sharefound
inspiring young people in care

Child Trust Fund Event script

Opening Script: 'A warm welcome to everyone taking part today. For almost all people aged 16 to mid-19 and born in the UK from September 2002, this is just good news! We have a couple of short videos to tell you about some money waiting for you, then we'll have a short discussion period so that you can ask any questions you like. Finally, we'll show a short video to explain how to make the most of your money.

That's it! In all, just twenty minutes or so – and if you find it helpful, please be sure to tell all friends in your age range about it.

Let's get started with the first video..' [Video 1]

[After Video 1:] 'So, to summarise - if you were born in the UK on or after 1st September 2002 but before January 2011, you are very likely to have a Child Trust Fund, which could be worth over £1,000. This is a long-term savings scheme where the government put in some money for you that you can access when you are 18. However, from the age of 16 you can take control of your account. A huge number of young people do not even know they have one, and we're keen to ensure that you know how you can locate yours, if you or your parents/guardians don't know where it is.

It's important to note that The Share Foundation, referred to in the video, is a registered charity which works for the Department for Education across the UK. It's a completely free service, and they don't pass your contact details to anyone other than your account provider.

Before we start the next video, here's a question:

- Had you heard of the Child Trust Fund account before today? [show of hands]

OK, so the next video explains how you can start to find your account ..' [Video 2]

[After Video 2:] 'OK – so hopefully that gave you a good understanding of how you can go about finding your account, if you or your parents/guardians do not already know where it is. Simply type 'findctf.sharefound.org' into your browser and complete the form.

That's' **'findctf.sharefound.org'**

Here's another question for you:

- Has your parent(s)/guardian spoken to you about your Child Trust Fund? [show of hands]

Now we're going to break out into that discussion, to give you a chance to ask some questions or to simply learn more about your Child Trust Fund.'

[Use the briefing Q&A annex to open up the discussion as appropriate]

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‘We hope that gave you a chance to get more information about Child Trust Funds. We’re now going to show a short final video to help you improve your money knowledge and make the best use of the money you get from account, when you’re able to withdraw your money.

Video 3

I hope that this third video has helped you to consider ways in which you can make good use of your money. There’s a free online course you could take which talks about savings, investments and sharing ideas about money. It’s called ‘Managing My Money’ and can be found via sharefound.org/learnmoney – you can register for free, so it’s definitely worth a visit.

Thanks for taking part - we really hope you’ve found this discussion useful - **please be sure to tell all your friends in your age range about it**! And if you have any further queries, just call The Share Foundation on 01296-310400

Finally, a couple more questions to send you on your way:

- Are you going to fill in the search form - now?
- How many friends could you spread the word to about their Child Trust Funds?’

So - that’s it, but if you want to stay on to discuss anything further, please do so.

Typical Discussion Questions

- What happens if I can’t find my National Insurance number?
    - There is a Government process to help you find it – contact The Share Foundation on 01296-310400 to ask for details
- Why do I need to print out the form?
    - In about 40% of cases we have to go through HMRC to find your account, and their system requires a signed form. Don’t worry if you don’t have a printer to hand – just put an email address in where you know there’s a printer, and we’ll send it there. Or if you want us to send you one in the post, just call The Share Foundation on 01296-310400
- What information do I get back after I’ve filled out the form?
    - We’ll acknowledge receipt of your search registration from the electronic submission, then send you the name and contact details of your account provider when we find who it is
- What does an ‘individual account’ mean? Is it real money in my name?
    - Yes – it’s not like welfare benefits, it’s money already registered in your name
- Why can’t I access the money till I’m 18, and can I get the cash?
    - That’s the Government rules – but you can control your account from 16. When you’re 18 you can withdraw the cash and close the account.
- How can I stop my parents taking the money?
    - Only you can take the money out. Your parent(s)/guardian is just the ‘registered contact’ until you’re able to take control
- Will I need to provide proof of my identity, such as a birth certificate?
    - You don’t need a birth certificate to complete our search form but, once we’ve given you details of your account provider, they are likely to ask for it as one of their possible ID checks. They’re likely also to ask for your bank account details
- What happens if I don’t have a bank account?
    - The account provider needs to check your ID, so this could be a problem. Once you’ve found where your account is, discuss it with them – and ask for our help if you need to.
- Are you sure this isn’t a scam?
    - This search facility is named in Government Statutory Guidance, and you’re welcome to check it out with HM Revenue & Customs. The Share Foundation is a registered charity, regulated by the Charities Commission

