



RURAL
SERVICES
NETWORK

*Value in
communities*



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Comoola Tree

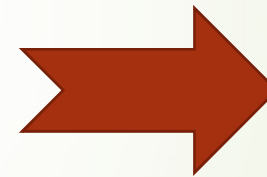
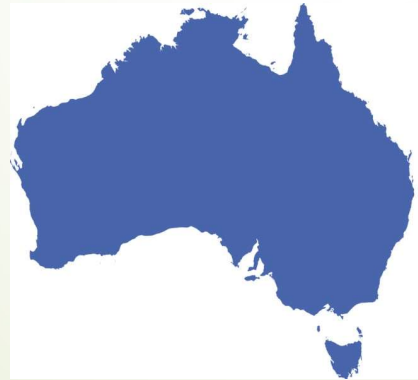
A radical innovation to reverse rural decline and deprivation

Agenda



- Introduction and the Bendigo case study
- The Comoola Vision
- The Comoola Business Model
- The digital opportunity for rural communities
- Next steps –business planning and setting up pilots
- Support from the RSN – identify pilot communities
- Further support from the RSN – discussion

Introduction: the Bendigo Case, &...



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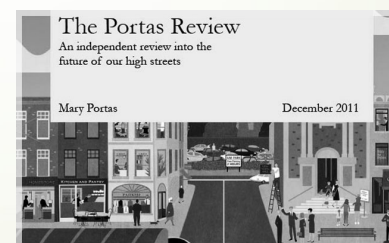
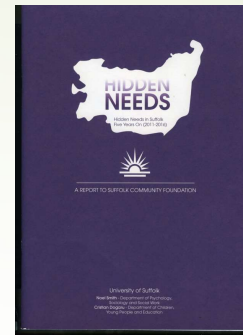
The circle of rural decline and deprivation

- ▶ Smaller towns and villages are in a cycle of decline
 - ▶ Lack of scale drives higher cost of living
 - ▶ Forcing economically active people into larger towns
 - ▶ The 'bright young' simply quit
 - ▶ Reinforcing decline and deprivation
- ▶ Specifically we see in small towns and villages:
 - ▶ Erosion of banking, postal services
 - ▶ The Un- & Under- Banked
 - ▶ Reduced retail presence
 - ▶ Challenged health and social welfare
 - ▶ Reduced transport services
 - ▶ Threatened SME viability



The situation is widely recognized ...

- Reported by multiple agencies through investigations and reports
- Each analysis has its own particular perspective
- Collective handwringing, but ...
- No joined-up view of the social costs alongside the economic deprivation
 - Difficult to formulate policy



The implications are also severe for government

- ▶ **Reduced local tax receipts**
 - ▶ From stifled rural and small town businesses
 - ▶ Older populations – mostly take and no pay
 - ▶ Low wages force young people and small businesses to locate away
- ▶ **Increase demand on NHS and social services**
 - ▶ Reduced community interaction and support leading to increased loneliness, anxiety, health and welfare issues
- ▶ **Increased costs**
 - ▶ City congestion and extra pressure on their services

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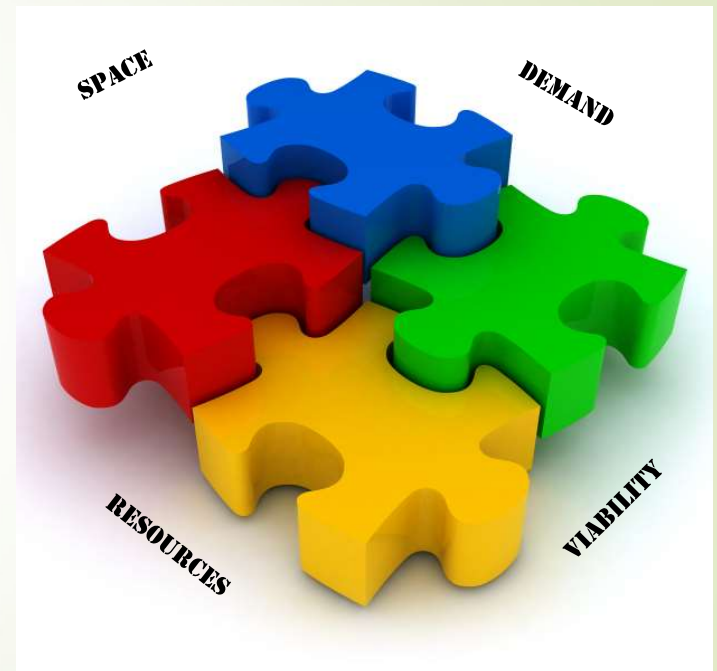
Comoola Tree (which means money tree in Aborigine) will provide a platform for communities to reverse the decline

