases in rural areas compared to urban areas. However, only 24 (5 %) of the Financial Inclusion Fund face to face debt advisers are working in rural areas. As supply outstrips demand there is an urgent need for more face to face advice on debt to be made available in rural areas.

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Media Coverage

Financial Inclusion

CAB goes online to cope with more work

Mid Devon Citizens' Advice Bureau have introduced a new online advice service. www.middevoncab.org.uk covers a range of issues and is constantly updated. Crediton Advice Service manager Judith Nichols said: "With so many clients wanting to see us in what is a rural area, the new online service will help to meet a growing need by the community in mid Devon." During recent months they have seen a 15% increase of in clients, mainly due to the financial crisis, and growth in demand for services is anticipated in the coming months. (02/04/09, **This is Plymouth**)

Keeping needy from jaws of loan sharks

A cash injection to help beat loan sharks has been launched by Torbay Council as part of a £150,000 plan to help tackle the recession in Torbay. The scheme includes investing £35,000 into a credit union so those in need can apply for low-cost loans rather than being sucked into the jaws of loan sharks. Steve Opie of the Bay's credit union said "This is even more important at a time when traditional banking solutions are tightening their lending criteria forcing more people into the field of costly credit." (25/03/09, **This is Plymouth**)

Cattles suspends three more executives

Cattles plunged as much as 30% after the specialist lender said it had suspended another three executives as part of a widening investigation into bad debt provisions. The company is continuing to collect payments from its customers, at a rate of nearly £80m a month, but in February stopped nearly all new lending, restricting loans to further advances to existing customers. Cattles is in talks with banks and holders of its bonds to renegotiate its £2.6bn of debt. It will start by asking for waivers while it seeks to address its financial problems. (10/03/09, **Financial Times**)

Appeal to help advice experts

An appeal has gone out for volunteers to help advice experts deal with the influx of calls being created by the recession. The Hambleton branch of Citizens Advice Bureau in North Yorkshire is hoping to recruit up to 20 volunteers to be trained as advisors. Since November, the bureau has seen a rise in inquiries, ranging from debt issues and redundancy to benefits and family breakdown. (02/03/09, **The Northern Echo**)

Business – Bad news

Principles in Aylesbury closes

Aylesbury's Principles clothing store is one of the fashion chain's 91 high street shops which has shut down after administrators were forced to act this week. The decision to close a majority of the stores was made on Friday evening and the joint administrators have since sold most of the Principles stock to department store giants, Debenhams. (11/03/09, **The Bucks Herald**)

Business – Bucking the trend

County firm shrugging off the recession

Countrywide is bucking the national trend and is on course to record profits this year, according to the company. Countrywide, which has stores in Malvern, Upton, Bromyard and Evesham, sent an upbeat message to shareholders based on strong half-year performance across all business – it generated an operating profit in the first half of the financial year for the first time in its history. (12/03/09, **Stourbridge News**)

Engineering firm expands

Boniface Engineering of Thetford seems to be bucking the trend by expanding. It is one of the UK's leading suppliers of recovery vehicles, and part of Miller Industries.

Strong demand for the company's extensive range of recovery vehicles from around the world has made the major expansion programme necessary. (09/04/09, **Thetford & Brandon Times**)

Manufacturer buys closed factory site

Manufacturing has started again at the former Express Composites factory, near Beccles, after a buyer was found for the site and machinery. Administrators confirmed that the firm's assets at Ellough had been sold – and the buyer, Broadwater Mouldings, planned to move its entire operation to the site by the end of May. Express, which made composite truck roofs for the likes of DAF in Holland and employed approximately 130 people, went into administration in November after a sudden drop in customer orders. Broadwater, which manufactures glass-reinforced plastic mouldings for anything from medical or marine equipment to post boxes, will move production and its 70 strong workforce to Ellough from its factory at Horham, near Eye. (03/04/09, **Norwich Evening News**)

