

**Which?**

**SCAM WEBSITES:** The fraudsters convincingly impersonating banks / **PET INSURANCE:** Could you and your four-legged friend cope without it? / **INVESTMENT PLATFORMS:** Discover our recommended providers / **GARDENING:** Save money this spring – from cuttings to compost

APRIL 2024

# Money





Editor's letter

I can't be the only one who gets overwhelmed in April. Whether you're spring-cleaning your home or your finances, planning a big move or a big break, it all adds up.

Complex financial products don't help, as *Which?* journalist and cat owner Matthew Jenkin found when he looked into pet insurance (p20). At its worst, information overload can make you vulnerable to scams, which, as Faye Lipson has shown on p16, are ever more convincing.

Accordingly, this issue of *Which? Money* is all about keeping it simple. We've unpacked the new tax year (p8), picked out the best travel insurance policies (p4) and the top-rated homes for your investment portfolios (p12). For questions on these topics and others, you can always call our Money Helpline, where our experts have many years of experience turning money jargon into plain English.

If after all of this you fancy some fresh air, turn to p28, where Matthew Biggs from Radio 4's *Gardeners' Question Time* explains how to liven up your garden for less.

Jenny Ross is away this month

Sam Richardson, deputy editor  
money-letters@which.co.uk



### Expert 1-2-1 guidance

As a *Which? Money* member, you can access free money guidance from our experienced advisers. Call the Helpline on 029 2267 0001 Mon-Fri, 9am-5pm.



### Weekly podcasts

From price hikes to pensions, every week our experts discuss the issues that affect your wallet. Tune in at [which.co.uk/podcast](http://which.co.uk/podcast) or wherever you listen to podcasts.



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### About us

*Which?* is the UK's consumer champion, here to make life simpler, fairer and safer for everyone. Our research gets to the heart of consumer issues, our advice is impartial, and our rigorous product tests lead to expert recommendations. We're the independent consumer voice that influences politicians and lawmakers, investigates, holds businesses to account and makes change happen. As an organisation, we're not for profit and all for making consumers more powerful.

### Which? Money in e-text

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COVER ILLUSTRATION LISA SHEEHAN - DEBUT ART

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### An award-winning team

Headline Money Awards 2023 Faye Lipson – Consumer Money Journalist of the Year; Dean Sobers – General Insurance Journalist of the Year  
Headline Money Awards 2022 *Which? Money* – Consumer Money Title of the Year; Chiara Cavaglieri – Savings Journalist of the Year  
Wincott Awards 2021 Dean Sobers – Personal Finance Journalist of the Year

# News & analysis

Have a story for us to investigate? Email us at [money-letters@which.co.uk](mailto:money-letters@which.co.uk)

## Is your travel insurance a Best Buy?

Dean Sobers and Maha Gadir explain why only six out of 161 policies made the grade

Policies from AllClear, InsureandGo and NFU Mutual have been named Best Buys for travel insurance. To find our Best Buys, the first of their type, we combed through 161 policies from 56 firms. Our policy scores measure how comprehensive cover is overall, and to be a Best Buy policies had to score at least 66%. Across all the policies we examined, scores ranged from 29% to 83%. In addition, Best Buys needed to have or offer 12 elements of cover. These included medical expenses cover of at least £5m, cancellation cover of at least £2,000, and cover for travel delays and missed departures. However, a great policy on paper doesn't guarantee a great experience. Although 23 policies met our criteria for cover levels, only six were named Best Buys.

### Travel insurance Best Buys

	Policy score	Medical expenses	Cancellation (per person)	Baggage	Holiday supplier failure*
• NFU Mutual Home and Lifestyle	81%	£5m	£5,000	£2,500	As standard
• AllClear Platinum	79%	£15m	£5,000	£3,000	Not covered
• InsureandGo Black	77%	Unltd	£10,000	£3,000	Not covered
• NFU Mutual Bespoke	76%	£5m	£15,000	£2,500	As standard
• AllClear Platinum	74%	£15m	£5,000	£2,500	Not covered
• InsureandGo Black	71%	£15m	£7,500	£2,500	Not covered
<b>AVERAGE</b>	<b>64%</b>	<b>£10.4m</b>	<b>£3,821</b>	<b>£1,941</b>	<b>Covered by 35% of policies</b>

Notes: Data initially collected in April 2023 and reviewed in December 2023. \* If you lose money due to your holiday company (tour operator, hotel, etc) going bankrupt

This is because we also checked claims statistics published by the Financial Conduct Authority (FCA) and complaints data from the Financial Ombudsman Service (FOS). Where an insurer was shown to pay out lower-than-average proportions of its claims – or had a poor track record with complaints – we ruled out its policies from being Best Buys. With most other types of insurance, over 90% of claims were accepted. In comparison, single-trip and annual European travel cover policies paid out in 73% and 76% of claims, respectively, in 2022. This places them among the five kinds of insurance least likely to pay out, from 34 types compared. Annual worldwide travel cover was seventh from bottom – paying 82% of claims.

customers of its home insurance – which isn't available in some cities – AllClear and InsureandGo's policies are more widely available. Both appear on directories of medical specialist insurers and can consider customers with pre-existing medical conditions. AllClear and InsureandGo don't have maximum age limits (NFU Mutual's limit is 74).

If none of these insurers suit your needs or budget, use our online tables and reviews as a starting point to compare insurers: go to [which.co.uk/best-travel-insurance](http://which.co.uk/best-travel-insurance).

When it comes to travel insurance, the best way to avoid disappointment is to be reasonably familiar with the policy's terms and conditions when you buy it. Bear in mind that policy exclusions are the most common reason claims get turned down. If in doubt, ask the insurer before buying.

**How to find the best cover for you**  
While NFU Mutual's travel insurance is only available to



ILLUSTRATION: PATRICKGEORGE/IKON IMAGES



### WOODFORD FUND

A High Court judge has approved a redress scheme worth up to £235m for investors in the failed Woodford Equity Income Fund, with payments expected in April. The FCA said the scheme will recover 77p in the pound, but the Transparency Task Force says this is an overestimate.



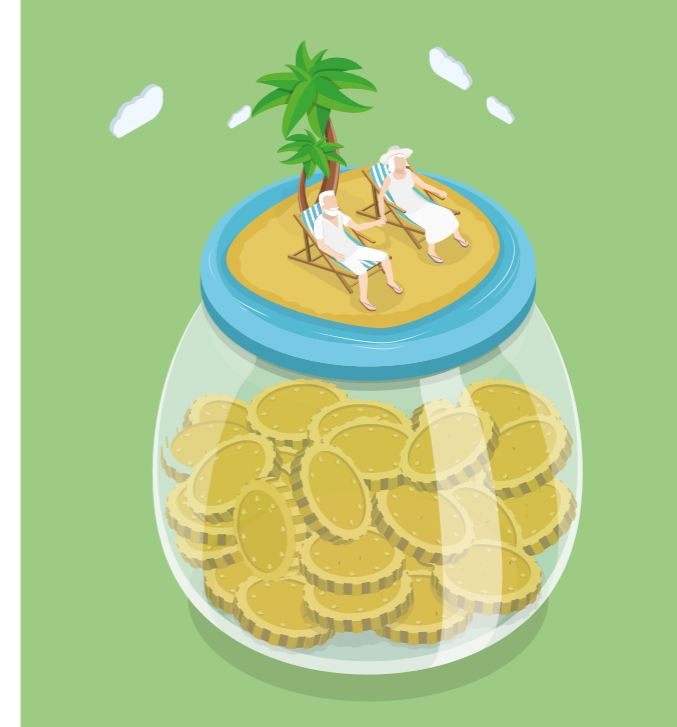
### TAX ON PENSIONS

Over 6.7 million people of state pension age or above paid income tax in 2021-22, the latest figures reveal. Wealth manager Quilter has warned that if the state pension continues to rise by 4%, it could exceed the frozen tax-free personal allowance in two years.



### GILTS

For the first time, regular investors can buy newly issued UK government bonds (gilts), initially through Hargreaves Lansdown and Interactive Investor. You'll get the average auction price and won't have to pay extra fees beyond platform charges.



## Cost of a moderate retirement rises by £8,000 a year

Paul Davies warns that your pension might not go the distance

Research by the Pensions and Lifetime Savings Association (PLSA) shows that the income needed to fund even a moderate retirement has soared in the past year.

The PLSA's three 'retirement living standards' (RLS) are based on actual living costs and discussions with the public. They're designed to help you judge if your current savings levels will be enough for your desired retirement lifestyle.

The level of income needed for a 'minimum' standard of living in

retirement has risen by 13% from £12,800 to £14,400 for a single person, and by the same percentage from £19,900 to £22,400 for a couple.

The income needed for a 'moderate' retirement is up by 34%, from £23,300 to £31,300 for a single person, and by 27% from £34,000 to £43,100 for a couple.

For a 'comfortable' retirement, the level has increased by 16% for a single person (£43,100) and by 8% for a couple (£59,000).

The topline figures are after tax, so more money will be

needed as pre-tax income. They also don't include rent or mortgage repayments.

Six expenditure categories – household bills, food, transport, holidays and leisure, clothing and personal items, and helping others – vary according to the actual costs and retirement expectations for the three standards. For example, the minimum standard includes a week-long UK holiday a year; the moderate standard allows for a 14-day holiday at a three-star hotel in the Mediterranean and a long-weekend break in the UK. Meanwhile, the comfortable standard includes a fortnight in a four-star hotel abroad plus three UK long-weekend breaks.

### Why are prices going up?

An overall hike in all the retirement living standards reflects the price rises that all households have faced, particularly in food and energy costs. The annual rate of consumer price inflation stood at 4% in January – but peaked at 11.1% in October 2022.

Increased spending also highlights the greater importance people place on spending time with family and friends out of the home, as priorities have changed in the wake of the pandemic.

With the state pension rising to £11,502 in April (for those who qualified after April 2016) it alone will only serve to cover one of the retirement standards – a couple living a 'minimum standard' of retirement.

Every other standard requires an income from another source, most likely a pension in drawdown or an annuity.

### WHAT STANDARD OF RETIREMENT CAN YOU AFFORD?

Annual income for a couple, after tax



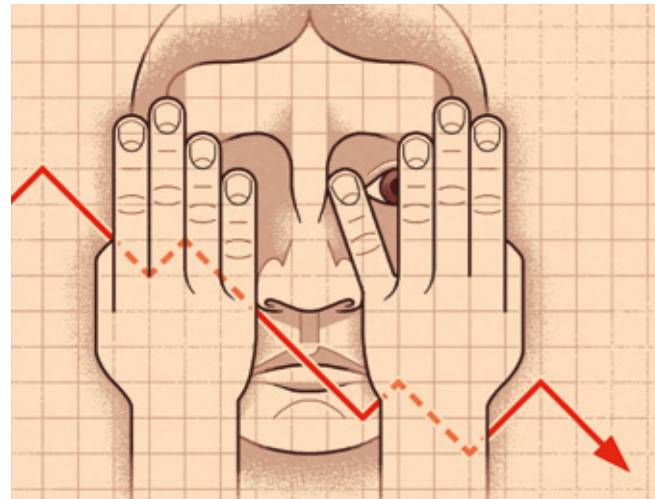
Minimum  
**£22,400**



Moderate  
**£43,100**



Comfortable  
**£59,000** >



## Underperforming funds nearly triple

*Megan Thomas reveals the 'dog' funds disappointing investors*

Spot the Dog', a biannual report by investment platform Bestinvest, names and shames the worst-performing funds. Released in March, it saw a huge rise in the number of funds on the list – up from 56 to 151.