April 9, 2018

The Comoola 'Vision'

►a **Community Interest business platform**

- Configurable
- Leveraging digital capabilities
- Market Price Competitive
- A private sector solution
 - Independently invested ~ local and central
 - ...and with clear public sector sponsorship



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The Comoola Business Model



- Community Interest Companies
- Configurable to locality
- Franchised by Comoola Tree Ltd
- A one-stop integrated solution
- Exclusive partner providers
- Unique innovative digital platform
- Returning to all the parties
 - leveraging buying scale,
 - low overheads,
 - commission and rewards structures,
 - promoting local SMEs
 - social welfare & mobility via IoT
 - Advertising through the Portal

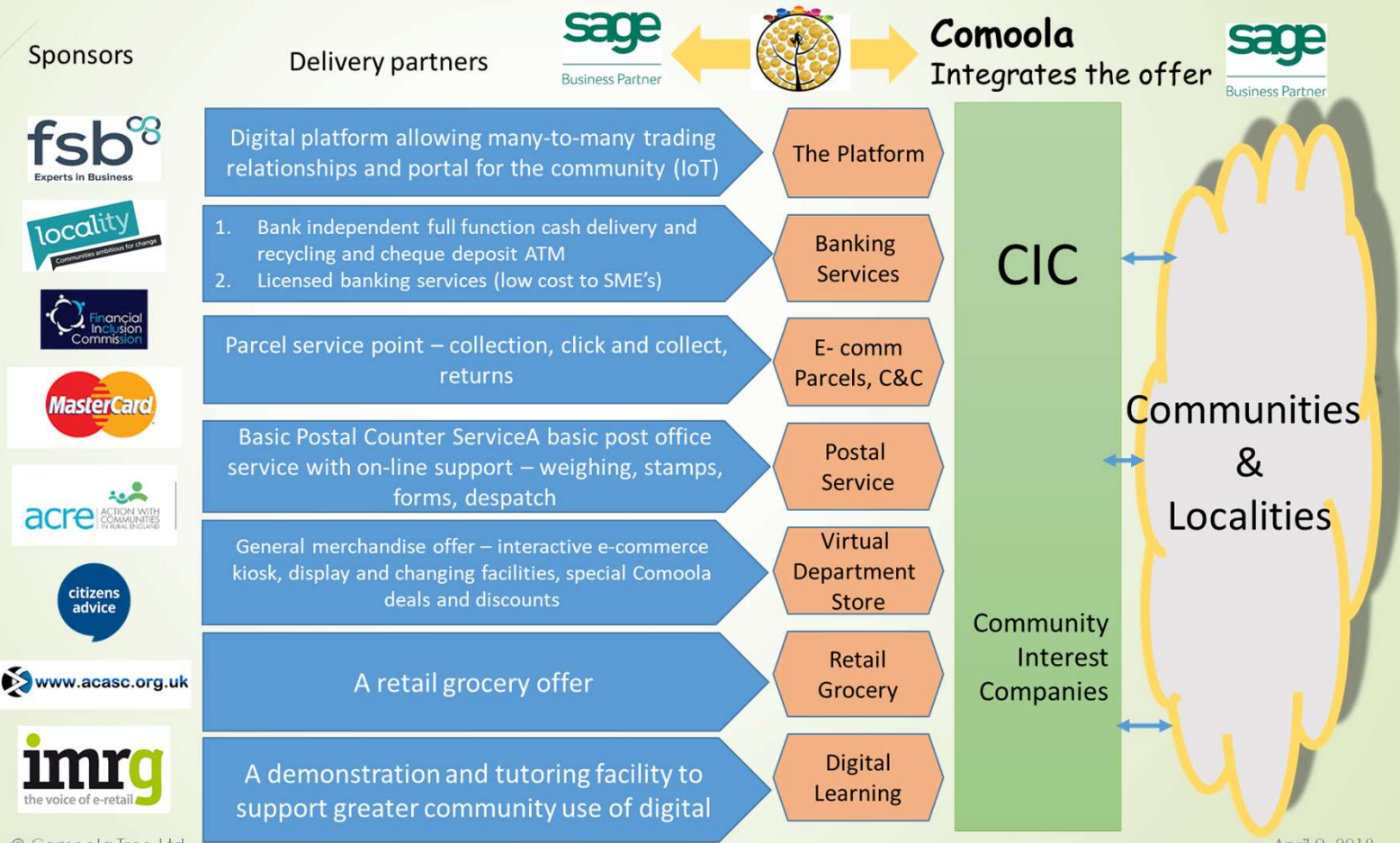


