



# Money monitor

Best Buys plus  
what's in  
the news

## IS IT WORTH IT?

### Nationwide's Lifetime Guarantee Account

Nationwide Building Society's Lifetime Guarantee Account promises 'a constant good rate of interest' for people who can't be bothered to switch. Paying 6.6 per cent interest on a minimum deposit of £1,000 for the first year, the new account starts well. Then until 1 January 2011 it promises to stay 0.3 per cent below the Bank of England base rate, falling to 1 per cent below the base rate after that. As an offshore account, it pays interest gross rather than with tax deducted. This could be useful if you do not pay tax or if you live overseas and prefer to pay tax locally.

**VERDICT** The new account is matched by ICICI's HiSave Savings account, which starts at 6.41 per cent in the first year and then guarantees to pay 0.3 per cent above the base rate until 31 December 2011. Withdrawal terms are more generous, and there is no minimum investment.



## Contacts

**The AA** 0845 603 2295  
www.theaa.com  
**Anglo Irish Bank**  
0845 455 2222  
www.angloirishbank.co.uk  
**Bank of Scotland**  
0845 729 3949  
www.bankofscotland.co.uk  
**Barclaycard**  
0800 731 0200  
www.barclaycard.co.uk  
**Bradford & Bingley**  
www.bradfordandbingley.co.uk  
**Capital One Bank**  
0845 840 0400  
www.capitalone.co.uk  
**Chelsea BS**  
0800 121 8822  
www.thechelsea.co.uk  
**Halifax** 0845 726 3646  
www.halifax.co.uk  
**Harley-Davidson**  
0800 515166  
www.harley-davidson.com  
**HSBC Bank**  
0800 130130  
www.hsbc.co.uk  
**Icesave** www.icesave.co.uk  
**ICICI Bank** 0808 131 4151  
www.icicibank.co.uk  
**Kent Reliance BS** 0845  
122 0022; www.krbs.co.uk  
**Lloyds TSB** 0845 606 2172  
www.lloydstsb.com  
**Loughborough BS**  
01509 631960  
www.theloughborough.co.uk  
**Mint** 0800 077770  
www.mint.co.uk  
**Principality BS**  
www.principality.co.uk  
**Sainsbury's Bank**  
www.sainsburysbank.co.uk  
**Scarborough BS**  
0845 634 3760  
www.scarboroughbs.co.uk  
**Yorkshire BS**  
www.ybs.co.uk

CASH ISAs	ACCESS	AER	TERMS		CONSISTENCY
	TYPE OF A/C	(%)	INITIAL DEPOSIT (£)	NOTICE (DAYS)	BEST BUY FOR SIX MONTHS
SCARBOROUGH BS Notice <sup>a</sup>	B/T	6.30	1,000	30	
ICESAVE Easy Access <sup>a</sup>	I	6.10	1,000	0	
LOUGHBOROUGH BS 90-Day	B/P	6.10	1	90	
KENT RELIANCE BS Direct	P	6.05	1	0	✓
PRINCIPALITY e-Isa	I	6.05	1	0	
YORKSHIRE BS e-Isa	I	5.80	10	0	✓
BRADFORD & BINGLEY e-Isa 2 <sup>a</sup>	I	5.80	1,000	0	✓

**Access** Type of account offered: B=branch; I=internet; P=post-al; T=telephone <sup>a</sup> Interest can be paid monthly

SAVINGS ACCOUNTS	ACCESS	AER (%)		CONDITIONS		CONSISTENCY
	TYPE OF A/C	£100	£1,000 TO £5,000	INITIAL DEPOSIT (£)	NOTICE (DAYS)	BEST BUY FOR SIX MONTHS
ICICI BANK UK HiSave Savings <sup>a</sup>	I/T	6.41	6.41	1	0	
BRADFORD & BINGLEY Internet Saver 2 <sup>a</sup>	I	6.40	6.40	1	0	
ANGLO IRISH BANK 7-Day Notice	P/T	6.35	6.35	1	7	✓
PRINCIPALITY BS e-Saver	I	6.30	6.30	1	0	✓
ICESAVE Easy Access <sup>a</sup>	I	n/a	6.30	250	0	✓
CHELSEA BS Call Direct 30 4th Issue <sup>a</sup>	P/T	n/a	6.15	250	30	✓
THE AA Internet/Telephone Access Plus <sup>a</sup>	I/T	n/a	6.04 <sup>b</sup>	500	0	
SAINSBURY'S BANK Internet Saver	I	6.00	6.00	1	0	✓
YORKSHIRE BS Internet Saver <sup>a,c</sup>	I	6.00	6.00	1	0	✓

**Access** Type of account offered: I=internet; P=post-al; T=telephone

<sup>a</sup> Interest can be paid monthly <sup>b</sup> Rate excludes 0.2 per cent bonus payable for six months <sup>c</sup> Cashcard available

CREDIT CARDS – 0% ON PURCHASES	APR (%)	0% PERIOD PURCHASE (MONTHS)
<b>HSBC BANK</b> MasterCard	15.9 <sup>a</sup>	12
<b>BARCLAYCARD</b> Platinum Purchase and Long Term Balance Visa	14.9	10
<b>HALIFAX/BANK OF SCOTLAND</b> One MasterCard	9.9 <sup>a</sup>	9
<b>HARLEY-DAVIDSON</b> Platinum (Affinity) MasterCard	12.9	9
<b>CAPITAL ONE BANK</b> Platinum MasterCard	9.9 <sup>a</sup>	Until 1 Nov 2008
<b>MINT</b> MasterCard	12.9	Until 1 Aug 2008
<b>HALIFAX/BANK OF SCOTLAND</b> Plus MasterCard	15.9 <sup>a</sup>	6
<b>LLOYDS TSB</b> Advance MasterCard	11.9	6

