

Abstract

From Small Acorns to Strong Oaks; A study into the Development of Credit Unions in Rural England

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Following a relaxation in the interpretation of the common bond requirement, rural credit unions began to be established in England from about 1995 onwards. Conscious of the decline in rural financial services and of the increasing number of rural households on low incomes, community groups and individuals began to see the development of credit unions as both a social and economic response to the needs of people in the countryside. Clearly the early credit unions adopted the same traditional model of development as adopted previously in urban areas. With the traditional model called into question (see Jones, 1999), the even more pressing question as to the suitability of this model of development within the rural context arose. This led the Rural Development Commission, now the Countryside Agency, to commission this research study into the effective future development of credit unions in rural areas.