

With 87% of Cash ISAs accepting transfers consumers should consider making a switch in provider

Staying with the same Cash ISA could be an expensive mistake with many long standing accounts paying poor rates of interest. Defaqto urges consumers to avoid inertia and check whether their current ISA is still competitive.

David Black, Banking Specialist at Defaqto said: “Some Cash ISAs pay as little as 0.10% and this would result in annual interest of only £3.60 for a £3,600 balance. If you switch a £3,600 balance from an ISA paying 0.10% to the highest paying ISA* at 5.00% you would get an additional £173 annual interest. If the balance was £5,100 the additional interest over the year would be £249.”

Mr Black continued: “Many banks and building societies ‘bulk up’ their ISA offerings at this time of year to grab market share. In many cases the best variable interest rates will be from newly launched accounts with some sort of guarantee or introductory bonus. Consumers should check the rates on their existing Cash ISA. If it’s not competitive they should think about switching. Currently 87% of Cash ISAs accept transfers in from other Cash ISA providers.”

He advised: “It can be confusing at this time of year with so many ISA advertising campaigns running. In addition to the rate offered consumers should check the type of ISA and the minimum balance required to ensure it meets their investment needs.”

Defaqto provides whole of market best buy tables which are updated daily via <http://www.defaqto.com/best-buy-tables/cash-isas>

The highest paying Cash ISAs for a £3,600 balance are currently:

Type of Cash ISA	Provider	Cash ISA	Minimum balance	Gross AER %	Annual interest for £3,600 balance	Accepts transfers in?
5 year fixed rate	Yorkshire Bank	Cash ISA Fixed 31/03/2015	£2,000	5.00%	£180.00	yes
4 year fixed rate	Halifax	Fixed Rate ISA Saver 4 year	£500	4.25%	£153.00	yes
3 year fixed rate	Nationwide BS	3 Year Fixed Rate ISA	£1	4.40%	£158.40	yes
2 year fixed rate	Halifax	Fixed Rate ISA Saver 2 year	£500	3.50%	£126.00	yes
1 year fixed rate	Kent Reliance BS	Direct Fixed Rate Tax Year Cash ISA	£100	3.20%	£115.20	no
Easy access	Santander	Flexible ISA	£1	3.50%	£126.00	no
Regular monthly saver	Stroud & Swindon BS	Regular Saver ISA	£25	3.75%	£73.13 (if save £300 every month)	no

Notice	Newcastle BS	Reward ISA (120 days)	£500	3.00%	£108.00	yes
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Notes to Editors:

David Black is a Banking Specialist at Defaqto

David joined Defaqto in May 2004 when Defaqto acquired the financial research company of Blay's Guides where he had 16 years of banking research experience for the majority of which he was a director. Previously he was a political risk underwriter in the City. David is Defaqto's Banking Specialist and specialises in credit cards, current accounts, equity release, mortgages, savings and unsecured loans. He was the Banking Analyst in Defaqto's Insight team until July 2010 when he switched to dealing with the press on all aspects of banking. He is a frequent commentator in both the printed and the broadcast media in his areas of expertise. He is ACII, CeMAP and CeRER qualified, as well as holding an Honours degree from Exeter University.

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About Defaqto: www.defaqto.com

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Since 1994, Defaqto has built the largest, whole of market, financial product database and become one of the leading providers of financial product data in the UK. We now cover over 30,000 products across banking, life, pensions, investments and general insurance.

Our experts validate and analyse the data to provide insight and consultancy to all layers of the financial services sector including IFAs, mortgage and general insurance brokers, providers, web aggregators and the public sector.

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