



## The gift of money

With cash being tighter than ever, many Britons are hoping their stockings will be filled with the gift of money instead of traditional Christmas presents this year. New research from Halifax has shown that more than a third (35%) of Britons intends to send money as a gift this Christmas, with children also set to receive money in the form of savings, as friends and relatives choose to open a savings account rather than purchase the latest toys from the high street. Furthermore, the UK's milkmen and window cleaners will receive similar tips to last year as the credit crunch doesn't seem to have impacted people's generosity this Christmas.

### Key findings

- One in ten (11%) respondents will save all money gifted to them this Christmas, with a further 31% opting to save some of it.
- Almost half (49%) of respondents who indicated they will save any gifts of money intend to save more this year when compared to Christmas 2007.
- Over one third (36%) of people would consider opening a children's savings account as a present for a child.
- 31% of people say that they/their relatives put money into a children's savings account for Christmas each year

### Savings from Santa (Table 1)

Encouraging saving from an early age can play a vital role in the future savings habits of children. Halifax continues to offer children's savings accounts that can be held in the child's sole name or in that of an adult trustee. Research has shown that almost a third (31%) of respondents and/or relatives put money into savings for children at Christmas and 36% would consider opening a savings account as a present to a child.

- Interestingly, Grandparents (65+) are less likely to put money into a savings account for a child (26%), compared to 16-24 year olds (40%).
- Londoners are the least likely to put money into an account for a child (25%). However they are in line with the rest of the UK when it comes to setting these accounts up as presents (39% said they would open an account as a gift to the child vs. UK average of 36%).

### The Christmas tip - service providers to avoid the crunch

Most of the UK's milkmen, window cleaners, bin men and paper boys can breathe a sigh of relief as 80% of 'tippers' say they will be paying the same as last year, with 17% saying they will pay more.

However, it will be the luck of the draw for service providers in the East Midlands this year as the region has the highest percentage of people planning to tip more (24%), but on the flip side, has the highest number of people who intend to tip less (7%) compared to the rest of the UK.

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## Regional gifts (Table 2)

The research shows that people's attitude to sending and receiving money for Christmas varies significantly between regions. Friends and relatives of people in the North are the most likely to be disappointed when opening their Christmas cards this year:

- Three quarters of people in the North (75%), Scotland (74%) and North West (71%) **won't** be sending money as a gift this Christmas compared to 49% in Wales.
- The Welsh are the savviest gift savers as a fifth (21%) of respondents who asked for money this Christmas have decided to save it all\*\*. This is compared to Yorkshire and Humberside where less than one in ten (8%) are planning to save the money.
- Midlanders are the most likely to be hitting the January sales with 71% (East Midlands) and 63% (West Midlands) of respondents intending to spend all of the money they receive this Christmas.

**Ken Stannard, head of Halifax savings**, said: "Our research shows that a large number of people like to receive money at Christmas time. It is great to see that many people will be putting at least some of that money aside. By saving regularly and then adding a lump sum at Christmas and/or birthdays, savers can build a pot of money that can be put aside for a rainy day.

"It is even more encouraging that friends and families are opening and funding savings accounts for their children/grandchildren. By involving children in this process it can build healthy saving habits that will play an important part in their future."

## Notes to Editors

**Table 1: Do you/your relatives put money into a children's savings account for Christmas each year?**

Response	16-24	25-34	35-44	45-54	55-64	65+
Yes	37%	34%	43%	27%	25%	24%
No	60%	65%	56%	73%	74%	74%
Don't know	3%	1%	1%	0%	1%	2%

**Table 2: When does the Nation intend to do with gifts of money this Christmas?**

Regional split	Spend it all	Spend/Save some	Save it all	Don't know
<b>Total</b>	<b>57%</b>	<b>31%</b>	<b>11%</b>	<b>1%</b>
Scotland	46%	42%	12%	0%
North	65%	19%	9%	7%
North West	57%	28%	14%	0%
Yorks&Humber	53%	39%	8%	0%
East Midlands	71%	18%	11%	0%
Wales	58%	13%	21%	7%
Anglia	57%	39%	0%	4%
West Midlands	63%	27%	10%	0%
South West	48%	36%	12%	4%
London	52%	38%	9%	0%
South East	58%	29%	12%	0%
N. Ireland	51%	49%	0%	0%

\*\*These findings reflect those in the Halifax ISA saving research that shows that ISA account holders in Wales have the highest balances in relation to average regional earnings with ISA savings equivalent to 32% of average annual gross earnings. ISA savers in London have the lowest balances on this measure (20%).

Please contact the press office for further information on this research.

More/...

### **Halifax Children's Regular Saver**

Halifax Children's Regular Saver is available for adults saving on behalf of children under 16, with one account per adult on behalf of each child allowed. Earning a rate of **10.00% AER/gross p.a.** fixed for one year, you can save between £10 and £100 each month, for 12 months. Once the twelve month term is up, the money saved and the interest earned will be automatically transferred into your nominated account, or a Halifax save4it account.

### **Save4it**

Save4it is a passbook pocket money savings account designed especially for children up to 16 year olds. Accounts can be opened with as little as £1 and the maximum balance is £5,000. Interest is payable annually on any chosen day (e.g. birthday) and the child can choose the name of the account, e.g. 'Sarah's Account' or 'First Bike Account'. **The current interest rate is 3.55% AER/gross p.a.**

Research undertaken by GfK NOP on behalf of Halifax. A representative sample of 937 adults were surveyed in November 2008.

### **Halifax Press Office**

Nathan Wallis            01902 325067 / 07890 736503

Claire Miller            01422 332833 / 07900 276400