This is likely due to the massive success of the

'Magnificent Seven' US tech companies that performed exceptionally well – leaving those who are invested elsewhere falling behind, for now.

A 'dog' fund is one that has failed to beat its benchmark for three years in a row, and has underperformed by at least 5% over the three years.

The worst performing was the Baillie Gifford Global Discovery Fund – which also topped the last report and underperformed its index by 70%. The fund takes big risks on smaller companies it expects to experience significant growth. This bet hasn't paid off in recent years, partially due to high interest rates and to the success of well-established tech firms.

St James's Place had three funds, representing £18.5bn assets held, on the list – down from six in the previous report. The advice company has made significant changes in the past year as its share price has fallen.

Two funds with star managers – Terry Smith's Fundsmith Equity and Nick Train's WS Lindsell Train UK Equity Fund – were named 'dogs' for the first time. The report blamed this on neither funds investing in the energy companies that drove a lot of the gains of the benchmark, with the latter fund skewing towards goods and financial services.

You shouldn't automatically sell a fund you're invested in just because it pops up on this list as for some investors three years is too short a timeframe. But it's worth looking into what's going wrong and whether the fund still suits your investing goals.

## Gap insurance sales halted by regulator

*Alarm bells are ringing over cover for new cars, Matthew Jenkin reports*

The majority of insurers have agreed to pause the sale of guaranteed asset protection (Gap insurance) after the FCA found the product doesn't offer 'fair value'.

Gap insurance is meant to cover the

difference between the price you paid for your new vehicle and the amount your insurer will pay should it get stolen, or written off, soon after buying it. But the FCA's latest Value Measure Data report found only 6% of the amount

customers pay in premiums was paid in claims, compared with 65% for car insurance.

Companies that sell Gap insurance – such as motor dealerships – are being paid up to 70% of the value of premiums in commission by insurers.

The FCA says it welcomes the agreement by 80% of insurers to stop selling Gap until improvements are made. It aims to get the rest of the Gap market on board. It found there were two million Gap policies in force in 2022.

### FROM THE CAMPAIGN TRAIL

With car insurance prices going through the roof, we're especially worried about how this is impacting people who can't pay for their cover upfront. Sales data for September from comparison website GoCompare shows that those who pay for their insurance on a monthly basis shelled out an extra £300 a year.

Additional charges for spreading payments explain part of this. Our mystery shop found interest rates of more than 30% are not uncommon – similar levels to overdrafts. But while a bank gives you all the money upfront, your insurer could cancel your cover if you miss a payment.

The FCA began alerting insurance firms about potentially unfair interest rates 18 months ago, recently warning of a 'poverty premium'.

Despite the rhetoric, we're not satisfied. We've called for an urgent action plan from the FCA to make clear what's fair value and to take action.



**Alastair Reed**  
Which? principal policy adviser

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WHICH? MONEY EXPLAINER

## The British Isa

*When it does – and doesn't – pay to be patriotic with your savings*

Could your money be doing more to support the nation? That's the question Jeremy Hunt posed at the Spring Budget, with the launch of a new British Isa and NS&I British Savings Bonds. But buying British can clash with what's best for you.

### What is the British Isa?

The British Isa (formally the 'UK Isa') gives you an extra £5,000 annual allowance, on top of the £20,000 you can put into Isas. Dividends and profits in a British Isa will be tax-free – but it can only be used for UK investments.

The government proposes including firms incorporated in the UK and listed or traded on UK stock exchanges. Investment funds and trusts would have to be at least 75% invested in eligible firms. Bonds in UK firms and Gilts would be eligible.

The Chancellor has said he wants 'to ensure British savers can benefit from the growth of the most promising British industries'. But the proposed rules would eliminate firms such as Cambridge-based Arm Holdings, which saw its share price shoot up in February. It would be excluded from the British Isa, in part because it's listed on the US NASDAQ exchange.

The consultation on the new Isa doesn't close until 6 June, so the earliest it could launch would be April 2025.

### Should you invest in the UK?

Yes – but, judging by fund managers, not much. Vanguard's Global All Cap Index fund, for example, has 3.6% of holdings



invested in the UK, compared with 61.9% in the US. On 6 March, an investment in the UK stock market would have turned £10,000 into £16,469 over 10 years, compared with £31,207 from global shares, data from investment platform AJ Bell and FE Fundinfo shows.

AJ Bell says UK firms can suit investors looking for an income. Some FTSE 100 companies regularly pay impressive dividends and share prices are low by historical standards.

Just don't go all in on the UK. Diversifying your portfolio across different countries helps protect you from economic shocks.

### Will the British Isa help grow the economy?

This seems unlikely. Very few people need the extra £5,000 allowance. Just 15% of Isa savers added the maximum £20,000 in 2020-21 – the most recent data. This was also during the pandemic, when many people were able to save more money.

Many investors are already using their normal Isa allowance to invest in the UK. Hargreaves Lansdown says 83% of its customers' shares are held in UK-listed firms. But UK-focused funds are going through what AJ Bell has described as 'a dark age', with £51bn withdrawn in the

past two years by regular UK investors. It puts this partly down to the cost of living crisis, which the British Isa won't fix.

As the British Isa is for UK taxpayers it won't encourage foreign investors to invest in the UK. There had been widespread calls for the removal of the 0.5% stamp duty on UK-listed shares, which was left out of the Budget.

It's also unclear who would offer the British Isa. PIMFA, which represents financial advisers, said it sees 'very little appetite to offer such a wrapper'.

### What about British Savings Bonds?

You won't have to wait as long for NS&I's new British Savings Bonds. These will launch in April, offering a fixed rate for three years on deposits between £500 and £1m, with deposits 'invested back into supporting the UK'.

At the time of writing, what hadn't been revealed was the interest rate. NS&I has said these will be 'mid-market' and the rates of a similar three-year savings account, NS&I's Green Savings Bonds, doesn't give grounds for optimism. These pay 2.95%, whereas the top provider on the market pays 4.65%.

Unlike investments, it's easy to save entirely in the UK – and you're not restricted to NS&I. While the biggest banks partly invest abroad, building societies mostly use deposits to lend on UK property. Being owned by their members and not listed on stock exchanges, they don't pay dividends, which could end up going to investors based abroad.

**APRIL BRINGS WITH IT A SWATHE OF TAX AND PRICE CHANGES. PAUL DAVIES HELPS YOU TO NAVIGATE THE 2024-25 TAX YEAR**

The end of one tax year and the start of the next shouldn't be the only time you review your finances. But, equally, it can't be ignored – and this April brings more changes than most, with noticeable changes to your income, whether from National Insurance rate cuts or the state pension. If you invest or plan to sell assets, shrinking tax-free allowances mean you need to think harder, even if new Isa rules give you more options. A range of prices are also due to rise. Here we cover broadband, mobile and council tax hikes, and how to reduce their – often significant – effects. We also look at the energy price cap and whether to opt for a fixed deal.

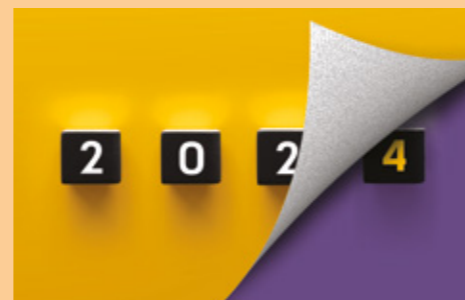


**01 ISA RULES BECOME MORE FLEXIBLE**

The Isa has its 25th birthday on 6 April 2024. To mark this milestone they're becoming simpler to open and pay into. Savers will be allowed to pay into multiple Isas of the same type (for example, cash, stocks and shares) in the same tax year. Previously you were limited to paying into one Isa of each type per tax year.

Partial transfers of all Isa funds will now be permitted. Up until now you've only been able to carry out partial transfers of funds that you've paid in before the current tax year. If you wanted to move money you've paid in since the start of the current tax year, you would have needed to transfer the entire Isa.

**Take action:** Isas saved us an estimated £6.7 billion in tax in 2023-24. Make sure you use your full annual allowance of £20,000 to avoid paying tax on your savings and investments. Switch if necessary so you get the best rate on a cash Isa (see p37), and lowest fees on a stocks and shares Isa (p12).



**02 STATE PENSION UP BY 8.5%**

People getting the state pension will see a bumper boost (8.5%) to their income from April 2024. Those entitled to the full level of new state pension will get £221.20 a week, up from £203.85 this year. This equates to £11,502 per year, up from £10,600. State pensioners who qualified before April 2016 and receive the basic state pension will see their weekly payments rise from £156.20 to £169.50, or an annual amount of £8,814. Pension credit, for state pensioners on a low income,

is going up. For 2024-25, the single person's standard minimum guarantee rises by £17.10 per week (from £201.05 to £218.15) and for couples the increase is £26.10 per week (from £306.85 to £332.95). The savings credit maximum award is rising by 6.7% from £15.94 to £17.01 per week for single people and from £17.84 to £19.04 per week for couples. This is only for those who qualified for the state pension before April 2016.

**Take action:** You now have only a year to plug gaps in your National Insurance record going back to 2006. Read more: [which.co.uk/NI-top-up](http://which.co.uk/NI-top-up)

**How the state pension has risen in recent years**

	State pension rise	Based on	Full new state pension
• 2020-21	3.9%	Earnings	£175.20
• 2021-22	2.5%	2.5% minimum	£179.60
• 2022-23	3.1%	CPI <sup>a</sup>	£185.15
• 2023-24	10.1%	CPI	£203.85
• 2024-25	8.5%	Earnings	£221.20

**Note:** CPI = consumer price inflation <sup>a</sup> Suspension of triple lock saw CPI used rather than earnings after a spike in wages after the Covid pandemic

**03 CGT ALLOWANCE HALVED**

The capital gains tax (CGT) allowance is the amount of tax-free profit you can make from selling valuable items or additional properties. It's falling again to £3,000 in 2024-25, having been at £6,000 and £12,300 in the past two years. It hasn't been this low since 1981-82 – and with inflation, that allowance of £3,000 in 1981 has the buying power of over £15,000 today.

Above the allowance, if you make a gain after selling a property (not your main home), you'll pay 18% CGT or 24% (cut from 28% in the Spring Budget) on any part of the gain which, when added to your income, exceeds £50,270. Gains from selling other assets are charged at 10% or 20%. The OBR has forecast the government will reap around £16.5bn in CGT in 2023-24.

**Take action:** Assets can be transferred between spouses tax-free to make the most of both spouses' allowances.

**04 DIVIDEND ALLOWANCE CUT AGAIN**

If you own shares in a company you may get a dividend payment. When you earn more than the 'dividend allowance' on investments, you'll pay dividend tax on the remainder. What you can earn tax-free from dividends is falling again from £1,000 to £500 a year. This follows a previous drop in the dividend allowance from £2,000 in 2022-23.

The frozen income tax thresholds will push more people into the higher and additional rates of tax – which will also increase the rate of tax they pay on dividends. Basic-rate taxpayers pay 8.75%, while it's 33.75% for higher-rate and 39.35% for additional-rate taxpayers. Hargreaves Lansdown has estimated that 635,000 more people will have paid dividend tax in 2023-24, which is likely to increase. The total amount paid rose sharply from £13.5bn in 2021-22 to £17.6bn in 2023-24.

**Take action:** Any investments within stocks and shares Isas don't incur dividend tax, and you don't need to declare these dividends, so use your annual allowance of £20,000. >

# 05 BROADBAND PRICE HIKES

Broadband and mobile users are again facing substantial price hikes from April 2024. BT, EE and Plusnet have already confirmed they will be going ahead with price rises of 7.9% for customers this April (December's CPI figure of 4% plus an arbitrary 3.9%).