- What is a provider/an account provider?
  - This is the financial service business which actually administers your account and keeps it safe. It's regulated by the Financial Conduct Authority
- How long will it take to get back to me, once I've sent my form, and what information do I get?
  - We'll acknowledge your search immediately. If an electronic match is found, we'll get back within 48 hours – however searches via HMRC using a printed form can takes several weeks. You'll be given contact details of your account provider, and they'll have yours.
- Will I know how much is in my account straight away?
  - No – you'll need to contact your account provider and provide the necessary ID first.
- Is my money at risk of being taken by the account provider or the Government?
  - No – although Government can require that money left unclaimed for several years be re-directed to support good causes
- Why aren't there any fees being charged? Is there some hidden cost?
  - No - this is not a commercial activity – our work is supported by donations, and there's no way that any charges will be applied for helping you to find your account through this search facility
- My parents think my account was with XXXX, but we've moved house since then – what should I do?
  - If you're 16 or over, contact XXXX and check with them direct before using findCTF.sharefound.org. They'll need you to provide ID.
- What if my name has changed from when I was born? Do I need to provide all names I have been known as?
  - Please include any former names where shown on the search form. This will help not only the search process, but also your account provider to establish that you're the correct owner of the account
- I wasn't born in the UK – so will I still have an account?
  - Very unlikely, I'm afraid: this scheme only applied for those born in the UK, except where special circumstances apply – for example, parents serving abroad in the Armed Forces.
- My brother/sister was born before 1 Sept 2002/after 2 Jan 2011 – why don't they have one of these accounts?
  - The rules of the scheme mean that only those born in the UK between these dates got an account

You may also find the 'Learn Money Resources Register', accessible from this link, helpful:

https://www.ctfambassadors.org.uk/money

Notes to accompany videos

Video 1

What is a child trust fund, and why would there be one set up in my name?

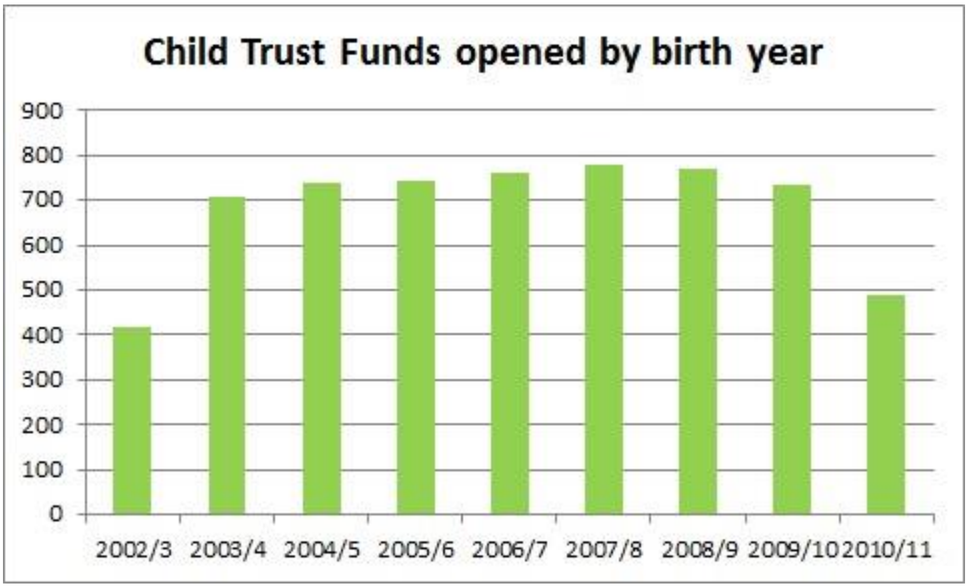
The Child Trust Fund is a long-term tax-free investment account for young people born between 1 September 2002 and 2 January 2011. Almost all those born in the UK within this age range have one of these accounts set up under Government arrangements, which included an initial payment of £250 or £500 to open each account. This has typically doubled in value over the years.