The Comoola architecture – four groups of stakeholders

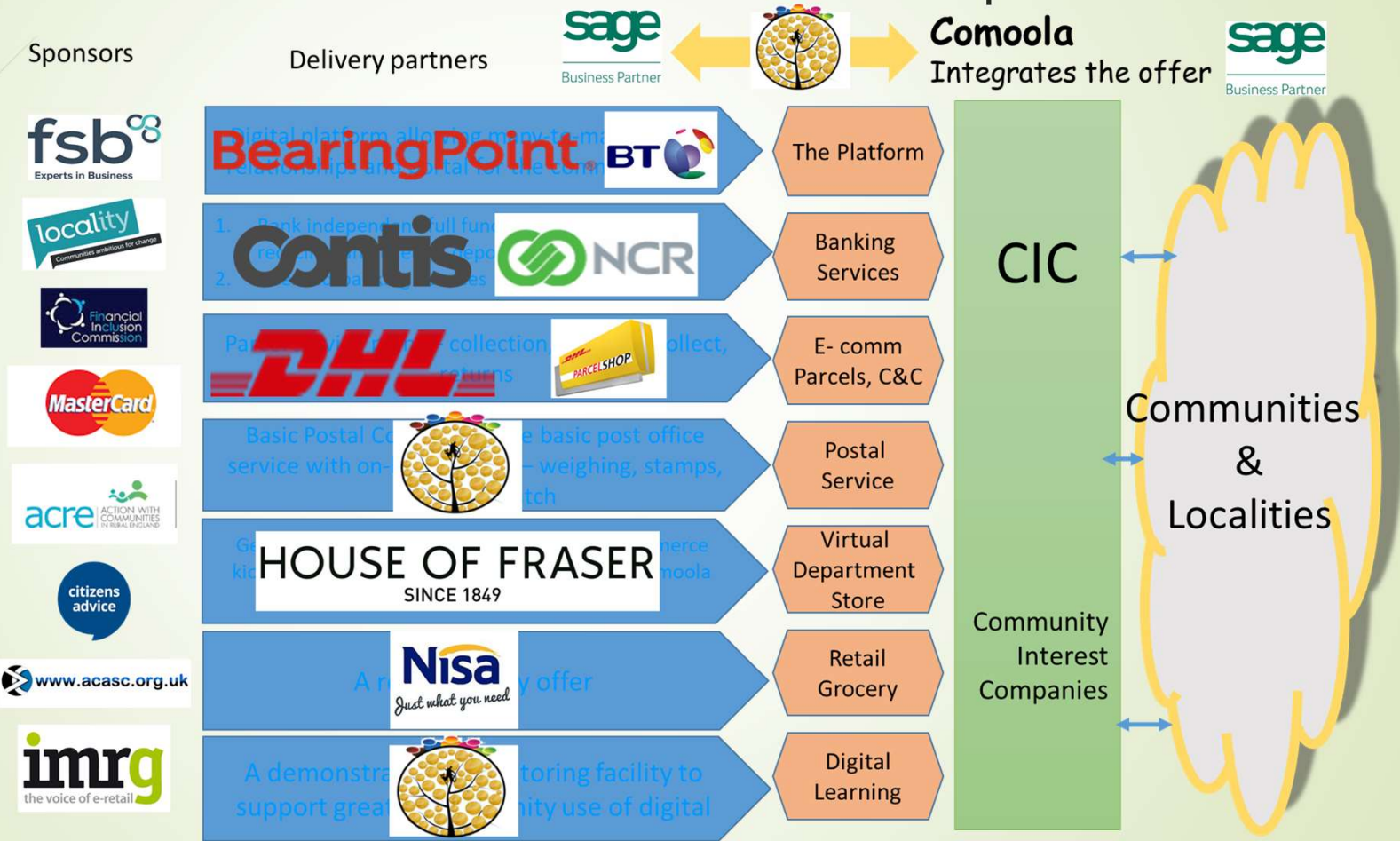


- **Sponsors** – many national organisations have indicated their support in principle – as the detailed plan crystallises they will lend their support for the public launch
- **Delivery Partners** – we have engaged with a range of potential suppliers and identified our preferred initial partners
- **Comoola the integrator** – setting up the deals and commission structures, centralised accounting, the web portal, selling to CICs and advertising and promotion
- **Community Interest Companies** – contracting with Comoola, investing and delivering the service on the ground for their locality

The Comoola Architecture - schematic



The Comoola Architecture - partners



Where is the Comoola 'leverage'?