BT has said that it will end inflation-linked mid-contract price rises and switch to setting out increases in pounds and pence at the outset, as proposed by Ofcom in December 2023, but not until summer this year.

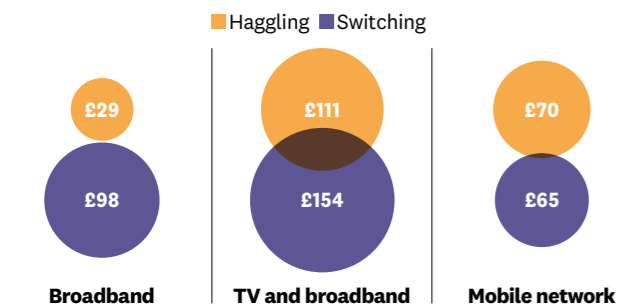
The Which? Right to Connect campaign is calling on other mobile and broadband

companies to do the right thing and put an end to unfair above-inflation price rises, preferably for this April.

Ofcom has said it may eventually ban companies from imposing inflation-linked price rises in the middle of a contract. It claims it will make a final decision in the spring, with the new rules coming into effect four months later.

**Take action: Haggle with your current provider. When we surveyed 4,954 broadband, TV and broadband, and mobile phone customers in January, haggling produced savings of £29, £111 and £70 respectively. Switching companies generated savings of £98, £154 and £65 – watch out for an exit fee if you leave mid-contract.**

Annual average savings via haggling and switching companies



# 06 NATIONAL INSURANCE RATES CUT TWICE

National Insurance (NI) rates were cut in January – then cut again in the Budget. In total, the Class 1 rate is falling from 12% to 8%, and is paid by employees under state pension age on income between £12,570 and £50,270. The Class 4 rate, paid by self-employed people on profits between the same amounts, is falling from 9% to 6%, while Class 2 contributions

have been scrapped. However, the 2% rate on income and profits above £50,270 still applies to both groups.

**Take action: Find out how much you've saved at [which.co.uk/NI-cut-again](https://www.which.co.uk/NI-cut-again). If you can afford it, consider using the money to top up savings or to buy extra NI years (see p9). Get a state pension forecast to see if you need to top up.**

# COUNCIL TAX RISE

Local authorities in England with social care duties can raise council tax by 4.99%, while others can put it up by 2.99%. With 151 of 153 authorities utilising some or all of their adult social care precept flexibility in 2023-24, you're likely to see a 4.99% increase.

Councils can theoretically increase their bills by a larger amount than the 4.99% cap, but only if they hold a local referendum. A 4.99% rise will add around £100 to the bill of a typical band D property.

Welsh councils aren't limited by the cap, and some struggling English councils can exceed it. Birmingham City Council approved a 21% rise over two years after effectively declaring bankruptcy. Scottish council tax rates are frozen.

**Take action: Council tax bands are based on the value of your home in 1991 (or 2003 in Wales). If you think the original valuation was wrong, or the property's size or use has changed, you can appeal for the band to be reassessed (be warned it could go up).**



# 08 LIFETIME ALLOWANCE SCRAPPED

Paying more than £1m into your pensions might seem like a pipe dream to most. However, the existing tax charge above the so-called lifetime allowance (LTA) of £1.073m has hit many senior people in the NHS and local government.

Last year, Jeremy Hunt announced that the lifetime

allowance would be abolished in April 2024, with the penal aspect of the LTA tax charge removed for 2023-24 as an interim measure.

**Take action: This is one for those with large pension pots to keep an eye on. The Labour Party has said that it would reverse the policy if elected, which could affect around 250,000 people aged 55-64, according to the pensions consultancy LCP.**

This would not be easy – and could lead to a rush of people withdrawing pensions.

# 09

## NEW ENERGY PRICE CAP

It's been a tough period for energy customers over the past few years with rapidly rising prices on the back of disruption to supply, following Russia's invasion of Ukraine. Although energy prices fell from the first quarter of 2023, there was another increase between January and March 2024.

At the beginning of 2023, households got a £66 monthly Energy Bill Support Scheme payment to take the edge off huge bills. This year, most of us aren't getting any government support.

The latest price cap announced at the end of

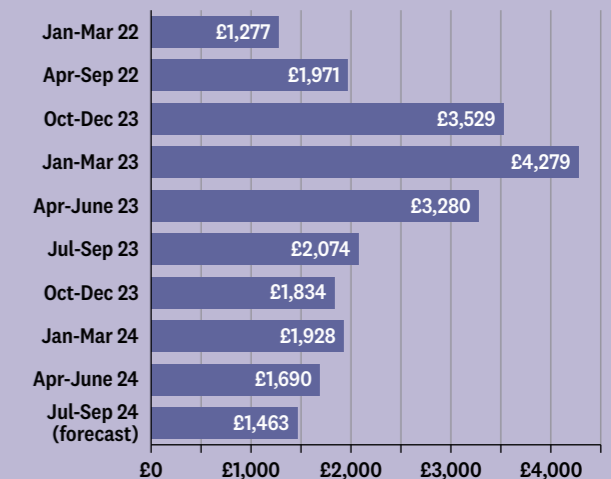
February, covering April to June, means that prices are going in the right direction. Energy bills will fall by 12.3% from 1 April for those on price-capped tariffs, with the new cap confirmed at £1,690.

That equates to a saving of around £20 a month for a home using a typical amount of energy.

**Take action: Stick with a default tariff – and cut your energy consumption instead, if you can. The cheapest standalone fixed deal cost £1,610 per year for a medium user (as of 22 February). This was £318 cheaper over a year than the price cap for January to March – but just £80 less per year than the price cap from April to June, so it's not likely to save you money. The price cap is expected to stay below February prices for the rest of the year.**

Find simple and practical tips at [which.co.uk/cut-energy-bills](https://www.which.co.uk/cut-energy-bills).

The default energy price cap is the maximum amount energy suppliers can charge people on default tariffs.



**T**he end of the tax year is a great time to review your investments. You may be on the lookout for exciting new shares or funds, but what about a new investment platform?

The choice of platforms has been transformed in recent years. For the cost-conscious, no-fee investing is edging ever closer to reality. Others are offering more – educational webinars, shareholder voting and a vast array of investments.

At the very least, consider how platform fees are impacting your returns. If you had £5,000 invested in a stocks and shares Isa, and switched from the most to the least expensive platform, you could save £104 a year. With a £250,000 portfolio, you would save £1,025. These savings will make a big difference throughout the inevitable market ups and downs in 2024.

We heard from 4,136 customers and compared costs for 17 platforms to help you find the best home for your portfolio.

#### What makes a good platform?

This year, we split our survey into two sets of reviews – stocks and shares Isas, and general investment accounts. Although both these products are often offered by the same platforms, investors in each are looking for different things, as reflected in the different scores.

To be a Which? Recommended Provider (WRP) for either category, a platform needs to: have a customer score of at least 70%; not be in the top 25% most expensive in one of our fees scenarios (see p15); and not score lower than three stars in any customer service category. We also apply statistical tests that place the platforms into 'bands', and only those in the highest can be a WRP.

We've named AJ Bell and Vanguard as WRPs, and you can read our in-depth reviews (right) to find out why. Many platforms scored highly, but missed out on making the grade – mostly due to fees. Interactive Investor, Moneybox and Monzo impressed their stocks and shares Isa customers, but were among the most expensive in at least one scenario. This was the same for Aviva, Halifax Share Dealing, Hargreaves Lansdown, Monzo and Plum for general investment accounts. Barclays Smart Investor, Santander Investment Hub and Vanguard were impressive, but aren't WRPs for general investment accounts as they didn't make the top band of providers.

Bestinvest took last place for stocks and shares Isas, but didn't have enough responses for a general investment account



# Best investment platforms

**MEGAN THOMAS REVEALS THE PROVIDERS THAT CAN TAKE YOUR PORTFOLIO TO NEW PLACES**

review. It wasn't the most expensive, but only received one star for value for money.

Bestinvest said: 'Bestinvest experienced a dramatic increase in activity across 2023 following our May 2022 relaunch as a digital hybrid platform combining the best of online investment with free financial coaching from qualified investment planners, affordable advice, low-cost ready-made portfolios, competitive fees and digital goal-planning tools.'

For general investment accounts, Fidelity customers were the least impressed. Users also weren't happy with its value for money, scoring it two stars. Fidelity told us: 'We continually review how our products and services meet [customer] needs, listening to their views to help us enhance their experience and outcomes. We welcome the opportunity to engage with Which? to understand these findings further and inform our future enhancements.'



#### AJ Bell

##### Customer scores

Stocks and shares Isa **74%**

General investment account **77%**

Cost for £25,000 **£75**

Cost for £250,000 **£637**

Best for **Range of investments**

Marking its sixth year in a row as a WRP, AJ Bell is the only platform to be one for both its Isa and general investment

account. It offers a far wider choice of investments than many of its rivals, with more than 24,500 listed, including more than 4,400 funds.

It picked up four stars out of five for ease of use from customers with both stocks and shares Isas and general investment accounts. Users of the latter were happier with AJ Bell's customer communications, information on investments and value for money, giving these categories four stars.

Its stocks and shares Isa users gave AJ Bell a middling three stars in these categories.

AJ Bell customers who trade shares, ETFs, trusts and bonds received a boost in April when the fees were cut from £9.95 to £5 a trade, or less if you trade frequently.

Where AJ Bell lets down customers is the pitiful level of interest it pays on uninvested cash. You'll get at most 2.7% – and that's only on amounts of more than £100,000.

We didn't get enough customer responses to rate Dodl, a sibling platform aimed at new investors. It's cheaper (an annual fee of 0.15%), albeit with a narrower range of AJ Bell funds, **exchange-traded funds (ETFs)** and shares.



#### Vanguard

##### Customer scores

Stocks and shares Isa **76%**

General investment account **70%**

Cost for £25,000 **£38**

Cost for £250,000 **£375**

Best for **Sub-£50,000 portfolios**

Vanguard is also a WRP for the sixth year in a row for its stocks and shares Isa. It didn't quite make

the cut on its general investment account because it wasn't in the highest band, but it still got a good customer score.

Vanguard is one of the cheapest options for any portfolio size, which customers praised. You can't trade shares or trusts: you only get Vanguard's own mutual funds and ETFs, although this range has grown to 94, including several actively managed funds.

Vanguard got four stars out of five for ease of use on its Isa and three stars for its general investment accounts, while information on

investments was rated four stars for general investment accounts and three stars for Isas.

Like AJ Bell, Vanguard pays a disappointingly low level of interest (just 2.6%) on uninvested cash.

Vanguard also offers a Managed Isa, for those less confident in choosing their own investments. You answer questions and are matched with one of five portfolios.

It's much cheaper than financial advice and is also cheaper than similar **'robo-adviser'** platforms at 0.60% of your holdings (for account, fund and management fees).

**THE CHOICE OF PLATFORMS HAS BEEN TRANSFORMED IN RECENT YEARS. FOR THE COST-CONSCIOUS, NO-FEE INVESTING IS EDGING EVER CLOSER TO REALITY**

#### Finding the platform for you

Fees should heavily influence your choice of platform. Consider your portfolio size and what investments you plan to hold. The table on p15 can help you decide. Also consider how often you plan to trade – a sizeable transaction fee might be fine for several trades a year, but trade several times a month and these add up. You can find fees listed in our online reviews.