Business – Support

Back our local businesses

Urgent action to stop West Somerset businesses becoming victims of the recession has been called for in the wake of a new study aimed at mapping out the district's future economic prospects. An economic strategy, commissioned by West Somerset Council and produced by consultants EKOS at a cost of around £50,000, was formally adopted by councillors last Thursday. But concern about the immediate measures that need to be taken to protect existing companies in the global downturn rather than looking to the future, has left the authority's ruling cabinet facing demands to instigate a small business support scheme. (03/03/09, **West Somerset Today**)

Jobs – Bad news

Engine firm cuts 78 jobs

A famous Stafford engine-making business is shedding almost 80 jobs in a further blow for the local manufacturing industry. The economic downturn has been blamed for the move at Perkins Engines which exports its products around the world and has had a presence in Stafford for almost 150 years. Perkins Engines confirmed that 78 temporary workers were being released from its Tixall Road factory in response to economic conditions that have impacted demand for its diesel engines. (14/04/09, **Express & Star**)

Jobs axed as Kangol stops production

West Cumbria's former Kangol hat factory is to cease production with the loss of 25 jobs. US firm Bollman Headwear, which runs the plant at Cleator, has decided to turn it into a warehouse. Seven staff will be kept on to run the new operation. The company announced in February it was reviewing the Cleator Mills factory's future because of the recession. (06/04/09, **Whitehaven News**)

Avon Rubber to axe jobs in Melksham

There is more bad news on the jobs front in West Wiltshire with the news that Avon Rubber in Semington, near Melksham is to axe 72 jobs. Products made at the firm will now be made in the Czech Republic to save money, resulting in the loss of UK jobs. Avon said the decision would 'improve the performance of our UK based operations in these difficult times'. (01/04/09, **Wiltshire Times and Chippenham News**)

180 jobs at risk

Nearly 180 jobs are at risk at a global logistics firm in Breckland. In a major shake-up of its home delivery operations, Marks & Spencer has ditched Dutch-based Kuehne & Nagel (KNN) in favour of rival firm Wincanton. The transfer of operations to Wincanton will take place over the next six months. While some jobs at other sites around the country will be saved, and in some cases more created, Wincanton stated: "It is proposed that home delivery operations at all other Marks & Spencer home delivery operations sites will cease." (31/03/09, **Watton & Swaffham Times**)

Supplier in talks over job losses

An electronics manufacturer supplying the automotive and construction industries is the latest supply chain business to announce potential redundancies. Mechetronics has started consultations with staff about possible redundancies at its plant in Bishop Auckland, County Durham. Last night it was unclear how many of the 49 workers' jobs are at risk. (31/03/09, **The Northern Echo**)

90 jobs to go at South East agency

A Government agency set up to boost economic regeneration in the South East is set to shed around a quarter of its workforce. The South East England Development Agency (SEEDA) said it would be losing around 90 of its 370 current staff following a 20% budget shortfall over the next two years. (30/03/09, **24dash.com**)

A hard job finding work in Cumbria

After 30 years John McTaggart has acquired a wealth of experience in construction. Now the Carlisle builder is looking for work as a night watchman. Craig Hamilton from Currock also has skills in the building trade, having worked as a roofer since the age of 17. But he doesn't expect to use them in his next job. "I would take anything now" he says. These two are not exceptions. Everywhere skilled workers are finding themselves unemployed, and despite their experience and knowledge, are unable to get back into their chosen line of work. So they are being driven to seek unskilled or low-paid jobs – and even these are proving hard to find. (21/03/09, **The Cumberland News**)

More than half firm's workers lose jobs

More than half the workforce at a prominent manufacturing company in Small Dole has been made redundant this week. Carrington Ltd has become the latest casualty in the credit crisis with 59 out of 110 employees losing their jobs after the company went into administration. (19/03/09, **West Sussex Gazette**)

Unemployment reaches 12-year high

More than 2,000 people in Aylesbury Vale are claiming Jobseekers allowance, according to figures released today. They show that 2,207 people are seeking work in the district, equating to 2% of the working population. It is the first time there have been more than 2,000 claimants in Aylesbury Vale since February 1997, but the district compares favourably with South East (2.8%) and national (3.8%) claimant rates. (18/03/09, **The Bucks Herald**)