- ▶ For consumers, SMEs and communities, the benefits will be:
 - ▶ Reduce travel to banking and improved local retail offer
 - ▶ Socially supported banking for the un-/under-banked
 - ▶ Special banking packages – fully licensed banking with social pay back
 - ▶ Competitive retail grocery and virtual department store offers
 - ▶ Postal, package and collection services
 - ▶ Complete off-the-shelf business model with national buying leverage
 - ▶ Digital platform for local business – leveraging advertising
 - ▶ Training, education and social support
- ▶ On the input side...
 - ▶ Use of community facilities to reduce occupancy costs and...
 - ▶ ...some volunteer staff ...
 - ▶creating a community dividend

Economic Outline – typical branch



- Because of the low running costs of a community based business the steady state profitability returned to the community as modelled looks very good. See the table:

	£
Revenues:	
Gross profits from trading	306,453
Bank and financial services commissions	123,873
Other income	65,000

	495,326
Costs	337,000

Annual profit	£158,326
	=====

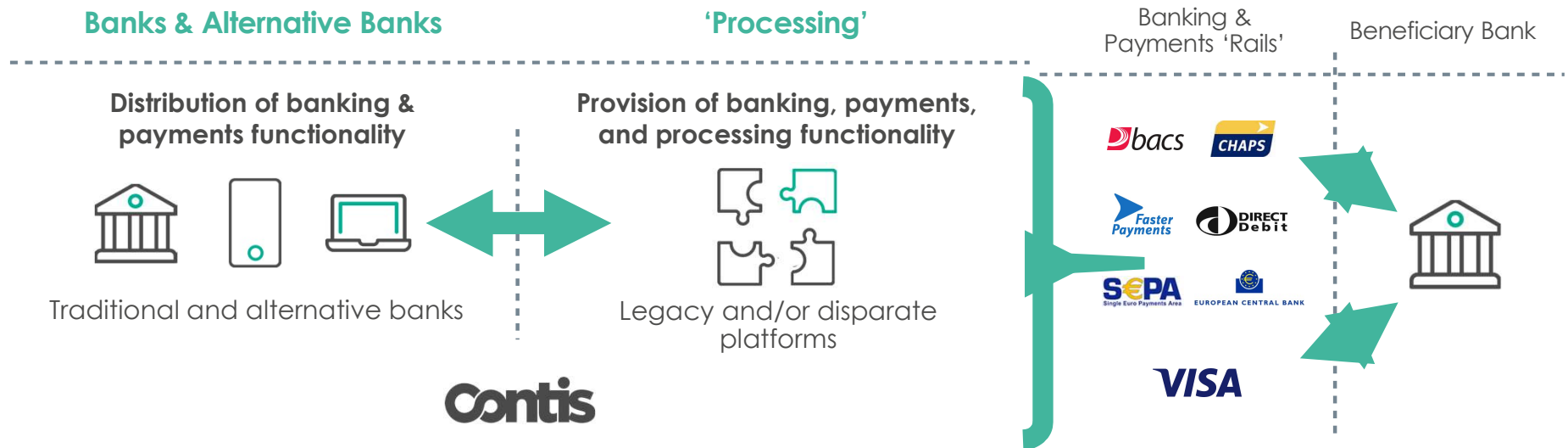
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Contis digitally re-mastering banking – white label solution

Contis has built its platform to overcome the limitations of today's **legacy and/or disparate systems** in the banking and payments industry

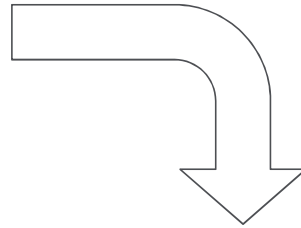
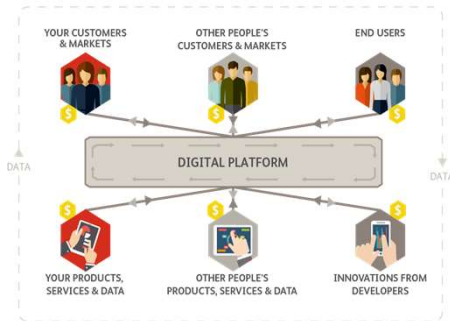