<sup>a</sup> Rate depends on your credit score

All rates correct at 29 January 2008

Information based on data supplied by moneyfacts.co.uk

If you've got ideas or views on anything financial, we'd love to hear from you. Please get in touch with us at [moneynews@which.co.uk](mailto:moneynews@which.co.uk)

**£423 billion**

tax receipts in 2006-07

HER MAJESTY'S REVENUE & CUSTOMS

## Cash Isas

It always makes sense to use up your tax-free allowance in a Best Buy Isa before putting money into a savings account. Top of the table this month is a new account from Scarborough Building Society – a 30-day notice account that pays 6.3 per cent. If you prefer to save online, Icesave's recently launched Isa paying 6.1 per cent is a good bet. We've included only Isas that allow transfers into the account. If you're starting a new Isa from scratch, National Savings & Investments' Direct Isa currently pays 6.05 per cent.

## Savings accounts

The top rate this month comes from ICICI Bank's HiSave easy-access account, which pays an impressive 6.41 per cent on amounts from £1. ICICI Bank has recently signed up to the Banking Code, which sets minimum standards for how banks and building societies treat their customers (see 'Our unique research', below). We include products only from companies that subscribe to the Banking Code. If you don't mind tying your money up for a month or so, Chelsea Building Society's Call Direct 30 account offers 6.15 per cent interest.

Anglo Irish Bank, Chelsea BS, Principality BS, Icesave, Sainsbury's and Yorkshire BS have been Best Buys consistently for the past six months.

## Credit cards

All the cards in the table are available to new customers and offer between six and 12 months at 0 per cent interest on new purchases (excluding cash withdrawals). It is important to stay within your agreed credit limit and to make your monthly repayments, as you can forfeit any 0 per cent deal if you default on the account. It might be worth setting up a direct debit to make these repayments so that you don't incur any additional charges.

Once the 0 per cent deal ends, any outstanding balance will revert to the typical APR listed in the table. As none of these cards is a Best Buy for borrowing, it is advisable to pay off the outstanding balance in full within the promotional period.

## Your money

### New taxpayers' charter

'The government is committed to ensuring that the tax system is useable and accessible,' said Treasury Secretary Jane Kennedy, when she recently announced plans for a new taxpayers' charter. This will 'set out both taxpayers' rights and responsibilities in a single document'.

Which? member Richard Smith would certainly welcome more

accountability. A mix-up at his wife's tax office led to insistent demands for tax the couple had already paid, together with threats of penalty charges. It was only after numerous telephone calls that HMRC admitted that it had received payment and no additional tax was due. 'I have had to repeat the same story over and over again,' Richard says. 'Some form of recording history would be a great help.' Tax professionals have also welcomed the initiative, with the Chartered Institute of Taxation calling it 'an important step forward' and 'a key balance in the tax system'.

Other Which? members have experienced similar difficulties and delays – with no acknowledgement of documents they've sent and no indication of how long queries might take to be answered. One reported an ongoing investigation that has now entered its third year. We will follow the charter's progress closely and report back when details are announced.



**Richard Smith wants the tax office to be more accountable**

### Safer banking online

Online banking should be safer after changes to the rules of the UK banking system come into force this month. Your liability for losses will be limited to £50, unless the bank can show you have acted fraudulently or without reasonable care. Which? welcomes this move, which means that innocent victims will not have to pay for security breaches. The revised Banking Code will also carry advice on how to avoid 'phishing' scams and identity fraud. For more on banking online, see *Which?*, July 2007, p20.

#### OUR UNIQUE RESEARCH

### Best Buys

We analyse the whole market to bring you our Best Buys. With savings and loans, we recommend only companies that subscribe to the Banking Code. This means you've got protection if anything goes wrong. Like all Which? recommendations, our Best Buys are totally independent – we're not swayed by any industry influence.

#### MORE ON MONEY

### Which? Money

The March issue of *Which? Money* explains how you can save up to £369 a year on your house insurance. Try two issues for just £2. Go to [www.which.co.uk/moneytrial](http://www.which.co.uk/moneytrial) or call 01992 822800.



#### NEWS IN BRIEF

##### Women's pensions

■ Women's career breaks mean they often pay less National Insurance and end up with smaller pensions. In March the Pensions Advisory Service is running a dedicated pension helpline for women. Go to [www.pensionsadvisoryservice.org.uk](http://www.pensionsadvisoryservice.org.uk) or ring 0845 600 0806 Mon-Fri 9am-5pm.

##### Taxing podcast

■ To encourage you to complete your tax return online, you can watch a video podcast showing how online filing works. Other podcasts cover tax credits, starting a new business, and PAYE. See [www.hmrc.gov.uk](http://www.hmrc.gov.uk) for more.

##### Give more

■ Charities could gain an extra £700m a year if more donors used Gift Aid, according to IFA Promotion. See the *Which? Tax Saving Guide* for more details on how you can do this.

##### TAKE ACTION!

It's not too late to use up this year's tax-free Isa allowance (£7,000 overall, £3,000 cash). Many advisers and brokers will invest in stocks-and-shares Isas right up to 5 April, though high-street banks and building societies may need more notice (see left for Best Buys).