Investment choice matters, too. Platforms such as AJ Bell, Hargreaves Lansdown and Interactive Investor aim to provide their customers with almost any investment they can think of – all offering more than 14,000 assets. This might be a little daunting or unnecessary for a beginner. Platforms such as Moneybox and Virgin Money keep the process simple and only offer a restricted set of funds or stocks. Others, such as Freetrade and >

### CUSTOMER SCORE TABLES

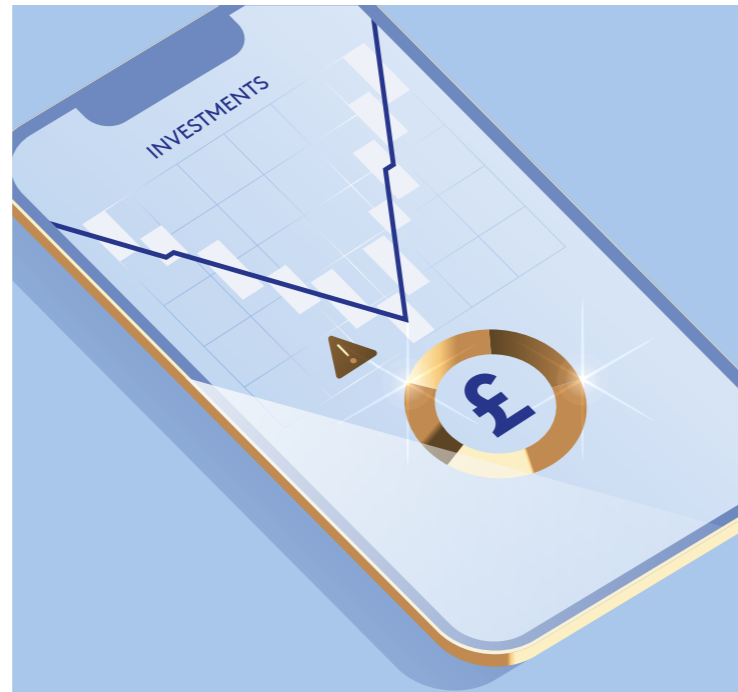
These scores are based on how satisfied customers are with their platform, as well as how likely they are to recommend it

Star ratings at [which.co.uk/platforms](https://www.which.co.uk/platforms)

Stocks and shares Isas	Customer score
• Vanguard (197) <b>WRP</b>	76%
• Monzo (32)	76%
• AJ Bell (203) <b>WRP</b>	74%
• Moneybox (33)	72%
• Interactive Investor (277)	70%
• Freetrade (43)	69%
<b>AVERAGE</b>	<b>68%</b>
• Halifax Share Dealing (151)	67%
• Aviva (60)	67%
• Fidelity (285)	67%
• Hargreaves Lansdown (681)	67%
• Santander Investment Hub (30)	65%
• Charles Stanley Direct (43)	64%
• HSBC (86)	63%
• Barclays Smart Investor (123)	60%
• Virgin Money (32)	60%
• Bestinvest (38)	54%

General investment accounts	Customer score
• AJ Bell (82) <b>WRP</b>	77%
• Plum (43)	75%
• Hargreaves Lansdown (218)	71%
• Aviva (95)	70%
• Monzo (102)	70%
• Barclays Smart Investor (95)	70%
• Halifax Share Dealing (97)	70%
• Santander Investment Hub (41)	70%
• Vanguard (70)	70%
• HSBC (89)	69%
<b>AVERAGE</b>	<b>69%</b>
• Freetrade (64)	66%
• Interactive Investor (101)	65%
• Fidelity (79)	63%

**Note:** Based on responses from 3,568 people in January 2024 who invest in a stocks and shares Isa or general investment account: 1,952 responses for Isas and 943 for general investment accounts. Platforms must get 30 or more responses to be included.



Plum, have a larger range of stocks to invest in and are also geared towards new investors with lots of guidance. But experienced investors might feel restricted by these offerings.

Investors looking to invest their money in line with their values will find some platforms are more useful than others. Interactive Investor is still the only platform we got scores for that has a recommended list of ethical funds (the ACE 40), which breaks down chosen funds based on performance and ethical strategy.

Elsewhere, Aviva has an Investment Preference Tool, which allows you to select the issues you care about – such as high-impact fossil fuels or unfair employment practices – and excludes funds not meeting those requirements.

#### Mix and match

If you're in the market for a bit of everything – or want to try a new platform, but don't want to move all your assets there – you might benefit from using a mix of platforms.

From the 2024-25 tax year, rules are changing, allowing you to open and pay into as many Isas as you like each tax year (but overall you're still limited to adding £20,000). You could use a low or no-fee stocks and

shares Isa for frequently trading shares, with a separate Isa for holding funds over the long term.

If using a general investment account, remember you'll be liable for capital gains tax (CGT) and dividend tax on any returns. In the 2024/25 tax year, the tax-free CGT allowance reduces to £3,000, while dividend tax applies to gains of more than £500.

#### Don't suffer, switch

People often tell us they're unhappy with their platform, but they don't think a switch is worth the hassle.

You should be able to get an 'in-specie' transfer, meaning you can keep your investments and the new platform does the paperwork. This should happen within 30 days.

Around half of the platforms in our survey are signed up to the Star transfer scheme, an industry-wide initiative to improve transfer times (see p31 for more). A lot of platforms also offer incentives, such as cashback or entry into a prize draw when you transfer an Isa. At the time of asking, all but four of the platforms had some kind of offer.

Don't get swept away by these offers: over the long term, a cash bonus won't make up for high fees.

### ISA COSTS COMPARED

We've calculated the cost of investing over a year in a stocks and shares Isa, assuming that you make four purchases and four sales each year. For general investment accounts, see our online reviews

Least expensive  Most expensive

#### Portfolio of funds (excluding ETFs)

	£5k	£10k	£25k	£50k	£100k	£250k	£500k
AJ Bell	£25	£37	£75	£137	£262	£637	£887
Aviva	£20	£40	£100	£200	£375	£900	£1,525
Barclays Smart Investor	£13	£25	£63	£125	£250	£525	£650
Bestinvest	£20	£40	£100	£200	£400	£1,000	£1,500
Charles Stanley Direct	£18	£35	£88	£175	£350	£875	£1,375
Fidelity	£90	£90	£88	£175	£350	£500	£1,000
Halifax Share Dealing	£112	£112	£112	£112	£112	£112	£112
Hargreaves Lansdown	£23	£45	£113	£225	£450	£1,125	£1,750
HSBC	£13	£25	£63	£125	£250	£625	£1,250
Interactive Investor	£92	£92	£92	£92	£144	£144	£144
Monzo	£23	£45	£113	£225	£410	£1,137	£2,262
Plum	£58	£81	£148	£195	£270	£495	£870
Santander Investment Hub	£18	£35	£88	£175	£275	£575	£1,075
Vanguard	£8	£15	£38	£75	£150	£375	£375
Virgin Money	£15	£30	£75	£150	£300	£750	£1,500

#### Portfolio of shares, ETFs and investment trusts

	£5k	£10k	£25k	£50k	£100k	£250k	£500k
AJ Bell	£53	£65	£82	£82	£82	£82	£82
Aviva	£80	£100	£105	£105	£105	£105	£105
Barclays Smart Investor	£13	£25	£63	£125	£250	£525	£650
Bestinvest	£60	£80	£140	£240	£440	£1,040	£1,540
Charles Stanley Direct	£100	£104	£121	£150	£172	£172	£172
Fidelity	£150	£150	£148	£150	£150	£150	£150
Freetrade <sup>a</sup>	£60	£60	£60	£60	£60	£60	£60
Halifax Share Dealing	£112	£112	£112	£112	£112	£112	£112
Hargreaves Lansdown <sup>b</sup>	£118	£141	£141	£141	£141	£141	£141
HSBC	£126	£126	£126	£126	£126	£126	£126
Interactive Investor	£92	£92	£92	£92	£144	£144	£144
Moneybox	£35	£57	£125	£226	£462	£1,137	£2,262
Plum <sup>c</sup>	£58	£81	£148	£195	£270	£495	£870

**Note:** Correct as of 16 February 2024. Doesn't include foreign exchange fees. Not all platforms offer funds, shares, ETFs or trusts <sup>a</sup> Shares in a general investment account are available within Freetrade's fee-free membership tier <sup>b</sup> Hargreaves Lansdown's general investment account doesn't charge annual fees for shares, ETFs and trusts but you pay £11.95 per transaction <sup>c</sup> Shares in a general investment account are available within Plum's fee-free membership tier

### NEXT STEPS

To read our in-depth reviews of each platform, including star ratings and full fee breakdowns, go to [which.co.uk/platforms](https://www.which.co.uk/platforms).

#### IN THE MAGAZINE

• Your rights when investments go wrong  
*December 2023, p18*  
• An investor's encyclopedia  
*October 2023, p22*

#### ONLINE

• How to transfer a stocks and shares Isa  
[which.co.uk/investment-isa-transfer](https://www.which.co.uk/investment-isa-transfer)  
• Interactive platform cost-comparison tables  
[which.co.uk/platform-fees](https://www.which.co.uk/platform-fees)



# BEWARE THE BANKING COPYCATS

Thousands of scam websites are being set up to trick innocent customers. Faye Lipson learns how to spot them



**H**ow many emails, texts and instant messages do you receive in a day? Dozens? Possibly even hundreds?

The bombardment of communication is one of the hallmarks of our age. Often the message leads to a website and asks us to log in, often without paying much attention to what we're logging in to, or why.

Fraudsters know all this and they bank on it – quite literally. Of the impersonation scams we've encountered, perhaps the most alarming feature realistic-looking bank websites with plausible-sounding web addresses and logos stolen from the major UK banks. You might think you're just updating details or verifying transactions, when in reality you're revealing valuable information to crooks.

Days or even weeks later, the fraudsters will get back in touch, by phone this time, again posing as your bank and quoting your

own compromised details back to you as phoney proof of identity. They're after the final piece of the puzzle – often a verification code sent to your phone or email. That's when the money is drained from your account.

Our investigation suggests that the number of these copycat bank websites could run into the thousands, and scant regulation leaves banks and authorities scrambling to take them down.

### Scams at scale

To understand the scale of the problem of copycat bank websites, we teamed up with the DNS Research Federation (DNSRF), an Oxford-based non-profit that does data-driven policy research on domain names and internet governance.

We decided to consult industry blocklists. These are lists of websites that have been reported as hosting illegal content. If you attempt to view blocklisted sites you'll typically see a stern

## MORE THAN 2,000 URLS CONTAINING OUR SPECIFIED UK BANK BRANDS WERE REPORTED TO A PHISHING BLOCKLIST IN 2023. THE MAJORITY LOOK LIKE BLATANT ATTEMPTS TO LEAD BANK CUSTOMERS ASTRAY

warning on your browser not to proceed as the site is *phishing* or contains malware (software that can damage or steal data).

We provided DNSRF with a list of the major UK banking brands, and it scoured a specialist phishing blocklist for sites reported in 2023 that had the names of those brands somewhere in their web address (the URL) – to take one copycat example 'helphsbc.net'.

We asked about AIB (Allied Irish Banks), Barclays, Bank of Scotland, The Co-Operative Bank, Danske Bank, First Direct, HSBC, Halifax, Lloyds, Metro Bank, Monzo, Nationwide, NatWest, RBS, Santander, Starling, TSB, Ulster Bank and Virgin Money/Clydesdale.

The DNSRF found that more than 2,000 URLs containing our specified UK bank brands were reported to a phishing blocklist in 2023. The affected banks were Barclays, HSBC, Halifax, Lloyds, Monzo, Nationwide, NatWest, Santander and Starling. And the majority of sites in the raw data look like blatant attempts to lead bank customers astray – mysantander-suspend-login.com, lloydsbankinggroup.com, natwest-helpline.com and wise-reregister.com, for example.