It was the centre piece of the then Government's plan to encourage what they called 'asset-based welfare'. The objective was to establish a savings habit among young people, providing a safety net of financial assets as they started adult life, and enabling you to be more confident in managing your money. The scheme was designed not only to apply to everyone, but also to provide more to those who had less.

An adult in a position of parental responsibility, normally a parent or a guardian, looks after the account until the young person is at least 16 as the 'Registered Contact' - but not after their 18th birthday. This means that they act on behalf of the young person to make sure that the account is properly invested and operated: the account itself being held safely with a regulated account provider.

The money in the account belongs to you, but you can't use it until you're 18. Family and friends can add money to the account up to a set limit, currently £9,000 a year, a limit which runs between birthdays. There's no tax to pay on any income or gains within the account.

In total over six million Child Trust Funds were opened, and they have an average value of c. £1,500 - that's about £9.3 billion in total. The Government contributed c. £3.3 billion in total to open the accounts, family contributions accounted for another c. 2.5 billion, and the remaining £3.5 billion came from growth in the value of investments over the years.



The way it worked was that parents were invited to open a Child Trust Fund for each child born between those dates of 1 September 2002 and 2 January 2011, as soon as possible after birth.

4.4 million children had accounts opened by their parents, of which 3.1 million were invested in the Government standard 'Stakeholder' investment accounts. One million were opened as cash deposit accounts and just under 300,000 as self-select investment accounts. A further 1.7 million accounts were opened by HMRC because their parents hadn't taken action before their first birthday.

Here's the profile of accounts opened across the UK.

Geographical distribution of CTFs by account type

All CTFs, '000

	Stakeholder		Stakeholder		Non-Stakeholder		Non-Stakeholder		All Accounts	accounts	with additional payment award
	Parent Opened	% of total	RAA	% of total	Shares	% of total	Cash only	% of total		by area	Total: 2,228k
North East	112	48.1%	76	32.6%	12	5.2%	32	13.7%	233	3.8%	45%
North West	321	47.8%	215	32.0%	29	4.3%	107	15.9%	673	11.0%	43%
Yorks & The Humber	236	46.7%	157	31.1%	24	4.8%	89	17.6%	507	8.3%	42%
East Midlands	210	49.9%	117	27.8%	18	4.3%	76	18.1%	422	6.9%	36%
West Midlands	264	48.2%	167	30.5%	20	3.6%	98	17.9%	550	9.0%	42%
East	288	51.6%	130	23.3%	22	3.9%	117	21.0%	558	9.1%	29%
London	456	53.2%	245	28.6%	27	3.2%	129	15.1%	858	14.0%	40%
South East	429	52.6%	183	22.5%	39	4.8%	165	20.2%	817	13.3%	26%
South West	244	52.7%	105	22.7%	23	5.0%	91	19.7%	464	7.6%	30%
England	**2560**	50.5%	**1395**	27.5%	**214**	4.2%	**904**	17.8%	**5074**	82.6%	36%
Wales	**136**	49.8%	**82**	30.0%	**10**	3.7%	**44**	16.1%	**273**	4.4%	42%
Scotland	**227**	50.8%	**150**	33.6%	**22**	4.9%	**48**	10.7%	**448**	7.3%	36%
Northern Ireland	**90**	47.9%	**68**	36.2%	**3**	1.6%	**27**	14.4%	**189**	3.1%	38%
Overseas and unknow	84	51.9%	48	29.6%	8	4.9%	22	13.6%	163	2.7%	24%
United Kingdom	**3097**	50.4%	**1743**	28.4%	**257**	4.2%	**1045**	17.0%	**6143**	100.0%	36%

So, there are three types of CTF account. The account type was generally selected at opening, although some may have been transferred over the years:

Stakeholder Investment Accounts were opened either by parents or by HM Revenue & Customs if an account had not been opened for a child within one year of birth. These were designed to a set Government standard in respect of both their investment style and charges. Due to rising stock markets over recent years, their account values have typically grown by a large amount.