Wantage has UK's highest jobless rise

The Vale of White Horse, which includes the historic market town of Wantage, has had the biggest rise in unemployment claimants in the country. Figures from the Office for National Statistics show that the Vale's Jobseekers Allowance claimant count has risen almost 150% between January 2008 and January 2009 – the highest in the country, even though unemployment remains low. Jim Hetherington, chairman of Wantage Chamber of Commerce, said that historically the town had had a good employment record. Bill Atkinson, MD of developer Bushbuy, said: "I was surprised to see the Vale at the top of the list. It's not what I would have expected. It is probably because a large percentage of people live here but work in larger areas like Swindon, Oxford and Newbury, which have been hard hit by the credit crunch." (17/03/09, **The Oxford Times**)

Workers make redundancy protest

Hundreds of newly redundant Wrekin Construction workers were travelling in convoy to the company's headquarters near Wolverhampton today to complete statutory redundancy paperwork. Today's statement from workers comes less a week after 530 jobs were lost when the building company went into receivership. Bosses blamed Royal Bank of Scotland for "a total lack of support", despite having secured £40 million in future contracts. (16/03/09, **Express and Star**)

Union fears at Jacob's bakery in Aintree

Union leaders fear Merseyside's United Biscuits finance centre could close if 125 jobs are moved to India under a restructuring programme.

The site employs 150 people and workers fear it could close if so many jobs go. But the company today said no decisions on restructuring have yet been made. (13/03/09, **Liverpool Daily Post**)

Crisis deepens as Toyota announces cuts

Car giant Toyota has announced cuts in productions and pay at its two UK factories, including one near Derby. The company, which employs 3,900 workers at its main production site in Burnastone and 570 at its engine plant in Deeside, has already cut 200 temporary jobs and opened a voluntary redundancy scheme. The 10% cut in production means that employees will not attend work on two days a month. The factories will not produce any vehicles or engines every other Friday. (12/03/09, **Bognor Regis Observer**)

Equipment maker to cut 500 jobs

Measuring equipment maker Renishaw, which has a base in Alnwick, Northumberland, has announced it is cutting 500 jobs, with the majority set to go in the UK due to an "unprecedented" slowdown in demand for its products in recent months, forcing it to take action to cut costs. Most of Renishaw's 1,500 strong UK workforce is based at four Gloucestershire sites. (11/03/09, **Bognor Regis Observer**)

Jobs – Good news

Future of cheese factory site considered

A master plan for the future of a cheese-making factory in a Derbyshire village is being considered by authorities in the area. Hartington Creamery is due to close later this month following an announcement by Long Clawson Dairy in February. The company will switch Stilton-making to its other factories in Leicestershire, with a loss of 150 jobs. But on Tuesday, the Peak District National Park Authority said the future of the site is being considered. The aim is to try to keep some employment on the site and to improve the overall look and use of the area for residents and visitors. (18/03/09, **Hebden Bridge Times**)

Job Club opens in town

Help is at hand for local people laid off in the current recession with a new project at Brigg Methodist Chapel. The Brigg Job Club has been set up to help local people live with unemployment and related issues. (12/03/09, **Boston Standard**)

Money given to tackle unemployment

The winner of a £50m scheme to help unemployed people into work during the recession has been unveiled. The Economic Challenge Investment Fund will distribute money to more than 70 universities and colleges to provide training and professional development services until September next year. The High Education Funding Council for England Scheme will be used to hand out vouchers to unemployed people for courses and help looking for work. (09/04/09, **Newstart Mag**)

Countrywide set to create jobs in Honiton

Jobcentre Plus in Honiton is recruiting now, ahead of the July opening of Countrywide. Up to 15 jobs will be created when the established business expands to one of three units created out of the former Royair premises on Heathpark Industrial Estate. Countrywide is the UK's leading retail business supplying products and advice to rural communities. Its products are aimed at pet owners, smallholders, equestrian enthusiasts, gardeners and farmers. (08/04/09, **Devon 24**)

Housing

LHA moves 'detering landlords'

Changes to the housing benefit system have reduced choice for social tenants and could lead to more people being made homeless, a trade body has warned. In April last year the Local Housing Allowance (LHA) was introduced, under which money for rent was paid to tenants, rather than directly to private landlords. But the National Landlords Association said research had shown that many tenants were failing to pass on payments to their landlords.