DNSRF also examined another blocklist, run by Scamadviser.com, from 2023. In this case, it extracted data on URLs containing our specified bank brand names which had a 'trustscore' of less than 50 out of 100. ScamAdvisor explains that this is calculated based on '40 different elements like who owns the website, are the contact details hidden, where is the website hosted, what is the technology being used, and much, much more.'

On ScamAdvisor's blocklist too we found more than 2,000 URLs

containing the names of our specified brands. Copycats mimicked the same brands as in the phishing blocklist, with the addition of Clydesdale. Here too, the raw data made it clear that many aimed to dupe customers, with names such as www-natwest.com, santander-payee-added.com, barclaysbnk.biz and secureportal-hsbcnet.com.

Across both blocklists, the words Santander and Barclays appeared the most. We do have to be careful about drawing any firm conclusions, because the data is likely to contain some *false positives*. However, in recent years Which? has repeatedly warned about phishing scams using the Santander branding, and anecdotally we find this bank is a particularly popular target for impersonation by fraudsters.

The data is inexact and experimental. For instance, we excluded TSB from all the results as this proved a common string of letters that generated many false positives – for example

## CAN YOU CATCH A COPYCAT?

Five of these six URLs are suspected copycat websites. Which one is genuine?

- [Barclays-portal-security.com](https://barclays-portal-security.com)
- [Barclayshelpchat.com](https://barclayshelpchat.com)
- [Barclays.co.uk/help/](https://barclays.co.uk/help/)
- [Barclaysverify.com](https://barclaysverify.com)
- [Barclayssupportlive.web.app](https://barclayssupportlive.web.app)
- [lportalbarclayshelp.net](https://lportalbarclayshelp.net)

Answer: barclays.co.uk/help/ is genuine; the rest are copycats.

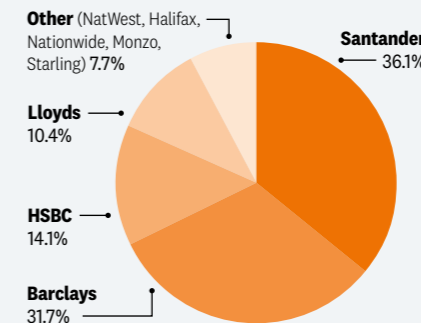
matts bong.com – seemingly unrelated to banking scams. Moreover, it's impossible for us to view and check the sites were genuinely fraudulent, as they've already been taken down by the web hosting companies or scammers themselves.

However, it's also possible we've missed many copycat websites, because they're not on blocklists.

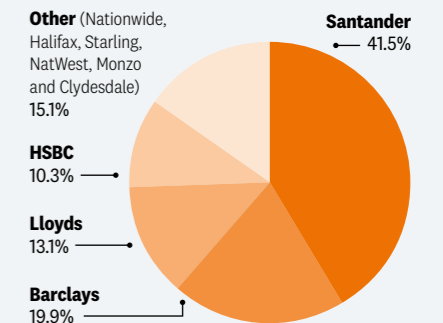
Some sites may only be active for days or even hours before their content is wiped and the site abandoned. Under-reporting of fraud is an enormous issue worldwide, with the Global Anti Scams Alliance (GASA) State of Scams Report 2023 finding that 59% of victims didn't report their scam experience to the police or authorities.

## THE BANKS MOST IMITATED BY FRAUDSTERS IN 2023

### URLs reported for phishing



### Suspected scam URLs



## THE VAST MAJORITY OF OUR RESPONDENTS WERE ABLE TO IDENTIFY THAT STRANGE OR UNOFFICIAL-LOOKING WEB ADDRESSES, POOR SPELLING AND GRAMMAR WERE HALLMARKS OF A SCAM SITE

It's also unclear whether all web hosting companies are equally diligent at reporting sites to the relevant blocklists after being told about the sites by web users. More on this a little later.

### Spotting the fakes

We asked 1,200 Which? members in January 2024 how much they knew about copycat banking sites. Questioned whether they'd unwittingly entered their details into such websites, 2% thought they had, while a further 3% were unsure.

These figures may seem low, but fraudsters work at scale, sending thousands of texts or emails, only needing to ensnare a few victims to make it a worthwhile endeavour.

The vast majority of our respondents were able to identify that strange or unofficial-looking web addresses, poor spelling and grammar were hallmarks of a scam site (although the rise of AI chatbots is likely to result in more polished scam text in the near future).

However, only 27% of people knew that you could use a domain lookup service such as who.is to see when a site was registered. Doing this would allow you to spot a brand-new website masquerading as a long-established bank.

In our final question we presented respondents with a list of five web addresses from the phishing blocklist that we strongly suspect of being impostor sites for Barclays. These are listed (top of p17), alongside a genuine Barclays URL, though this wasn't shown to survey respondents.

Reassuringly, almost two thirds of respondents identified

that none of the URLs they saw were genuine. But around a third of people were unsure, and a small percentage thought the URLs were genuine – 3% for Barclays-portal-security.com, 2% for both Barclayshelpchat.com and Barclaysverify.com, and 1% each for Barclaysupportlive.web.app and Iportalbarclayshelp.net.

In the comments section of the survey, many respondents said they follow the online safety adage of never clicking on links in unsolicited texts and emails, while one recounted how they'd nearly lost thousands of pounds after submitting reams of personal information to a fake Santander website in the belief they were opening a fixed-term savings bond.

Another opined: 'So far I've been lucky to notice if a site is fraudulent. However, I'm aware that scams are becoming increasingly sophisticated and I'm concerned that, especially with the increased use of AI, I could well be taken in.'

### Escaping scrutiny

You might wonder why it is that anybody can register a domain that looks like a blatant attempt at impersonating a bank. The answer takes us back to the early days of the internet.

At that time, in the 1990s and early 2000s, domains were being registered at such high volumes that it was felt to be impossible to conduct detailed checks on those buying them. Therefore the domains industry operated – and continues to operate – on a first-come-first-served basis.

However, the volume of domains being sold has dropped significantly since that time, and it's arguable that greater checks could be put in place today.

In the fight against fraud, it might be easy to overlook domain registrars and web hosting companies. So far we've focused on the banking and payments industries that, alongside online platforms such as social media and search engines, are now subject to tougher regulation when it comes to protecting us all from scams.

To set up a copycat website, fraudsters need to use a domain registrar. To take one down, you need to contact a web hosting company. Many companies do both – and yet, at the time of writing, this industry continues to self-regulate. The UK government is currently consulting on new powers to seize domains being used for criminal purposes.

One of the barriers to change has been the enormous complexity of the industry, which involves a plethora of domain registrars, resellers and hosting companies from the very large – such as GoDaddy – to the very small and obscure, many based outside the UK.

Hosting companies' approaches to reports of scam sites aren't uniform and vary enormously between companies. We've seen examples of good practice, with scam sites swiftly taken down by hosting companies, and at the other end of the spectrum a total failure to respond to our reports.

Another issue is the lack of attention the industry receives.

DNSRF founder Emily Taylor told us the web environment 'is not sexy or trendy and so it gets forgotten'. Ultimately, she says, this means ordinary web users have been forgotten: 'It's an industry where consumers' voices aren't strong, even though it's consumers who are badly hurt by rogue sites.'

Whatever the causes – and financial losses aside – a lack of trust in the online space has profoundly negative ramifications. People who are understandably uncomfortable banking online could find themselves excluded, as in the case of one respondent to our survey: 'Because the internet is the Wild West, we try to only use our credit cards. We have come to the conclusion that if our bank says [online] is the only way to do business, our business will go elsewhere.'

### The role of banks


We approached Santander plus the 'big four' UK banking groups – Barclays, Lloyds, HSBC and NatWest – to ask them how they approach the problem of copycat websites.

All except Barclays responded, confirming they employ tools to monitor for sites maliciously impersonating their brands, and issue takedown requests when they find evidence of such sites.

NatWest Group was particularly candid, explaining that it employs Netcraft, a specialist takedown

## BREAKDOWN OF A URL

Looking at NatWest's genuine website address can help us spot the fakes

 **https://www.natwest.com**

- https:// - scheme or protocol** Tells web servers whether or not to encrypt information you enter on this site. Encryption isn't a guarantee of a genuine site: even an encrypted site can be a scam.
- www - subdomain** Short for 'world wide web'. The www isn't terribly important, so you can leave it out when typing a web address and you will usually still get there. It doesn't indicate a website is safe or genuine.
- natwest - domain** This is the name of the website. You should see dots before and after the domain – in the case of 'www-natwest.com' the domain is 'www-natwest', so you'd be on a different website.
- .com - top-level domain** Shows the type of site you're visiting (for example, .co.uk for a UK business or .ac.uk for an academic institution). If you see a bank name with an unusual top-level domain like '.io', this should be a red flag. Don't assume a .com or .co.uk address is genuine, as these can host fraudulent sites too.

provider, as well as working directly with internet service providers (ISPs) TalkTalk and BT Group because they are both willing to block fraudulent domains on their networks.

The bank explained that, in most cases, it can't act purely on the basis of a domain registration containing its brand name, as it may have a legitimate purpose. But the bank will carefully monitor such sites and act to remove them as soon as they go live if they show signs of malicious intent.

NatWest told us it goes further by driving the takedown of scam crypto and investment sites targeting people in the UK, therefore protecting all internet users and not just its own customers. It told us this amounts to about 15,000 sites taken down per month, but this has reached 37,000 at its peak.

Lloyds Bank fraud prevention director Liz Ziegler hinted at her frustration with the domains industry, telling us the process of detecting malicious sites 'is complex, and the options

available to us can be limited. This is why it is vital that tech firms do more to crack down on the criminals using their platforms to impersonate trusted brands.'

Santander cautioned that 'in many cases these scams start with an SMS phishing text providing a fake link for customers to follow. We're working with telecoms companies to prevent these at source and would urge customers to never click on links in a text or email purporting to be from their bank or another trusted organisation.'



## 3 tips to stay safe online

### → Use trusted details

It's always safest to avoid clicking on links or calling numbers contained in emails, texts and instant messages. Instead, try to go direct by finding the authentic phone number and website on your bank card or statement. Contact your bank to query any unusual requests.



### → Don't ignore warnings

Pay attention to warning screens on your browser. Antivirus software can also warn you about suspicious websites and scan downloads. Find the best at [which.co.uk/antivirus](https://www.which.co.uk/antivirus).

### → Check a site's birthday

You can use a domain lookup service such as

Who.is to see when a site has been registered. A major bank wouldn't have a website registered last month. These services will also show you an 'abuse' email address for reporting the rogue site to its hosting company. Scam sites can also be reported to the National Cyber Security Centre at [ncsc.gov.uk](https://www.ncsc.gov.uk).

## NEXT STEPS

If you've been the victim of a scam, contact your bank immediately. Then report it to Action Fraud ([actionfraud.police.uk](https://www.actionfraud.police.uk) or phone 0300 123 2040) if you live in England, Wales or Northern Ireland, or to Police Scotland (call 101).