Non-Stakeholder, or Self-Select, Investment Accounts were opened by parents who wished to take a more active or individual approach to investment. These accounts didn't have to follow the Stakeholder standards, but will generally have seen a significant increase in account values which often benefited from additional family contributions.

Then there's **Non-Stakeholder Cash Accounts**. These were allowed following representations from banks and building societies. Non-Stakeholder cash accounts were opened by parents who preferred savings deposits, like a bank account. There has been limited increase in account values for these, due to the very low interest rates since 2009.

Although the Government is no longer making payments to Child Trust Funds, those already in existence in 2011 continue to operate, and to be open to voluntary contributions.

So your money has not gone away, it's still there, its growing and you can add to it.

Since April 2015 the Government has permitted the transfer of Child Trust Funds into another account type for young people, the Junior ISA - but not vice versa.

So let’s consider what your account could look like.

If your family is among the 15% most wealthy in the country, your account might be worth about £4,000 in average value terms: starting from an average Government contribution of just £250 – but it’s likely to be worth a lot more now if parents have contributed. Only 6% of these accounts are ‘Addressee Gone Away’, so there’ll be a pretty good chance that you know where the account is.

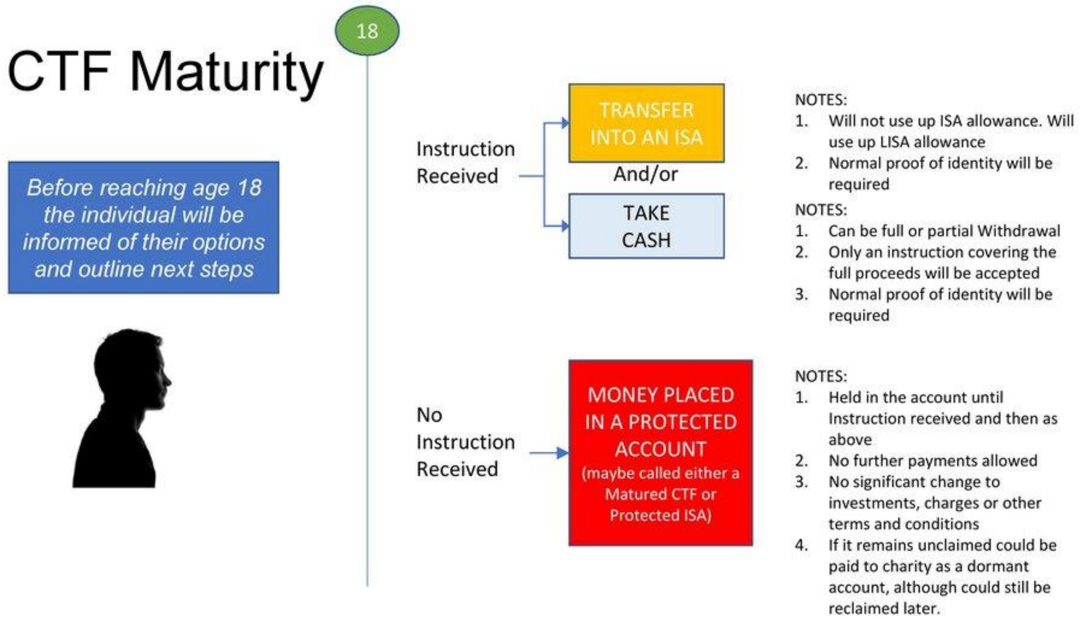
If your family is among the 15% worse off, and if you benefited from two Government credits, your account will be worth about £1,500 on average, starting from an average Government contribution of nearly £1,000. Because about 85% of these accounts are ‘Addressee Gone Away’ or were never registered, it’s quite likely you don’t know anything about it – yet.

And if your family is in the 70% of people in the broad middle ground and you benefited from two Government credits, your average account value will be £1,000, half of which was the Government contribution. There’s about four million young people in this category, and a 20% chance that you don’t know where the account is.

Access and Control

A young person is allowed - but not required – to take control of their Child Trust Fund from their 16th birthday. This means that you can switch the account to another provider, change the account type or select investments directly if you so wish.

So - you can move and invest your money, but you can’t take it out yet - you’re not allowed to withdraw the funds until their 18th birthday.



