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Latest Fairbanking Ratings report shows banking providers making significant improvement to how well some products help customers

- Latest Ratings report published today entitled “Fairbanking Ratings: Reaching for the stars”
- Report reveals encouraging progress, with numerous providers making notable improvements to one or more of their core products
- Today sees the first ever 5 Star Fairbanking Mark granted
- To coincide with these developments, a new report by leading business author and innovation guru Charlie Leadbeater and Fairbanking’s Antony Elliott is published today entitled “A Better Kind of Banking”

London, Thursday 21st November – The Fairbanking Foundation today publishes its latest Ratings report revealing encouraging improvement to a number of UK banking products, albeit from a low base, and confirms that the very first 5 Star Fairbanking Mark has been granted. In addition, today sees publication of a key ‘state of the industry’ report by innovation guru Charlie Leadbeater and Fairbanking’s CEO Antony Elliott entitled “A Better Kind of Banking” which takes a critical look at the current state of British banks in terms of how well they serve their customers and what might be ahead for an industry so badly in need of redemption.

Ratings report

The latest report is called “**Fairbanking Ratings: Reaching for the stars**” and it reviews five core banking product types: current accounts with an overdraft facility, current accounts without an overdraft, savings accounts, credit cards and for the first time, personal loans. The ratings reflect the extent to which each product reviewed includes features that, when used by the customer, are likely to improve his or her level of financial well-being.

The ratings in this report are based on the results of a survey completed this year by 58% of the 55 banking institutions to which it was sent, with the products of those not responding included through assessment of publicly available information. Five of the top six institutions did respond fully to the survey, so the report does cover the majority of the market.

Overall, this latest report found reasons to be really very encouraged by the extent of improvement it has identified. In contrast to the first report in 2010 when results were rather dismal, and the 2011 report which showed just marginal improvement, this 2013 report shows significant product improvement from a variety of institutions.

The Fairbanking Ratings shown in this report indicate which products have the potential to gain a Fairbanking Mark – a certification resulting from an accredited process using internationally recognised standards. These Marks act as evidence of success against a more thorough examination of the product, including independent research amongst substantial numbers of holders of the product.

Antony Elliott, CEO of The Fairbanking Foundation said, *“It is exciting to see the pace of product improvement really picking up now, just three years after we ran the first Ratings survey and granted the first Fairbanking Marks to the products that earned accreditation. It is also encouraging to think that nearly half a million people in the UK have taken out a banking product that we know from their fellow customers has made a real difference to how they manage or save their money. We have solid evidence now that our efforts are serving their purpose and that banking providers are increasingly keen on improving the extent to which their products help their customers.”*

A copy of the full report can be downloaded here:

<http://www.fairbanking.org.uk/FairbankingRatingsReport2013.pdf>

First 5 star Fairbanking Mark granted

Today also sees confirmation that the RBS/Nat West Instant Saver with Savings Goals product has been granted the first ever 5 Star Fairbanking Mark. As with all products earning a Mark, the accreditation process involves extensive independent research. Ipsos MORI tests the extent to which the product has genuinely helped customers to improve their financial well-being. The Instant Saver with Savings Goals passed with flying colours, and the full research findings are available on the Fairbanking website, including a range of customer quotes about the product, including:

“I like it as it is. It's free, quick and easy to use. I have looked at others and they are not as good”

“Nothing to improve. I think it's great for helping me budget my money on a weekly basis.”

“It's just awesome”

David Crawford, Head of Savings at RBS/NatWest said, *“We've been working hard to better support our savers and we're delighted to receive the first 5* Fairbanking Mark and our third Fairbanking accreditation. I'm pleased that our customer feedback shows we have helped so many achieve their savings goals. Independent accreditation through the Fairbanking Foundation is a really important measure of success and I believe more banking providers should be aiming for this same standard.”*

A better kind of banking

Sponsored by the Barrow Cadbury Trust, a new report is published jointly today by the RSA and the Fairbanking Foundation, entitled “A better kind of banking”. It has been written by leading business author and innovation guru Charlie Leadbeater, assisted by Fairbanking's CEO Antony Elliott.

In a paper that pulls few punches, it is argued that the people leading Britain's main banks have a once in a lifetime opportunity to turn them into better organisations – ones that make money by working for the good of the customers, businesses and communities who depend upon them.

Leadbeater says, *“Banks need to start by facing up to the fatal mix which caused the mess that has left their reputation with customers in tatters: a flawed business model combined with questionable culture and values.”*

The report explores a number of examples of positive developments that have gained recognition and positive profile through Fairbanking’s analysis and the Fairbanking Mark product accreditation initiative, and goes on to propose a recipe for better banking.

Adam Lent, Director of the RSA Action and Research Centre said, *“As the report states, banking has a once in a lifetime opportunity to change for the better. By learning from the newest players and by allowing them to grow, that change can be built around an inspiring vision of the future with the customers’ interests at its heart.”*

A copy of this report is available on request.

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For further information or interviews, please contact Martin Campbell of Beacon Strategic Communications on +44 (0)7802 634 695 or email martin@beaconstrategic.com

Notes for Editors

About The Fairbanking Foundation

The Fairbanking Foundation is a not-for-profit, research-based charity (number **1125769**) established to encourage and assist providers of banking products to improve the financial well-being of their customers by enabling these customers to manage their money better. The Foundation does this through a combination of thorough consumer research to better understand what drives financial well-being, assessment of existing core banking products against this understanding, and the operation of the Fairbanking Mark certification scheme, now accredited by UKAS.

Further information and contact details for The Fairbanking Foundation can be found at www.fairbanking.org.uk.

How a Fairbanking Mark is granted

Banking organisations seeking to gain a Fairbanking Mark for one of their products must submit it for full analysis and testing by The Fairbanking Foundation. This includes research conducted with a representative number of customers by an independent research firm - usually Ipsos MORI, the Foundation’s research partner. This research must confirm that a significant percentage of customers using the product found it useful in helping to improve their financial well-being, through factors like helping them to manage their money better and to achieve their savings goals.