



Rated by Experts

Leading the market in
clarity and transparency



Contents

Overview	3
Red line criteria for Easy Access (Less than £3000)	5
Red line criteria for Easy Access (£3000 or more)	6
Contact Fairer Finance	7

Overview

Our product ratings use a set of 'red line' criteria to calculate an underlying score for each product, which translates to a star rating.

Products can achieve between one and five stars. The more comprehensive the product, the more likely it is to be rated highly.

To achieve a five-star rating, products must meet all of our red line criteria. We focus on core product features and don't give extra marks for unnecessary features or optional extras.

Our current red line criteria are contained in the following pages.

Eligibility

The purpose of these ratings is to reward easy access accounts that have offered consistently high interest rates over the last 36-months. Because these ratings consider interest rates over time, accounts must meet the following criteria to be eligible:

- The account must have been available for a minimum of 36-months.
- It should be reasonably foreseeable that the account will continue to be available for the next 36-months. Limited or special edition accounts will not be eligible. Closed accounts will be removed from the ratings.
- The account must not be a limited-time offer, issue-based, or bonus-rate account.
- Unlimited penalty-free withdrawals must be allowed.

How we decide each category

Easy Access (Less than £3,000): for these accounts, we rate the account using the interest tiers that would apply at £1,000. If the minimum balance to earn interest is greater than £1,000 and less than £3,000, we assume the customer will deposit at least as much as is necessary to earn that interest rate.

Easy Access (£3,000 or more): for these accounts, we rate the account using the interest tiers that would apply with a deposit of £3,000 or more. If the minimum balance to earn interest is greater than £3,000, we assume the customer will deposit at least as much as is necessary to earn that interest rate.

Easy Access Savings Accounts (£3,000 or less)

Red line 1 – AER Score

Accounts are evaluated based on their Annual Equivalent Rate (AER) score. This score compares the interest rate of the account to the Bank of England base rate over a 36-month period. The closer to the Base Rate the AER was over this period, the higher the AER Score. To qualify for a five-star rating, the account's AER Score must rank in the top 10% of all AER Scores for easy access savings accounts for this balance tier (£3,000 or under). This is intended to reward accounts that offer rates consistently close to the Base Rate.

Red line 2 - Part of FSCS

To pass this red line, the customer's money must be protected by the Financial Service Compensation Scheme (FSCS).

-

The AER Score accounts for 94% of the account's overall score. The rest is accounted for by Red line 2 - whether the account has FSCS cover. Accounts which meet the red line value for the AER Score will get the maximum AER score. Accounts below that value will score proportionally less, with accounts that have the greatest difference between their AER and the Base Rate over the last 36-months receiving the lowest score.

Easy Access Savings Accounts (£3,000 or more)

Red line 1 – AER Score

Accounts are evaluated based on their Annual Equivalent Rate (AER) score. This score compares the interest rate of the account to the Bank of England base rate over a 36-month period. The closer to the Base Rate the AER was over this period, the higher the score. To qualify for a five-star rating, the account's AER Score must rank in the top 10% of all AER Scores for easy access savings accounts for this balance tier (£3,000 or more). This is intended to reward accounts that offer rates consistently close to the Base Rate.

Red line 2 - Part of FSCS

To pass this red line, the customer's money must be protected by the Financial Service Compensation Scheme (FSCS).

-

The AER Score accounts for 94% of the account's overall score. The rest is accounted for by Red line 2 - whether the account has FSCS cover. Accounts which meet the red line value for the AER Score will get the maximum AER score. Accounts below that value will score proportionally less, with accounts that have the greatest difference between their AER and the Base Rate over the last 36-months receiving the lowest score.

Contact Fairer Finance

James Daley

Managing Director

Peter Roper

Head of Research

corporate@fairerfinance.com