As you approach your 18th birthday, account providers will seek instructions on what action should be taken. The choice will generally be to transfer the account into an adult ISA, or to withdraw the money at 18. Each of these choices will require a positive instruction.

If no instruction is received by the young person's 18th birthday, perhaps because the account is 'Addressee Gone Away', the account will turn into a 'Protected Account'. This may be a 'Matured CTF' or a protected ISA, and it will be locked down subject to the provider's terms and conditions, until it's claimed by the young adult.

If you're over 18 and haven't claimed your money, it stays safe in a protected account. However - after a number of years in this dormant state, the account is likely to be sold off and given to charity – although no details have yet been given as to how this would work. So, if you don't claim the protected account after a few years, you may lose it.

It is therefore strongly advisable for young people to take control of their account between their 16th and 18th birthdays, and to decide whether to leave the account invested or withdraw their money as they turn 18.

Video 2

How do I go about finding my account, and what can I do with it when I find it?

So, most teenagers already own a Child Trust Fund account, although huge numbers don't know it: about two million accounts are either 'addressee gone away' or have never been registered - that's more than the population of Northern Ireland.

That's why we're working so hard at The Share Foundation – which is a registered charity and doesn't charge anything for its work – to help as many as possible to find and take control of their account. We know that the combination of some money and a bit of confidence of managing it gets people off to a great start in adult life, and we really want to help.

So why is the age of 16 so important? There's two reasons – firstly, it's from your 16th birthday that you're allowed to take control of your account yourself.


Your National Insurance number is

XX 99 99 99 X

Keep this number in a safe place. Do not destroy this letter.

About your National Insurance number

Now you've got your National Insurance number

Child Trust Fund

Welsh Language

And secondly, that's when the Government sends you your National Insurance number, which a key piece of information to help you find where it is:

There's an additional reminder on that 16th birthday NI notification to find your CTF.

We reckon that if your parent(s)/guardian hasn't kept tabs on where the account is over your first 16 years, now's the time for you to find your money yourself!

So, working with the HMRC – HM Revenue & Customs – we've set up an easy-to-use search page on the internet. The search facility is also included in Department for Education Statutory Guidance to local authorities. findCTF.sharefound.org is a simple registration facility which helps you find your lost accounts. Here's the information you need to provide:

- First, we need your name and date of birth, and any previous names you might have had and which could have been used to open the account all those years ago
- Then we need your email address - we need this to acknowledge that we've received the information you have completed on this form. If you don't have your own email address, please provide an email address where you are happy for an acknowledgement to be sent. It's really important that this information is provided – if it's left blank, we can't progress the search.
- Then enter your phone number – this can be your mobile – and after that your National Insurance number from the notification you got from the Government.
- If you're in care, please tick the next box – and you'll be asked for your local authority information. The Share Foundation runs the Child Trust Fund and Junior ISA schemes for looked-after young people on behalf of the Department for Education, so it's really important that we can tie up your search with our records if you're in care.
- After that, enter your postcode and pick out your address from those listed. There's also an 'any previous address' link to help track down the address that might still be on your account records.
- After that there's a freeform box for any other relevant information – for example, if you moved to the UK during your childhood you might not have an account, as they were set up at birth.
- Finally, click to agree that we can do the search for you, and the 'I'm not a robot' box, then submit.
- Our acknowledgement comes straight back, and you'll see that we ask you to print the form, sign it and send it to us at 'Freepost The Share Foundation'. You can forward the form to another email for printing if that's easier.

As soon as we get your online registration, we do a quick check through the CTF register set up by the Tracing Group to see if we can find your account amongst some of the big CTF account providers who work with them – such as the NatWest. If we find a match, we put you in touch directly with that provider without further delay.

If we can't find that instant match, we must wait to receive your printed and signed form in the post which we then use to carry out a detailed search with HM Revenue & Customs. This can take a few weeks, so please be patient!

If your signed form hasn't arrived with us within a week of your registration, we send you a follow-up email. If it still hasn't arrived three weeks after you registered, we'll send it to you to sign and return to us in the freepost envelope provided!