Contis has the e-money licence and Visa membership to provide a **one-stop-shop solution**

BearingPoint | Infonova R6 business Digital Ecosystem Management developed with BT

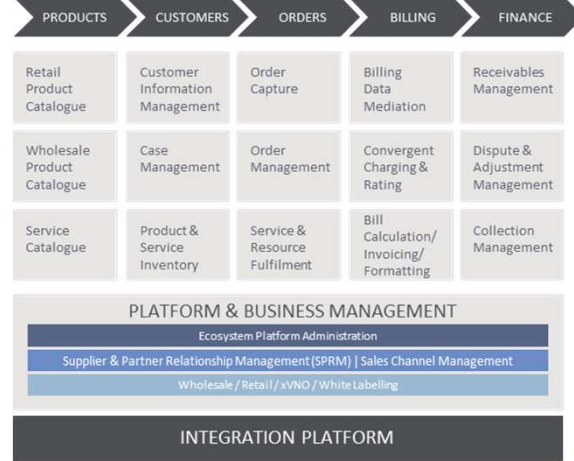
Opportunity: Help clients to evolve to the winning “digital platform” business model via BT’s PCMS

Digital Ecosystem Managers (tomorrow’s winners)



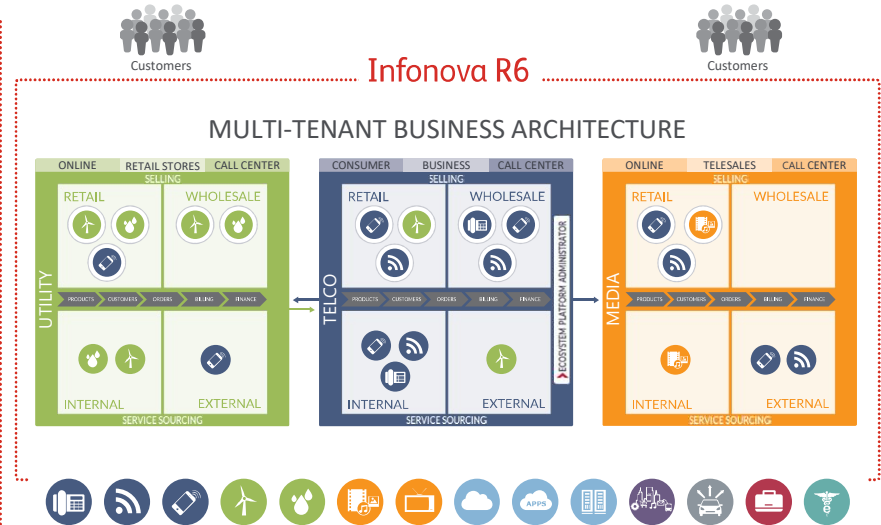
Infonova R6

MULTI-TENANT CONCEPT-TO-CASH CAPABILITIES



Infonova R6

MULTI-TENANT BUSINESS ARCHITECTURE



BearingPoint | Infonova R6 SMART CITY model can be available to rural communities

Through connecting communities via Internet of Things, the platform can deliver services cheaper to people



The key is to monetise services across the platform



Rural opportunities include:

Security, Health Monitoring, Mobility with the community as a tenant monetising IoT with police, health and local authorities