It warned that this was causing major problems for landlords, and in the most serious cases left them facing repossession of their properties. (06/04/09, Surrey Comet)

Support for SW tenants and homeowners

The Chartered Institute of Housing(CIH) South West is asking Government for more support for tenants and homeowners in the region to ride out the current financial crisis. CIH South West's Housing Manifesto 2 calls for a Government policy push to create mixed, affordable and sustainable communities in the region. Housing in the region remains in crisis with prices 10 times the average income, one in 15 families on the waiting list for accommodation, and repossessions on the rise as a result of the credit crunch. (31/03/09, CIH.org)

Private tenants are 'forgotten victims'

Government has been urged to introduce greater protection for the rising number of tenants who are evicted because their landlord defaults on their mortgage. Four housing charities have joined forces to publicise the plight of people in the private rented sector who are being made homeless because their property is repossessed. Shelter, Citizens Advice, Crisis and the Chartered Institute of Housing said there had been a steep rise evictions because landlords had failed to pay the mortgage, despite tenants keeping up with their rent. They estimate that more than 8, 000 buy-to-let properties could be repossessed this year. (27/03/09, Bridgwater Mercury)

Charity fears repossessions will soar

A Notts-based charity is expecting to be inundated with people losing mortgaged homes during the next six months. Shelter helped approximately 1,700 people in Notts last year. But the charity has already had 2,000 clients in 2008/09. Sharon Batey, manager of Shelter's office in Castle Gate, said: "What we are seeing now is the tip of the iceberg. We are going to be inundated. It is not just guys on the street with bottles in their hands. It can be middle class families who are facing difficulties." (20/03/09, This is Nottingham)

Average cost of renting home falls

The average cost of renting a property has fallen by more than 2% during the first three months of the year as "accidental landlords" flood the market. Property website Gumtree.com said average rents had dipped by 2.2% across the UK during the first quarter of the year, with Oxford the worst affected area seeing a 6% plunge. It blamed the falls on the rental market being flooded with properties, as people opt to rent out their home instead of selling it, in the hope that house prices would recover. (17/03/09, Banbury Cake)

New homes needed now

A new report has identified a need for affordable housing in Hayfield. Produced by Derbyshire Rural Community Council, the report details the results of the Hayfield Parish Council and High Peak Borough Council. The paper-based survey was aimed at identifying affordable housing need in the parish and establishing the type and tenure of housing required to meet the demand. (12/03/09, Buxton Advertiser)

Town hit by 26% house price slump

Average house prices in Hertford have fallen 26.5% in the last six months, new figures show. The town was second worst-hit in England, with asking prices now £78,322 lower than six months ago. House prices in Worksop, Nottinghamshire, have dropped by 25.8%, while properties in Kendal, Cumbria; Kidderminster, Worcs; and Lewes, Sussex, have all suffered falls of more than 22%. The average asking price across the whole of the UK has fallen by around 11% during the same period. (12/03/09, Malton & Pickering Mercury)

Services

Courses to create futures for redundant

A £1.1m lifeline was announced for Norfolk yesterday to create "new futures" for vulnerable workers and businesses suffering during the recession.

It will enable the University of East Anglia (UEA) and partners Norfolk County Council, City College Norwich and Norwich University College of the Arts to run a free programme of activities to develop skills and business opportunities. UEA's successful bid is one of 58 in England announced today by the Higher Education Funding Council for England. (09/04/09, Fakenham & Wells Times)

Village post office is back

Volunteers at a community-run shop have re-launched their post office service. The shop at Strood Green opened its doors to applause last month after villagers raised enough cash to fund it. Now volunteers at the Tynedales Road store have started an independent post office service to meet local demand, three years after the last village post office was axed by Royal Mail. (09/04/09, This is Surrey)

Quality of life getting worse, say old folk

The care and support system for older people is on the brink of collapse and millions live in loneliness, depression and poverty, according to a report launched today. One in four people aged 65 and over in the East of England feel their quality of life got worse in the last 12 months – and one in 10 perceive themselves to be often or always lonely. The report, One Voice, has been put together by the newly merged charity Help the Aged and Age Concern. Emily Millington-Smith, chairman of Norfolk Older People's Forum, supported the report and said the situation for people in rural areas was often worse. (07/04/09, EDP24)