### IN THE MAGAZINE

- Scam subscriptions *February 2024, p12*
- Scams: No more excuses *Which?, March 2024, p18*

### ONLINE

- How to spot an email scam: [which.co.uk/spot-scam-email](https://www.which.co.uk/spot-scam-email)
- Sign up to our scam alert newsletter: [which.co.uk/scam-alerts](https://www.which.co.uk/scam-alerts)

# IS PET INSURANCE WORTH IT?

*Vet bills are soaring, but with cat and dog cover full of holes, insuring is a difficult decision, says Matthew Jenkin*



**A**rchie – a rescued dachshund and miniature schnauzer mix – bounded into Barry Morrison’s life in 2014, six months after his previous dog died. ‘We don’t have kids, so our dogs are everything,’ Which? member Barry explained. When in 2020 Archie returned from a walk limping, they rushed him to the vet. The 10-year-old pooch had torn his anterior cruciate ligament in his rear right leg and was operated on. A year later, it happened again and the vet warned it was likely to be a regular injury. With the surgery bill totalling more than £3,000, the health and happiness of one small dog was threatening to burn a large hole in Barry’s wallet. The answer to protecting bank accounts from crippling vet bills is often to take out pet insurance. Barry, for example, saved thousands as a result of being already signed

up to a policy that covered most of the cost of treating Archie. Pet insurance, however, is notoriously complicated. And once you’ve purchased a policy, switching insurer could mean you lose cover for conditions your pet has developed. You can’t predict everything your four-legged friend will face in life – but you can avoid falling through the typical gaps in pet policies.

**Vet fees can spiral**  
A Tesco Bank Pet Insurance analysis of its own claims data showed the average one-off vet bill came to nearly £393. But serious injuries could cost you far more. The Association of British Insurers found that, in 2022, spinal surgery on a dog totted up to £10,000. A fractured femur for a pedigree cat cost more than £8,000.

Pet owners told Which? similar stories of being charged huge sums for treatments.

Which? member Helen Venn-Brown, for example, says she and her partner paid a total of £8,500 last year to treat their kitten for a virus called feline infectious peritonitis. She says one vet initially quoted up to £20,000 for a three-month treatment.

**The value of lifetime cover**  
The idea behind pet insurance is simple enough. You pay a monthly or annual premium in exchange for peace of mind that any costs incurred as a result of your animal falling ill or getting injured will be paid by the insurer. But here’s where the complications begin. How much of the cost you can claim from the insurer heavily depends on the type of cover you choose: lifetime, maximum benefit, time-limited and accident-only.

Lifetime policies – which are the only type of pet insurance we award Best Buy status to – offer

the most comprehensive cover. They pay out for ongoing illnesses each year of your pet’s life, up to an annual overall or per-condition limit, unless the policy is cancelled.

If you don’t think you’re likely to claim – perhaps because your pet is young and healthy – you might be tempted to take out cheaper types of cover. Doing so, however, means you risk paying more in the long run if your pet ends up prone to illness or injury.

For example, with a maximum benefit policy, the per condition limits aren’t reset each year, whereas they are with lifetime policies. Time-limited policies also restrict you to claiming just once for each condition and there’s also a time limit, typically 12 months, before the condition is excluded.

Accident-only policies pay a fixed sum to treat each accidental injury, and it’s common for the insurer to stop paying for treatment related to the injury after 12 months.

There are other reasons to pick lifetime policies. The Kennel Club’s Lifetime Premium policy (which we’ve made a Best Buy) is one of many that gives you access

to a 24-hour vet video call service. Others cover complementary treatments such as hydrotherapy, acupuncture and massage.

Most lifetime policies will also compensate you for cancelling a holiday because of a sick or injured animal. Plus they’ll stump up money for advertising and rewards if your dog or cat goes missing.

The Best Buy lifetime policy from Argos – with a vet fee limit up to £7,000 – covers £3,000 for holiday cancellation. The Co-op’s lifetime policy, which is also a Best Buy for 2024, has a vet fee cap up to £16,000 and offers up to £5,000 if you have to cancel a trip.

**The trap of pre-existing conditions**



A huge bugbear for pet owners is finding cover for pre-existing conditions – in other words, a health concern that was present in a pet before you took out a policy. It affected more than a third of respondents to our November survey of Which? members.

If you wait until your pet falls ill before buying insurance, the condition might then be excluded. This means you need to buy cover >

## SWITCHING INSURER COULD MEAN YOU LOSE COVER FOR CONDITIONS YOUR PET HAS DEVELOPED

## TOP 10 BEST BUY POLICIES

Best Buys are lifetime policies that meet certain criteria. See [which.co.uk/pet-cover](https://www.which.co.uk/pet-cover)

	Policy score		Policy score
• AGRIA Lifetime Premium	83%	• AGRIA Lifetime Premium	83%
• KENNEL CLUB Lifetime Premium	83%	• JOHN LEWIS Lifetime £12k	79%
• KENNEL CLUB Lifetime Plus	80%	• PETPLAN Covered For Life £12k	79%
• AGRIA Lifetime Plus	78%	• AGRIA Lifetime Plus	77%
• JOHN LEWIS Lifetime £12k	78%	• JOHN LEWIS Lifetime £9k	77%
• PETPLAN Covered For Life £12k	78%	• JOHN LEWIS Lifetime £7.5k	77%
• JOHN LEWIS Lifetime £9k	76%	• PDSA Lifetime £8k	77%
• JOHN LEWIS Lifetime £7.5k	76%	• PETPLAN Covered For Life £7k	77%
• ARGOS Lifetime £7k	75%	• AGRIA Home Car Lifetime Plus	76%
• PDSA Lifetime £8k	75%	• AGRIA Lifetime	76%

## PET INSURANCE PEEVES

Our analysis of 167 dog and 150 cat policies in December 2023 found:



8% of dog and 7% of cat policies offer a vet fee limit lower than £2,000, our recommended minimum.



Just 29% of dog and 21% of cat policies cover pre-existing medical conditions.



Euthanasia costs are not covered in 20% of dog policies and 11% of cat policies.



If your pet falls ill while travelling abroad and is quarantined, only 31% of dog policies and 25% of cat policies will cover the costs.

when your pet is healthy and young. Pick carefully, because the exclusion of pre-existing medical conditions makes it difficult to switch providers. You in effect have to downgrade cover each time you move to a new policy.

One of the few insurers to cover a pet's pre-existing conditions is dog insurer K9 Cover. It has seven Best Buy policies and uses an online medical screening process where you can declare any condition and get an immediate quote.

**Older pets pay more**

Your insurer will make you pay more for having a dog or cat over the age of eight, even if your pet has managed to avoid any expensive trips to the vet. That's because providers believe there's a higher risk of owners making expensive claims for older pets.

Our survey of Which? members also asked what they paid for annual cover in 2023. We found it cost £236 on average (the median cost) to cover a cat aged four to six, but once it reaches 10 to 12 years old you can expect to fork out £355 – an increase of more than 50%. For a cat that's older than 13, it leaps up to £451.

Dog owners see their premiums go up by even greater margins according to age. There's a 71% difference in the median price of an annual policy for a dog aged four to six and a dog aged between 10 and 12, rising from £428 to £731. Premiums for a dog that's reached the grand old age of 13 or more cost a hefty £889.

Some insurers have a maximum acceptance age for pets on a new policy. For instance, our analysis of 167 dog and 150 cat policies in November 2023 found that LV and PDSA won't sell new lifetime policies for dogs over the age of seven or cats over the age of nine (if your pet is already insured with them it remains covered). Every paw, Fluffy and Petplan won't sell new lifetime policies for cats over 10.

As with other types of insurance, you'll typically need to pay an excess if you claim on pet insurance. With some policies, you may also need to make a co-payment.

This involves paying a percentage of each claim on top of the excess. Insurers usually set higher excesses or co-payments for older pets, sometimes as much as 25%.

**Not all holes are obvious**

Pay close attention to the maximum amount a policy is willing to pay for vets bills annually – either overall or per condition. If it's set too low and your animal needs ongoing or major treatment, you may find yourself burning through your annual allowance very quickly.

Agria's Lifetime Premium cover for cats and dogs – a Which? Best Buy for 2024 – offers one of the most generous vet fee limits available, at £20,000 per year. Other policies have much lower caps though: More Than, Petsure and the Post Office, for example, all have lifetime policies with vet fee limits as low as £1,000 (these providers also offer policies with higher limits).

Andrea Sands, a Which? member from Chester, was caught out by this when she needed access to a vet-qualified pet behaviourist to treat her dog suffering from anxiety.

Her insurer covered the cost up to her overall policy limit but on top of the consultation fees there was medication, a scan and two scan consultations. The £4,500 limit was soon hit, so she had to meet the cost herself until the next policy year.

Andrea's experience doesn't mean you need to buy a policy with a huge policy limit though. The limit you choose will depend on a range of factors, from your pet's character and susceptibility to develop certain conditions to your own budget and how much you're willing to pay towards the cost of vet bills if your cover is used up. It's up to you to weigh up the risks.

Less obviously, missing dental cover could take a bite out of your finances. Most pet insurance policies we scrutinised include it for injuries and accidents (for example, your dog fracturing a tooth while gnawing on a toy), but 12% of dog and cat policies won't cover dental treatment resulting from an illness.

Routine pet healthcare also usually won't be included.

**MATTHEW AND NIGEL**

*For healthy pets the high costs of insurance can be difficult to justify*

If cats have nine lives, Nigel is still, thankfully, on his first. Since we adopted our moggy from a friend in July 2021, he's cost us just £458 in vet fees. The worst he's suffered is an ear infection and a nasty abscess after a scrap with the neighbour's cat.

He's an outdoor cat but cautious rather than curious. This, combined with his good health, led us to self-insure.

The cheapest quote I found on Confused.com for a lifetime pet insurance policy was £287.52 a year from The Insurance Emporium. Had I taken this out three years ago, I would've now spent £862.56 on cover. With excess set at £150 per condition per year and a co-payment of 20%, most of the costs would have come out of my wallet.

Nigel is 12 years old now, so I consider us lucky. But I'm still gambling on self-insuring for the foreseeable.



That's check-ups, vaccinations, or flea and worm treatments. And if you don't keep up to date with your pet's annual jabs, you might find your insurer will refuse to pay out when your furry friend gets an illness that could've been prevented.

**Ways to cut costs**

There are several ways to make sure you're not paying more than you should for pet insurance.

One simple tip to reduce the cost of a policy is to tweak the excess you pay. The higher the excess,

**WITH SOME POLICIES, YOU MAY ALSO NEED TO MAKE A CO-PAYMENT. THIS INVOLVES PAYING A PERCENTAGE OF EACH CLAIM ON TOP OF THE EXCESS. INSURERS USUALLY SET HIGHER EXCESSES OR CO-PAYMENTS FOR OLDER PETS**

the lower the premium, but think carefully about whether you could afford to claim.

If you have more than one pet, it might work out cheaper to get a multi-pet policy rather than insuring each animal separately.

Whether you're renewing or buying a new policy, it's always worth shopping around. Price comparison sites that allow you to view multiple pet insurance quotes at a glance are a good place to start. Once you have found a deal that's right for you, check how we rate the provider and policy.

**Could you self-insure instead?**

Despite the risk of not being able to afford expensive treatment, a third of pet owners we surveyed last summer weren't insured.

Christine Rooney, from south London, is one of them. She chose not to take out insurance for her dog, Snoop, despite him now being 15 years old, because of the expense of monthly premiums. Instead she 'self-insures' by adding £50 to £100 a month to a dedicated savings account.

The downside of taking the self-insurance approach is that

if your pet needs expensive treatment before you've saved enough to pay for it, you might end up in debt. Like buying pet insurance, therefore, you should start self-insuring when your pet is young and healthy.

Dog owners should be aware that if you don't have insurance, you won't be covered for public liability – for example, if your dog causes a car accident, then the driver may sue you for any damages. You can get liability cover for £25 a year through the Dogs Trust Companion Club membership (see p27).

