

**01<sup>st</sup> July 2009**

**All-Party Parliamentary Group for Rural Services**

**Meeting Overview – Rural Financial Services**

*(Full minutes not kept, as meeting held under Chatham House rules)*

1. Philip Dunne MP, Chair of the APPG, welcomed the speakers, members, and invited guests.
2. Graham Russell, Executive Director at the Commission for Rural Communities, presented the latest report from the Rural Financial Champion, entitled: “Rural Money Matters: A support guide to rural financial inclusion”. Highlighting:
  - The geographical basis of the report.
  - The important role of the Rural Financial Champion.
  - That the report is available online at [www.ruralcommunities.gov.uk/financialinclusion](http://www.ruralcommunities.gov.uk/financialinclusion) .
3. Teresa Perchard, Director of Public Policy at the Citizens Advice Bureau, thanked the APG for inviting her to address the meeting and raised the following points:
  - The “Rural Money Matters” report, in which the CAB have been involved, is a welcome addition to the debate.
  - CAB have seen an increase in the demand for their financial and debt advice services across the board, yet expect financial difficulties for local authorities will place further pressure on CAB's own funding at a time when the need for CAB services is all the more pressing.
  - Problems associated with rural financial services can be exacerbated by the knock-on effects of the sparsity of other public services in rural areas.
  - Financial problems in rural areas are often complex; e.g. self-employed people with personal, business, mortgage and other finances all interconnected.
  - Housing issues in rural (and indeed urban) areas have left many overstretched, and repossession is one of the most common problems presented.
  - The Post Office network change program obviously has an effect on access to financial services, as many (especially older) people use it as their rural financial services hub.
  - Solutions proposed include:
    - Working with the Post Office and other agencies to provide financial services in rural areas.
    - Increased support for outreach and advice services.

4. Peter Ibbetson, Chairman of Small Business Banking at RBS, also thanked the APPG for inviting him to address the meeting, welcomed the publication of the report and raised the following issues:
  - The challenge of providing banking services in rural areas; notably the distribution of branch networks, and the inherent difficulties regarding economies of scale.
  - Measures which can be taken to overcome this: e.g. mobile banks and other outreach services.
  - The particular financial services needs of rural areas; particularly for agriculture and small- to medium-sized enterprises (SMEs).
  - Additional consideration to be given to the finances of SMEs in light of the current economic circumstances; many will not have experienced a recession before.
  
5. Questions were opened to the floor, with the following points raised and discussed:
  - The role of credit unions in rural areas and how their growth and accessibility can be supported.
    - Especially facilitating the provision of face-to-face services by CUs, and the possibility of CUs working in conjunction with the Post Office.
  - Post Office outreach services currently offered /piloted and the potential for them to be extended.
  - Whether Government services can be offered through the Post Office / Credit Unions / other rural financial service providers to increase their viability in rural areas.
  - The importance of identifying rural areas of greatest need and raising awareness of financial services in those areas; breaking down the traditional barriers of stoic self-reliance of rural areas.
  
6. Philip Dunne MP closed the meeting by thanking the speakers, members and guests for attending and encouraging attendees to take the recommendations of the “Rural Money Matters” report forward.
  
7. This session was concluded at 0930

**Attendees:**

Philip Dunne MP

Baroness Gibson

Dan Rogerson MP

Lord Cameron of Dillington

John Grogan MP

Richard Benyon MP

Roger Williams MP

David Drew MP

Tom Levitt MP

Graham Russell, CRC

Teresa Perchard, CAB

Peter Ibbetson, RBS

Mark Lyonette, ABCUL

Mark Parsons, RBS

Akudo Ike, Royal Mail Group

Andy Suckley, CAB

William Worsley, CLA

Meurig Raymond, NFU

Gerald Oppenheim, Big Lottery Fund

William Summers, NHF

Graham Biggs, Rural Services Network

Matthew Hill, CRC