Council tax rises faster in countryside

Council tax is rising faster in rural areas than in towns and cities. Official figures show council tax rising almost three times faster in the countryside. The average Band D council tax bill in England is set to rise by 3% to £1,414 in 2008/09, according to the Department for Communities and Local Government. Overall, this increase is the lowest for 15 years. People in the countryside will be paying more than urban dwellers, according to the Chartered Institute of Public Finance and Accountancy. CIPFA chief executive Steve Freer said: "This year's round of council tax decisions has been extraordinarily difficult. On one hand councils want to minimise tax increases to ease the burden on hard-pressed households. On the other hand there is pressure to maintain vital services to support families and communities through the downturn." (05/04/09, Rural Services Network)

Gloucestershire First launches taskforce

A taskforce to help Gloucestershire's businesses during the recession has set out its priorities following reports that unemployment in the county has risen by 18%. Managed by Gloucestershire First, the taskforce is inviting businesses and commercial banks to get together to discuss the current situation. The first task on the group's agenda is to invite MP Ben Bradshaw, head of the regional economic taskforce, to visit Gloucestershire and explain to struggling companies what help they can expect from the government. (02/04/09, Wilts and Gloucestershire Standard)

Market Towns

Village shops as rural backbone

The real threat to our countryside is not told by the demise of the Royal Show but the steady decline of our village shops, pubs and post offices – the backbone of village life. These businesses are not only the focal point of rural community life; they often play a wider role in supporting other local small forms in the area. The collapse of one small village shop can have a drastic impact on the entire community. A recent poll of Federation of Small Businesses' members based in rural areas or involved in the tourism industry, found that 44 % said they rely on a sole pub, shop, post office or petrol station in their local area for their business. The FSB is urging the Chancellor to extend business rate relief to these businesses for the next year in this month's Budget to ensure they survive the downturn and remain the heart of community life. (12/04/09, Telegraph)

Thresher is latest recession victim

Thresher has become the latest Cirencester business to be closed down. The empty premises sits opposite the barren Woolworths store. National chains Adams and Whittards have also shut their Cirencester stores. (02/04/09, Wilts and Gloucestershire Standard)

New tenant for former Woolworths store

Another former Woolworths will reopen in the next few weeks after QD Stores bosses confirmed they will take on the North Walsham branch. Around two dozen full and part-time jobs should be created by the move, which comes days after QD said they would take on the former Woolworths in Beccles. Other former Woolworths in Diss and Swaffham are also set to have new life breathed into them, the former by CarpetRight and the latter by frozen food chain Iceland. And in Hunstanton, a branch of the Warehouse Clearance Shop has already opened in place of Woolworths. (26/03/09, Norwich Evening News)

All change in town centre

The face of Dorking town centre is changing as shops open for trade while others close. Well-known names, such as Currys, Woolworths and The Officers Club, have shut – as well as local brands including Thistles florist and Saffron women's clothes shop. But despite the recession, new outlets have opened and more are set to move in. Sandra Grant, Dorking town centre manager, is encouraged by the recent openings. She said: "Market towns have really been hit badly by the recession and I think it is great that we have got these shops opening." (26/03/09, This is Surrey)

Evesham business closes, no jobs lost

The Brooklyn Ford dealership in Evesham has closed with no redundancies. All seven staff were transferred to other Ford dealerships in the region when the business closed in March. (25/03/09, Evesham Journal)

Rochdale bitten by the crunch

Shoppers in recession-hit Rochdale have told how they prefer Bury to their own town. A poll by Manchester Evening News found shoppers complaining about the lack of 'decent shops' in Rochdale, after a number of stores fell foul of the credit crunch. Almost a third of shops are standing empty, making it the third worst-hit retail centre in the country. Council leaders have vowed to get the town back on track – and have earmarked millions of pounds in investment. (18/03/09, Manchester Evening News)

