

Five ideas for seasonal savings

This month we look at cutting your heating bills, checking how much energy we use, money for students and better savings accounts

Savers have to strike a balance between ensuring their money is safe and attracting a good interest rate

1 The recent crisis at Northern Rock may have left some people nervous about the safety of their money, while others will have seen increases in savings rates and wondered whether their money should be working harder.

There are a couple of things to bear in mind. Almost all banks operating in the UK, including all the high-street banks, are covered by the Financial Services Compensation Scheme (FSCS) which, in the event of a bank collapse, would reimburse the first £35,000 of savings. That £35,000 is the limit per person, not account. This means joint accountholders can both make separate claims, though other accounts they hold in the same bank will be affected.

One of the safest places to store cash is National Savings & Investments, and with gross saving rates between 2.6 and 5.15 per cent for its easy-access savings account as well as cash and stock Isas on offer, it might be a good place to invest.

To beat inflation and make a real gain, a basic-rate taxpayer needs a minimum rate of 5.12 per cent. The best bet is a high-interest savings account such as Yorkshire Building Society's Regular Saver, which offers 7.10 per cent. For more, see our report on p22.



2 You can buy monitors to check how much energy you use at home. The Owl (£49.95, www.theowl.com) is a hand-held energy monitor (below) which tells you how much products consume in use and on standby. We have not tested this yet. It is a relaunched version of the Electrisave (£72.49), which we tested last year. We'll be reporting on items that let you measure your energy consumption as part of a report on green products in February.



4 A boiler that wastes energy can cost you money and add to greenhouse gases. Last month, the government introduced a scheme that lets you get a free rating of how efficient your boiler is, together with advice on cutting your bill. You can ask the engineer to do this when he services the boiler. Boilers are rated A to G for energy efficiency. It's estimated the average boiler is only E rated and wastes up to 40 per cent of its energy as waste fuel gases. Also see our September 2007 report on boilers.

3 With winter approaching fast, this is a good time to think about how to save money on heating bills. A series of simple measures can add up to quite considerable savings and have the added benefit of cutting down on greenhouse gases. Turning down your heating and water

Switch with which? thermostats by just 1°C can cut costs by 10 per cent, while fitting an insulated jacket for your boiler could save you £10 to £15 a year.

It's always wise to check whether you can save money by switching energy supplier. Our free Switch with Which? service (www.switchwithwhich.co.uk) lets you compare the prices of suppliers to ensure you're not paying over the odds. Users saved an average £245 a year per household in 2006.

5 If your child has started university, they'll need all the financial help they can get. But many are unaware of a possible source of funding – a bursary. The bursary scheme was introduced last year and a wide range of students may qualify. The typical 2006 award was £1,000. Unlike student loans, bursaries don't have to be repaid. See bursarymap.direct.gov.uk for details of where they are available. The website www.aimhigher.ac.uk has details of other sources of funding.