Whether you take out insurance or go it alone will depend on your pet's individual needs and your financial circumstances. Research your pet's breed, especially if it's pedigree, as some are particularly vulnerable to certain conditions. Talk to vets and owners of similar dogs about their experiences: dog owners can find a list of clubs on The Kennel Club's website. Cat owners should search for the oddly named Governing Council of the Cat Fancy (GCCF). Once you understand the likely vet bills, compare the figures with pet insurance quotes, keeping in mind how much you have in savings.

**NEXT STEPS**

Our Money Helpline can talk through pet cover options and the practicalities of self-insuring. Go to [which.co.uk/bookmoney](https://www.which.co.uk/bookmoney) or call 029 2267 0001.

- ONLINE**
- Our in-depth pet insurer reviews [which.co.uk/pet-cover](https://www.which.co.uk/pet-cover)
- All dog insurance Best Buy policies [which.co.uk/dog-insurance](https://www.which.co.uk/dog-insurance)
- All cat insurance Best Buy policies [which.co.uk/cat-insurance](https://www.which.co.uk/cat-insurance)



**The problem with vet bills**

SOPHIE BEESLEY, WHICH? POLICY DATA ANALYST

Veterinary surgeons and nurses do a vital job in keeping our family pets healthy, but many pet owners feel that treatments and medications are expensive. Vet prices have also been rising faster than inflation in recent years.

Our own research with pet owners across the UK found that vet practices rarely advertise prices for their services and that pet owners often find out how much they need to pay late on in the process.

The Competition and Markets Authority (CMA) announced a review of the

veterinary sector in autumn of last year. They have just published the results of this review, and found enough evidence of potential issues to launch a formal market investigation.

The CMA's concerns closely echo the findings of our own research,

including the lack of price transparency among vet practices, the impact of big veterinary groups taking over large numbers of previously independent vets in the past decade, and whether pet owners are getting a decent deal when buying medications for their pets.

Letter of the month  
**Chris Barber, Lincolnshire**



# Money CLINIC

In this month's Money Clinic you'll find help with the residence nil rate band and tax on dividends

## Does HMRC care about my train set?

I recently used a third party to sell my 50-year-old train set on eBay. It sold for £1,080, but I received about £700 after the third-party fees and eBay charges. With the news in January about HMRC receiving information from digital platforms, do I need to declare this as income to HMRC?

**Chris Barber, Lincolnshire**



**Joanne Padilla says...**

You don't need to declare the money that you've made – and in HMRC's view, it's not classed as income. The reasons why are well worth all online sellers understanding.

HMRC has long had the power to demand that UK-based apps and websites provide data on the income that its users make. But as many digital platforms are based overseas, some tax dodgers were potentially slipping through the net. HMRC has now signed up to the Organization for Economic Co-operation and Development (OECD) rules, which will allow it to investigate the tax affairs of people

earning an income via a company that is based in another country, such as Airbnb and eBay.

However, you're not tax-dodging. As your train set was a chattel – an item of tangible, movable personal property such as furniture, antiques or silverware – it's subject to capital gains tax (CGT), not income tax. You only need to include in your tax return any gain on the disposal of a chattel where the disposal proceeds were more than £6,000 and the chattel isn't exempt from CGT (private cars, for example). The disposal proceeds will normally be the amount of money you received, although sometimes you need to use the market value. Either way, your train set is far below the threshold.

If you were buying and selling train sets regularly, with no intention of holding them as personal possessions, you could be subject to income tax. But even then you'd need to earn more than the £1,000 annual 'trading allowance' to have to report the income or pay tax. Note that the amount you make, in HMRC's view, is before platform fees have been deducted – so keep a record of what your buyers paid, not just how much you received.



**Could you help other readers?**

By sharing your experiences, you could help other readers to save money and avoid scams, and highlight issues for Which? journalists to investigate. Plus, if you're featured and pictured in Money Clinic, we'll send you a £20 John Lewis voucher as a thank you. Go to [which.co.uk/bookmoney](http://which.co.uk/bookmoney) or call 029 2267 0001.

PHOTOGRAPHY: TIM GEORGE/UNP

your main residence, known as a qualifying residential interest, to your direct descendants, such as children or grandchildren.

Unfortunately, your mother-in-law wouldn't qualify for this allowance as the main home was sold before 8 July 2015. Furthermore, the rental property doesn't meet the criteria as it hasn't ever been occupied as a main residence by your mother-in-law. Although the RNRB could have applied if she had downsized to a cheaper property and then later rented it out.

This means that she will only have the standard NRB of £325,000. However, as assets and unused inheritance tax allowance can be passed between spouses tax-free, if her husband left everything to her when he died, she would inherit his NRB of £325,000, meaning she could still leave £650,000 tax-free.

**Portuguese driving fine**

I received a letter from Euro Parking Collection plc claiming that I didn't pay four separate tolls when we were last in Portugal and it has added an additional £57.40 in 'admin fees'. The only so-called proof of these transgressions is a grainy picture of a number plate, which doesn't match the car that I hired at the time. Surely this is a scam?

**Paul Swalwell, Dumfries & Galloway**

**Simon Dicey says...**

Euro Parking Collection plc (EPC) is a real company, set up in 1991, which also collects fines for London's congestion and ULEZ schemes. Assuming, therefore, the letter is genuinely from EPC – contact it to check – this is unlikely to be a scam, although it's undoubtedly frustrating.

You can still dispute the case: complain to EPC and consider contacting the Portuguese toll firms that use it, which you can find on EPC's website. Legally, you should be provided proof of your liability with a visible image of your vehicle's number plate before having to pay. ➤

**Residence nil rate band**

My widowed mother-in-law sold her home in September 2014. She used the proceeds from the sale to buy a new property, which she rents out to supplement her income in retirement. She's never lived in this property as she moved in with her son. We're aware that there is an inheritance tax property allowance, so will she qualify?

**Chris Pahar, Hitchin**

**Samm Galloway says...**

You're referring to the residence nil rate band (RNRB), which was first introduced in April 2017 and is an additional inheritance tax-free allowance worth £175,000, on top of the £325,000 nil rate band (NRB). You get it if you leave

## We're here for your questions – big and small

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[which.co.uk/bookmoney](http://which.co.uk/bookmoney)

Or call 029 2267 0001

**Common questions we're asked include:**

- ➔ What's the best savings account?
- ➔ Can I get cheaper insurance?
- ➔ How do I tax-proof my investments?
- ➔ Do I need to fill in a tax return?

And much more – so get in touch

**Our experts**

Our specialist team of personal finance journalists and Which? Money Helpline advisers are here to answer your questions



**Faye Lipson**  
Faye has been a financial journalist for the past six years. She specialises in fraud and scams.



**Simon Dicey**  
Simon's worked in financial services for more than 30 years, including at a high-street bank. He specialises in banking.



**Rubal Channa**  
Rubal is a former financial adviser now specialising in investments and banking on the Money Helpline.



**Joanne Padilla**  
Joanne was a banking adviser and manager for 20 years. She's now a Money Helpline adviser.



**Bill Wilkinson-Hoy**  
Bill's been in financial services for more than 30 years and is now a Money Helpline adviser.



**Samm Galloway**  
Samm has been an adviser on the Money Helpline for 12 years. She specialises in tax.



## SCAMWATCH

By Faye Lipson

# Fraud isn't fixed

I'm all for celebrating our campaigning wins in the monumental fight against scams. But reaction to the news that fraud fell by 13% in England and Wales last year should, in my view, be sober and muted.

The data from the Office for National Statistics shows 3.2m fraud offences in the year to September 2023, accounting for nearly half of all crimes that year. In England and Wales, you're still twice as likely to experience fraud as you are to experience vehicle-related theft, the next most-common crime type. And let's not forget many victims don't report fraud: it's embarrassing and many may believe – often incorrectly – that there's no chance of getting their money back.

Progress isn't linear: we saw a spike in fraud during the pandemic, when people were uniquely isolated, anxious and vulnerable to scammers' manipulations. Fraud may have reduced since then, but that's no reason to believe that the battle is over and fraud is in some sort of inexorable decline.

Far from it. AI tools and chatbots can now write grammatically correct emails and entire articles to convince you to click links, which download malware – also built by AI – that infects your computer. We expect fraudsters will increasingly use these new tools and tactics, even if their impact remains to be seen.

Businesses, governments and organisations such as Which? will need to be nimble in our response to new threats, and willing to use the same technologies to catch fraudsters and protect potential victims. Now is not the time for complacency.



Beware, however, that not paying the notice may lead to more charges, so unsuccessfully disputing these fines could turn out to be very expensive.

### Clearing banks

**I opened a regular saver account with Gatehouse Bank that Which? had highlighted. I received a welcome email, which provided the bank details for setting up my regular payments. I was a bit concerned as the sort code and account number were for Barclays, and there was no information on Gatehouse's website, which indicated that payments would be made via Barclays. In today's world of scams and frauds, can you confirm if this is correct?**  
**Brian Taylor, Liverpool**

### Joanne Padilla says...

You were certainly right to check the account details were correct, but in this case there's nothing to worry about.

Gatehouse Bank, like many smaller banks, isn't a 'clearing bank' – the larger banks that participate in the system that approves financial transactions – so it needs to use a clearing bank to receive customer money. The money is later transferred into customer accounts.

I agree that this information could be more clearly displayed on Gatehouse Bank's website to help customers make these important security checks.

### Stamp duty

**I retired at the beginning of last year, and my wife and I would now like to follow our dream of moving to the coast to enjoy our retirement together. We planned to sell our home as well as a second property, which we used to live in and then rented out. We were told to sell our home first, followed by the rental property. After selling our home in the summer of 2022, we moved into the rental property while we looked for our new forever home. We've now found it, but the rental property is stuck in**

**a chain. Will we have to pay additional stamp duty if we purchase the new property?**  
**Mr A Beeching, Cardiff**

### Samm Galloway says...

All parts of the UK threaten an additional tax charge if you're buying a second property. It's usually 3%, except in Wales where it's 4% and called higher land transaction tax.

However, you can qualify for an exemption from additional charges if you've sold your main residence and the new property you're purchasing will be your main residence. The purchase must complete within three years of the sale of the former main residence.

This applies even if you have lived in another property that you own during the interim. Provided you've always intended for the rental property to be a temporary residence, you should only have to pay the main tax on your new home, so long as everything completes by summer 2025.

### Annuity delay

**I'm approaching retirement, and my husband and I decided that this will be a good time to buy an annuity. I approached our pension provider, which referred us to another, and told us that it would take 12 weeks to set up and we would be at the mercy of fluctuating interest rates. After waiting significantly longer, we decided to approach another provider and arrange the annuity through it, and even found its charges to be lower. Have we made the correct decision?**  
**Mrs Hibberd, East Sussex**

### Rubal Channa says...

You made the right choice shopping around, as this can get you a far better annuity rate. The long wait you faced isn't unusual, could have proved costly and should be taken into account by other readers buying annuities.

Annuity quotes tend to only be valid at a particular rate for a relatively short period of time

(sometimes as little as 14 days). This is known as the quote expiry period and as long as the provider has received the funds to buy the annuity, it will honour this rate.

However, the pension provider can take as long as 12 weeks to transfer the money over to the annuity provider, so there is a high chance that the annuity rate could have changed by the time the money is moved.

With interest rates and, hence, annuity rates likely to fall this year, transfer delays could prove very costly. We'd recommend getting all the paperwork in order as soon as possible, keeping in regular communication with pension firms and complaining as soon as any delays occur.

### Tax on dividends

**I receive a small pension and some dividend income. I'm concerned that I may have to start paying tax as I have read that the tax-free dividend allowance is reducing in the next tax year. Can you explain?**  
**Name and address supplied**

### Samm Galloway says....

You're correct that the annual tax-free dividend allowance is falling from £1,000 to just £500 from 6 April 2024.