Business rate hike could see shops shut

More small traders could be forced to close following a recent business rate increase, along with other costs, warns a local businessman. Allan Mossop, chairman of the West Cumbria branch of Federation of Small Businesses, says there are over 20 vacant shops in Whitehaven. "When people are faced with an increase in National Insurance contributions and increased utility bills, we are talking about a substantial amount of money," he said. "A lot of small businesses are surviving, just. But it's this that will push them over the edge and a lot will say that it is just not worth it." (18/03/09, Whitehaven News)

Traders urge shoppers to shop local

Traders in Camelford have banded together to form a "Swap Shop" scheme. Local greengrocer Julian Harman of A1 Fruiterers claimed that one of the biggest contributors to shops closing around the country was the perception generated by large supermarkets that the High Street was an expensive place to shop. In a bid to combat this, Mr Harman's initiative isn't asking local shoppers to boycott supermarkets, but asking that they cancel one of their weekly or monthly trips to the supermarket and shop locally instead. "We can offer free parking and savings on fuel among many other special personal benefits you only get from you local shops" he said. (18/03/09, This is Cornwall)

Ulverston traders vow to fight back

Ulverston is not buckling under the credit crunch, according to town traders. Business owners hit back after figures published in last weekend's Sunday Times claimed 21% of the shops are empty – making it Britain's 16th biggest recession victim.

Ulverston Traders' Association says the figures are completely wrong and potentially damaging to the town's tourist appeal. Traders' secretary Peter Winston says members conducted a survey recently and found only 7% of stores vacant. He said: "Ten days ago and there are about 17 empty business premises, including pubs. We counted 236 trading units in the town, so 21% - no way." (17/03/09, **North West Evening Mail**)

Mobile shop to serve Wolds villages

A mobile shop will be out and about in the Wolds villages, thanks to one man who is determined to fight the recession after losing his job. When joiner Steve Hunt of Langtoft was made redundant just before Christmas he decided to set up shop and hit the road to not only bring vital supplies to communities feeling isolated following recent post office and shop closures but to help people save fuel by shopping closer to home. (13/03/09, **Cranswick Today**)

Downturn impacts SE small rural towns

The impact of the recession is being felt everywhere, and is reflected in a growing number of job losses and shop closures. SERTP undertook a survey in January 2009 to determine the real pictures in our small rural towns across the South East. The latest information from the towns reveals that there are some that do not seem too badly affected but generally the outlook is bleak, at least in the short terms. SERTP, through its network of co-ordinators, is supporting rural towns through these difficult times and helping them identify sources of help and advice as well as funding opportunities. (20/02/09, **Setowns.org.uk**)

Local Pubs

Toast to success of Suffolk pub

A Suffolk pub has been praised for bucking the trend after establishing itself as one of the most popular watering holes in a market town. Now celebrating six months of serving ale in Sudbury, business at Mauldon's first-ever pub, the Brewery Tap, is continuing to grow, showing good beer can still be the basis for a successful pub. Footfall in the East Street pub has increased since it opened in November, with the only complaint being they have not got enough room to accommodate all the drinkers coming through the doors. (07/04/09, **East Anglian Daily Times**)

Dorset villagers urged to buy their pub

Community-run pubs are being hailed as the way forward for threatened rural establishments in Dorset. A damning report by a leading think-tank criticised Government for policies that have contributed to dozens of pubs across the country closing every week. The report by the Institute for Public Policy Research reveals that 334 pubs have closed across the South West in the last four years and warns that many more could follow. In tough economic times more pubs may look to follow the successful example of villagers in Shipton Gorge, near Bridport, who took matters into their own hands when the New Inn closed in 2005. Residents clubbed together to take over the establishment themselves and reopened it a year later. With the villagers effectively stakeholders in the pub, it has become even more central to the community and is used for a range of activities. (31/03/09, **Dorset Echo**)

General

Shooting parties take flight

Pheasant and partridge shoots have closed or been scaled back for the next game-shooting season as corporate clients desert the sport. The sport, worth £1.6 billion to the economy, is the latest to be hit by a loss of hospitality business and sponsorship and follows similar problems at racecourses and football clubs. With six months to go before the new shooting season, scores of gamekeepers have lost their jobs already. The decline in business from shooting is also expected to have wider repercussions in rural communities and to affect livelihoods of hoteliers, pub landlords, cooks and farmers who rear game birds. (11/04/09, **Times Online**)

Thieves target homes as recession bites

Rising rural thefts are prompting warnings for residents to review home security. Rural insurer NFU Mutual is reporting a 14.7% increase in thefts from homes in the countryside during 2008.