Each tenant can directly onboard and manage its own **internal services**

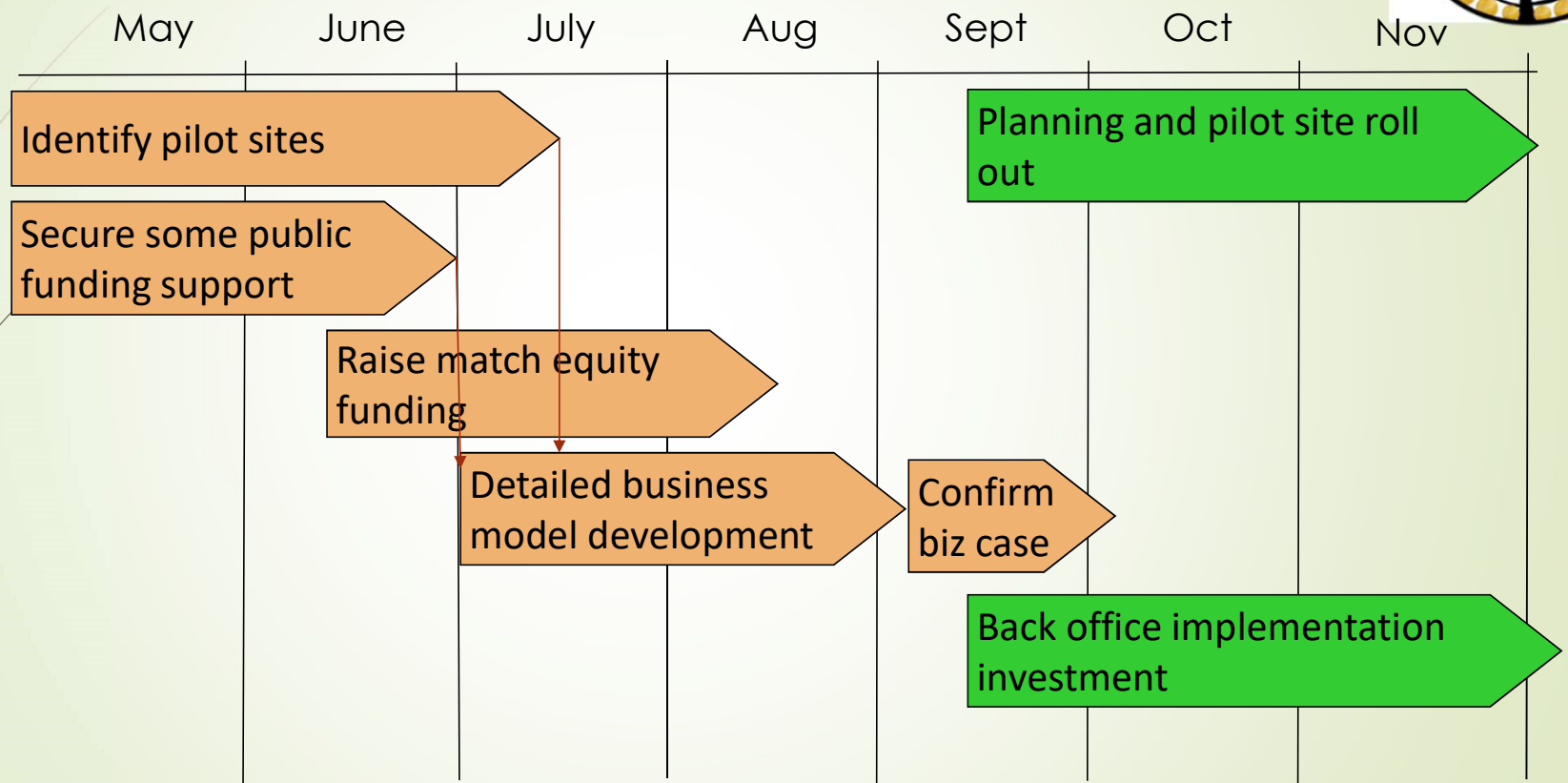
Each tenant can purchase **external services** from other tenants

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Roadmap for development



In summary.... “its more than just banking”



- ▶ Comoola Tree aims to establish a ‘social enterprise platform’ that will reverse the decline in rural and small town branch banking and retail services
 - ▶ A radical reconfiguration and new model
 - ▶ Arrest the increase in rural and small town deprivation
 - ▶ Leverage the digital revolution to drive a....
 - ▶ Renaissance of communities and SMEs
 - ▶ Owned by communities – facilitated by Comoola Tree Ltd
- ▶ An integrated banking, retail and services business model has been prepared; we now need seed-funding and pilot sites to prove the concept

In summary.... “its more than just banking”

- ▶ Perhaps 100,000 jobs across the country on full roll out
- ▶ Support for SMEs by giving market access
- ▶ Addressing rural loneliness – causing ill health
- ▶ Returning investment to communities



Support from the RSN



- ▶ Publicly support the conclusions that bank closures in rural areas are adversely and seriously affecting rural people, businesses and communities
- ▶ Support the Comoola Tree project in principle as a response to rural bank branch closures and community decline
- ▶ Use its networks and contacts with Parliamentarians and government departments etc. to spread the knowledge of the project and to help it move forward to the proposed pilot project stage.

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Comoola Tree

Digitally remastering rural banking and services

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Time for Questions?