

The Fairbanking Mark Children's Savings Specification



Fairbanking Foundation

The Fairbanking Foundation is a charity dedicated to encouraging and helping financial providers to improve the financial well-being of their customers and as a result the UK public.

We do this through;

Research and Ratings Reports

Industry wide, independent surveys of retail products in the market or along retail themes.

Advice and Training

A programme of services to help financial services providers capitalise on Fairbanking research, coupled with the latest thinking in behavioural economics, to create products and processes that better serve customers.

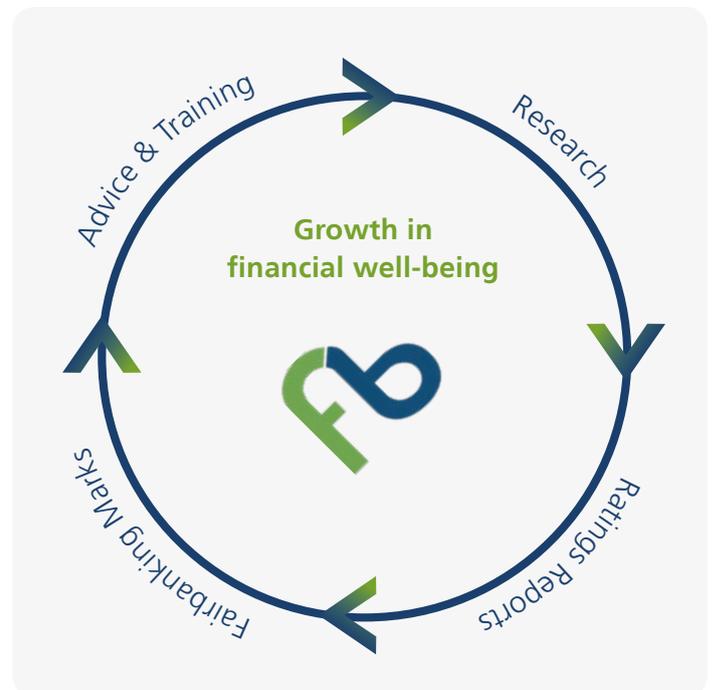
Fairbanking Marks

The Fairbanking Mark certification scheme is a market leading programme accredited by the UK Accreditation Service (UKAS) for financial products in the UK. Its certification procedure is similar to bodies such as the British Standards Institute (the "kitemark").

The methodology to analyse product features and their impact on financial well-being has been developed into 9 product specifications.

- ▶ Credit Card
- ▶ Current Account with overdraft
- ▶ Current Account without overdraft
- ▶ Personal Loan
- ▶ Personal Loan (High APR)
- ▶ Regular Savings
- ▶ Childrens' Savings Accounts
- ▶ Mortgages
- ▶ Student Current Accounts

Fairbanking research, combined with industry expert input, has identified drivers of financial well-being and identified money management practices that help customers positively change behaviour. These findings have generated benchmarks for products against which to measure the customer financial well-being that the product offers.



As part of a Fairbanking Mark assessment, we will work with you to identify, validate and confirm whether your products meet our functional standards and, if they do, the Fairbanking Mark will be granted in either a three, four or five star version. As part of our assessment process we survey, either via telephone or online, your customers' reactions to specific features.

In addition to the features outlined, we also consider a number of fairness factors to ensure that the product adheres to the Foundation's principle of fairness. These factors vary by product but will include a review of your product specific complaints, ensuring interest charges and fees are at an acceptable market level and that there are no restrictive practices relating to the product.

The product features outlined in this specification form the basis for our Children's Savings Fairbanking Mark assessment. To evaluate the potential for a Fairbanking Mark on your product, please either specify your answer by selecting Yes or No to the questions adding any relevant comments and submit the form. To contact our team to see how we can support you, please email us at info@fairbanking.org.uk or call our Certification Director, Sureena Santos on **07951 130640**.

Product Specification: Children's Savings

1. Enabling the child to set a savings goal or "pot"

This section looks at features that are more likely to lead to savings action and to on-going commitment. The child is encouraged to differentiate between wants and needs.

1.1 The product has the functionality to set up a savings goal or "pot" for the child.

Yes

No

Comments:

1.2 Different goals or "pots" can be set for different purposes (e.g. bike, phone, presents).

Yes

No

Comments:

1.3 Goals or "pots" can be personalised e.g. not just a pre-set purpose but named by the child.

Yes

No

Comments:

1.4 Tools are available to help the child identify in advance how savings will grow through time to reach the goal.

Yes

No

Comments:

1.5 The child can produce or see different views of the savings goals (e.g. pictorial, tabular display, video).

Yes

No

Comments:

1.6 The child will have an appropriate goal setting approach dependant on their age.

Yes

No

Comments:

1.7 Age appropriate incentives are provided for setting-up the account.

Yes

No

Comments:

2. Providing the customer with balance feedback

This sections looks at balance feedback that gives the child information on the progress she / he is making in a way that motivates.

2.1 Feedback is provided on how savings are building to reach a goal.

Yes

No

Comments:

3. Parental involvement with the product

This section considers age appropriate features of the product that enables the parent to be involved in helping the child to develop financial understanding.

3.1 The parent/guardian is encouraged to be involved with help during set up of the account.

Yes

No

Comments:

3.2 The parent/guardian is encouraged to have on-going involvement e.g. in relation to wants and needs for younger users, setting up a goal or encouraging discussion on budgeting with older users.

Yes

No

Comments:

3.3 The product contains features to involve parents in the transition from the account being in the name of the parent/guardian to the child (particularly from ages 7 and 11 i.e. when the account can be transferred to the child and when the child can have a current account). Yes
No

Comments:

4. Setting up payments

This section looks at how straightforward it is to set up a regular payment as a result of having set a goal.

4.1 The child or parent/guardian is prompted to set up payments as a result of the goal-setting. Yes
No

Comments:

4.2 There is an easy mechanism for setting up payments to the savings product. Yes
No

Comments:

5. Providing motivation and incentives to continue with or re-align a goal

This section looks at features that provide children with messages that encourage them to continue with or re-align goals and at financial incentives to encourage children to continue with saving.

5.1 Encouragement is given to the child to keep on saving even if on-target. Yes
No

Comments:

5.2 Encouragement is given if the child falls behind to start again. Yes
No

Comments:

5.3 The child is encouraged to establish a new goal when a goal has been achieved.

Yes

No

Comments:

5.4 Incentives are provided to the child, designed to provide commitment that is continuous.

Yes

No

Comments:

6. Budgeting support

This section considers age appropriate budgeting in order to identify an amount that can be saved on a regular basis.

6.1 There is a tool that enables the child to identify wants/needs in order to calculate savings potential.

Yes

No

Comments:

6.2 The budget tool is child-friendly and designed to build engagement.

Yes

No

Comments:

6.3 The child receives advice from the age group above e.g. 15 to 18 year olds learning from the experience of 20 to 25 year olds.

Yes

No

Comments:

7. Transition from child to adult savings account

This considers whether the transition is done in such a way as to encourage saving behaviour in adulthood.

7.1 On reaching adult age encouragements are giving to continue saving in an adult account.

Yes
No

Comments:

8. Using age appropriate communication

This section considers how well through training and other expertise, age appropriate communication is delivered for age groups between 5 and 18 to support them in developing money management skills.

8.1 There is encouraging communication with the child in an age appropriate way, regardless of method? (e.g. webchat, phone, text).

Yes
No