One trend behind the increase is a nationwide epidemic of thefts from domestic central heating oil tanks as high prices make oil a valuable commodity. "There is concern in the countryside that the recession will lead to a crime wave," said NFU Mutual spokesman Tim Price. "We have seen sharp increases in rural crime in previous economic downturns – and are concerned that these worrying figures could mark the first evidence of a new rural crime wave." NFU Mutual's concerns are shared by rural police forces. (07/04/09, **Rural Services Network Online**)

Rural economy looks to positive future

Confidence in the rural economy remains high despite the recession. Prospects for rural businesses are bucking a downward trend, suggests a survey of company bosses. The study found confidence is significantly more buoyant in the countryside than the general economy. Figures for the second quarter of 2009 show that only 4% of respondents have no confidence in the rural economy over the next three to six months. This compares to 69% who have no confidence in the general economy – a jump of 13% compared to the first quarter of 2009. CLA president Henry Aubrey-Fletcher said: "The results outline that confidence in the rural economy is up on the previous set of results, showing that businesses are fending off the negative effects of the recession better than the rest of the world. (10/04/09, **Rural Services Network Online**)

19 jobs to go at shellfish firm

A leading Norfolk shellfish firm which features Marks and Spencer among its customers has been forced to shed 19 jobs because of shift in shoppers' buying patterns. Cromer Crab Company has cut a large part of its midday shift. MD Mike Grey said: "We are experiencing a challenging marketplace with the current economic situation compounding pressure on pricing in what is already a highly competitive industry, and consumers seeking less premium products." (25/03/09, **Norwich Evening News**)

Urging you to 'buy nearby'

The message to "buy nearby" is being given out by Derbyshire County Council as part of a campaign to support local businesses. The Near-Buy, Shop Local campaign is aimed at helping traders during the credit crunch and will be launched across the county this month. (07/04/09, **This is Derbyshire**)

Countryside hit by recessionary crime

Rural homes are experiencing an increase in theft as the recession takes hold, insurance provider NFU Mutual has said. Homeowners in rural areas are at an increased risk they say. Figures obtained by the firm via the Freedom of Information Act show that two-thirds of police forces in England and Wales have seen an increase in robberies over the past three months, with the largest rise in rural areas. (31/03/09, **Money.co.uk**)

Recession 'helps visitor numbers'

The recession has helped boost visitor numbers four-fold at a Worcestershire attraction, the National Trust said. Croome Park was among properties run by the Trust which saw higher-than-usual visitor numbers over the February half-term holiday. Christine Doyle, from the Trust, believes the recession is making people seek attractions near to where they live. (21/03/09, **BBC News**)

Credit crunch report issued for Wiltshire

A community finance initiative, increased support for established and start-up businesses, and more help for struggling families are among recommendations to the Wiltshire Assembly in a Wiltshire credit crunch report. Commissioned by Wiltshire County Council, it recommends building blocks to support people, businesses and communities. While Wiltshire is proving resilient economically and socially, figures show that business confidence has fallen. Citizens Advice Bureaux across the county are seeing an 11% increase in social issues being raised, the main issues being debts and benefits. (16/03/09, **This is Wiltshire**)

Recession hits the countryside

No parish in Britain is immune from the ravages of the recession. Yet, in many respects, the effect of every redundancy in the countryside has a far greater effect on the local economy.

With fewer jobs, and poor transport links to nearby towns, the unemployed are likely to encounter greater difficulties finding alternative work. Those living in rural areas are proud people. They do not want special favours from the Government. But they do have a right to expect fairness from our political leaders. (13/03/09, **Yorkshire Post**)

10-point action plan to beat recession

An economic task force has come up with a 10-point plan to help Northumberland beat the recession. The all-party task force was launched in November in a bid to counter effects on employment, incomes, business and quality of life caused by the deepening economic slump. (09/03/09, **Journal Live**)