Once we get the information on where your account is back from HMRC, we'll tell both you and your account provider to put you in direct touch with each other. They'll need to confirm your identity, and then tell you the various choices you have to make best use of your account after your 18th birthday, from withdrawing the money to keeping it invested for the future. You'll have the statement sent to you – you can, if you wish, change your account provider, and you can manage the investments yourself if you wish.

Please remember that we are tracking progress at all stages, so that you can call us at any time to find out what's happening.

Whatever you decide to do with your money, treat it as an investment in you personally: you might use it to help you get a driving licence or to help finance your path through higher education. You might use it to start a small business of your own. Or you might choose to invest it with a view to taking the benefit of income and growth going forwards.

It's your life – it's your choice.

Video 3

How can I improve my money knowledge, so as to ensure that I make the best use of the money when I'm 18?

Let's talk about money generally first, before looking at the money you get from your Child Trust Fund.

The key thing to remember is that handling money is all about getting the right balance between what you get in and what you pay out, and between what you own and what you owe.

There's four aspects to consider:

Firstly your income, or what you get in -

This could be your wages, benefits you receive, or money paid to you on your savings. It's best to look ahead, to plan where your income is going to come from and how you could increase it in the future.

Then there's your spending, or what you pay out -

This could be rent for housing, food, clothes or transport. If you've borrowed money it could be interest and repayments. Make sure you cover the essentials before spending on luxuries. And it's a good thing to keep your total spending less than your total income. That way you can put extra money into your savings.

Your assets are what you own -

These could be your mobile phone, a car, a flat or your savings. It may be good to have a mobile phone and a car, but they lose their value and cost extra to run: so resulting in more spending. A flat may go up in value but, unless you take a lodger, it won't pay you any income. Savings, if they're held as investments, can go up in value and can pay you some income. Their value can also fall, but they're good for a rainy day when you really need the money.

Building your savings will gradually put you in charge, rather than your money needs. Save money as cash deposits first, up to 6-9 months' worth of your regular spending. After that – dependent on your risk appetite - you could start investing in stockmarket-based assets such as funds or stocks. Remember that they too can go down as well as up in value.

Finally, there's borrowing, or what you owe -

This could be a mortgage to help buy a flat, a personal loan to help buy a car or a payday loan to tide you over to the next payday if you're working. These last two are generally very expensive and will cost you heavily in terms of both interest and repayment. You may have to depend on a student loan for uni, but try to avoid borrowing by waiting until you can afford what you want to buy. If you do get in a scrape, try contacting the nearest Citizen's Advice Bureau.

It's all about the contrast between keeping your money in good shape - good - and always being under stress - bad.

The first way, where extra income feeds extra savings and therefore more income you don't have to work for, is 'making your money work for you'.

[Graphic treadmill] The second way feels like being on a treadmill, working harder and harder to cover the cost of borrowing.

So, if you handle your money well, your savings will grow.

If you handle your money badly, your borrowings will grow.

It's as simple as that.

There's lots of information on the right-hand side of our findCTF search form, and it's worth trying some of the links to explore what's there.

Of course, learning about money is what it's all about - and here's a risk-free and cost-free way of doing that: Share Radio's '[Managing My Money]' course, an audio podcast course with slides, part of which talks about savings and investment.

Finally, a few words about risk and reward.

Understanding risk is one of the most difficult aspects of all walks of life, but many people find it particularly with money.

The first thing to remember is that nothing is risk-free. From birth to death every action that we take has a risk associated with it. One useful way of describing the degree of risk is to compare it with crossing a road. If you look to the right and to the left and nothing is coming, you cross the road, the risk is very small. But if there's something coming, then you must decide how fast it is going, how far away it is and whether you have time to cross safely.

Assessing money risk is very similar to this, but many people see it as not so much a judgment of gradual increases but a step change of magnitude. This is because they don't have the knowledge to assess relative risk: it's as if you are stepping into the road with a blindfold on. The anxiety would be intense, even if there were no cars for miles around.

So, the way to master risk is to build knowledge, and what was an irrational fear becomes a judgement based on knowledge. And the knowledge you need to build is about the different types of risk, the sort of return you can expect, and most importantly about yourself: understanding your own appetite for taking on the great adventures and opportunities of adult life.