However, your pension income is below the income tax personal allowance of £12,570 and, therefore, you get to use up the remainder of your personal allowance first before you need to use the dividend allowance.

Furthermore, there's another allowance that those on a lower income can have – called the starter rate for savings – which applies to bank and building society interest. It's worth a maximum of an extra £5,000 of savings interest tax-free. This is before the £1,000 tax-free personal savings allowance that all basic-rate taxpayers enjoy.

HMRC allows the personal allowance to be used first for your dividends, with the savings starter rate and personal savings allowance covering any income you also receive from savings.



# Liability insurance for dogs

**I've just renewed my home insurance with Hastings Direct and was pleased with the premium. But when I read the small print, I noticed that it had withdrawn liability cover for my dogs. Should I be concerned?**  
**Jenny Milbourn, Surrey**



### Simon Dicey says...

Yes, this is concerning. Third-party liability is a form of liability insurance included in some home insurance that covers you in the event of damage or injury to a third party caused by your dog.

Liability in this area could be considerable, especially if a third party takes you to court and it forces you to pay compensation and fund medical treatment. Some insurers won't provide liability cover

for certain breeds of dog or where an animal has shown signs of aggressive or destructive behaviour previously. The issue of dangerous dog breeds has been very much in the news over the past year or so, most recently with the selling or breeding of American XL bully dogs gradually being prohibited from 31 of December 2023. It's possible that this and other similar issues have influenced your insurer's decision to withdraw cover in this area.

On our suggestions, you took out a Dogs Trust Companion club membership for £25 a year. It doesn't provide the cover contained in a normal pet insurance policy but, critically, you do get £1m third-party public liability cover as well as other benefits such as a discount on behaviour training and a 24-hour veterinary emergency advice line.



**Need our help with a money query?**

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A beautiful garden needn't cost the earth. Buy astutely, recycle, and propagate your plants, and you'll soon turn your outside space into your own paradise.

## 1 Multiply plants with cuttings

A cheap way to fill your garden with plants is to propagate those you already have or ask friends or neighbours for cuttings of theirs.

You can take softwood cuttings from now until August to produce a wide range of perennials and deciduous shrubs. First choose a healthy, non-flowering shoot from the plant you wish to propagate. Using secateurs, cut 5-10cm from the shoot tip and just above a bud (node). Put it in a clean plastic bag to stop it wilting, label and keep in a cool, dark place until you're ready. Next trim your shoot to just below a node with a sharp knife and remove the lowest leaves, leaving just a pair at the top.

Place cuttings (individually or in groups of up to six, depending on size) in small pots of 50:50 perlite or grit and compost – our cheapest Best Buy for raising plants is Coco & Coir All Purpose, at 21p per litre. Use a pencil to make a hole in the compost and put the cutting in almost to the level of the leaves. Firm in, lightly water and cover with a clear plastic bag – prop up the bag with small sticks so it doesn't touch the leaves and air it daily to get rid of condensation.

Keep the compost moist and place pots in a warm position, away from direct sunlight until the cuttings root. Once rooted, plant cuttings individually in larger pots and **harden off**.

Take hardwood cuttings of woody climbers, trees and shrubs from mid-autumn to late winter.

## 2 Make your own compost

Well-rotted compost improves garden soil and leads to better growth and healthier plants. Add a 5cm layer to the soil surface and let the worms do the work.



## How to save on... Gardening

By Matthew Biggs

To make your own, you'll need a compost bin. You can easily build one using old wood pallets or recycled planks. Alternatively, pick up a cheap or free one from sites such as freecycle.org; some local councils also sell them.

For best results, you need a balanced mix (but not layers) of 'brown' material, such as finely chopped shrub prunings in 2.5cm sections or shredded cardboard, and soft 'green' matter, such as weed seedlings or lawn clippings. Before adding dandelions or docks, dry out their roots or put them in a bucket of water for 48 hours, so they don't grow in the bin. Don't add food, glossy paper, or cat or dog droppings.

Good sources of raw material include leaves and horse manure. Choose a still, dry day and gather leaves from the lawn with a mower, or scoop them up from public roads and footpaths.

Leaves from side roads are less tainted by pollution – wear a hi-vis jacket to collect. Some stables give away horse manure. Allow manure to rot down for 12 months before adding and remove weeds as they germinate.

Keep the mix in your bin moist and leave it to rot for at least six months – it's ready to use when it's brown and crumbly.

## 3 Cut the cost of tools, pots and trays

Consider premium used tools over new, cheap ones – the latter will wear out rapidly if you garden on clay, chalk or stony soils. You can find bargains on sites such as eBay and at car boot sales, house clearances or second-hand shops. If you really want to buy new, first check our reviews at [which.co.uk/garden](http://which.co.uk/garden) – search for tools with our Great Value logo. These are Best

Buys or high-scoring products that are also great value for money.

Corded tools are generally cheaper to buy. Discount supermarkets Lidl and Aldi both sell gardening equipment in their special buy sections.

Source pots from recycling bins at garden centres and council recycling centres; wash and disinfect them thoroughly before use. Check charity shops and refuse centres for terracotta pots. You can grow plants in any type of container, as long as there is enough compost for the size of the plant and drainage holes in the base. Use a hammer and nail or drill to make holes in the base of plastic tubs or tins. Metal containers are best for shade as they heat up in sunshine, which can scorch plant roots.

Sow seeds, such as lettuce, in waxed paper drinks cartons with one side removed, using the spout as the watering point.

## 4 Get discounts on plants

Great savings can be made at end-of-season sales. Keep an eye out for cut-price bare-root shrubs and fruit trees from late February to early March, bedding plants in late June, and bulbs from late November to early December.

Look out for special offers in garden centres and check out their 'casualty corner' – where you'll find bargain plants that can usually be nursed back to health. Local florists often have small numbers of seasonal garden plants at low prices, too. While local gardening clubs and parish councils often hold plant sales in spring and summer – search Facebook for events near you.

Buying smaller plants is cheaper and, once established, they are generally healthier. Buy plants that **self-seed** such as foxgloves. Either collect the seed just before it ripens and put them in a paper bag ready to scatter where you need them the following year or allow seed to fall naturally. You can also buy one large plant and use any prunings as cuttings.



## WHAT DO I NEED?

### 1/ BORROW AND HIRE

Don't buy a tool you'll rarely use, such as a garden shredder. Instead, check with neighbours to see if you can borrow what you need. You could also try a tool-hire firm or rent from owners in your area via sites such as fatllama.com. Some local councils allow you to hire tools at minimal cost through 'library of things' projects.

### 2/ JOIN A GARDENING GROUP

Local allotment societies, gardening clubs or specialist groups often hold plant sales and seed exchanges. They also give you the chance to make gardening friends and increase your knowledge, with many groups hosting garden visits and lectures. Find one near you at [rhs.org.uk](http://rhs.org.uk).

### 3/ NEWSLETTERS

Sign up to retailers' email newsletters for discounts and notifications of upcoming sales. Many also offer free monthly practical reminders and gardening advice.



## WHAT TO WATCH OUT FOR

### 1/ HELP THE ENVIRONMENT

Save money and the planet by collecting rainwater run-off from roofs. Also use battery or electric power tools, make your own compost, and plant for pollinators to get the best results from your crops.

### 2/ PEAT IN COMPOST

Harvesting peat destroys habitats and releases large amounts of carbon into the atmosphere. There are now many good peat-free composts. Our cheapest Best Buy for growing plants in pots is Melcourt SylvaGrow Tub & Basket, at 25p per litre.

### 3/ DAMAGED OR DYING PLANTS

When buying online or from catalogues, if plants don't match the description or are damaged or dying when they arrive, you're entitled to a refund under the Consumer Rights Act 2015. The retailer should be notified within 30 days – ideally as soon as you spot the issue. Some sellers offer guarantees lasting several years, so keep receipts.

**BEST PLANTS**  
Scan this QR code with your phone's camera to see our Best Buy plants reviews.



## EXPERT VIEW

It can be overwhelming when faced with a wall of seed packets or beds of brightly labelled plants at the garden centre. Read the blurb and they all promise to be the best variety you could possibly buy, with stunning flowers or delicious crops.

They're not cheap either, with shrubs in garden centres often costing over £10 each. When you've got limited space in your garden, you want to make sure what you're planting is really going to deliver.

*Which? Gardening* trials plants every year and finds huge differences between the best and the worst. We not only rate plants for how long they flower, but also for pests and disease resistance, and how much attention they need to do well. We also taste-test the fruit and veg in our trials, as there's no point in growing a big crop only to find that no one wants to eat it.

Stick to our Best Buy varieties and your garden will thrive.



**Ceri Thomas**  
Editor,  
*Which? Gardening*



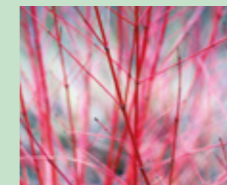
## TIPS FOR YEAR-ROUND COLOUR

Careful planning and pruning can keep your garden looking just as vibrant as it does in spring



### Evergreens

Evergreen plants provide year-round interest, while deciduous ones only do this from spring to autumn. Evergreens often bear fruit and flowers, too. Try *Daphne odora* 'Rebecca' (above), which has golden margins and pink scented flowers in winter, or *Leucothe fontanesiana* 'Rainbow' with its mottled cream and pink leaves.



### Dogwood

Make the garden shine in winter using easy-to-grow dogwood, the stems of which range from bright red to orange and acid green. After they're pruned in spring to maintain their size and stem colour, the cut stems can be used for hardwood cuttings or as displays for vases. They perform best in moist soil and full sun.



### Containers

Seasonal containers offer constant variety. If plants aren't familiar, it's best to see them before you buy – try your local discount or DIY store. Plant up spring pots in autumn with bargain bulbs, pansies, bellis and polyanthus. Summer-flowering tuberous begonias (above) can be stored over winter for use the following year.



# Investments made simple 25 years of the Isa

by **Paul Davies**

You might remember 1999 as the album (released in 1982) that propelled Prince to fame, or, perhaps, for the year of the Millennium Dome and Y2K bug. You probably don't remember the launch of the individual savings account (Isa), which celebrates its 25th birthday this April.

Isas will have saved us an estimated £6.7bn in tax in 2023-24 alone. Arguably this hugely popular product is becoming more, not less, central to our finances.

### Should Isas be simpler?

Isas were intended to simplify tax-free saving. Stocks and shares Isas replaced personal equity plans (Peps), while cash Isas replaced tax-exempt special savings accounts (Tessas).

There was initially another layer of complexity with maxi and mini Isas. The maxi Isa was aimed at those who mainly wanted to invest in stocks and shares, with some savings. The mini Isa was for savers, although you could also invest.

This baffling system was replaced in 2008, but making Isas simple remains a work in progress. There are now six types of Isa – cash, stocks and shares, innovative finance, junior, lifetime and the Help to Buy Isa – although the last of these closed to new customers in November 2019.

We're about to see yet another Isa – the 'British Isa' proposed by Mike O'Shea, chief executive of asset manager Premier Miton. This will give people an extra

£5,000 Isa allowance (how much you can pay in each year) that can only be used for investing in UK companies. However, exactly what this means (listed or based in the UK) and when it will be available (the government will consult with stakeholders) isn't clear.

Investment platform AJ Bell has called for all existing Isas to be combined into one, with bonuses for using the money in certain ways such as buying your first home.

### Is the Isa allowance too low?

In its first year, the allowance for a stocks and shares Isa was £7,000, or £3,000 for a cash Isa. In 2014-15, the total allowance was equalised and you could spread £15,000 between both.

Today's main Isa allowance of £20,000 hasn't moved since 2017. If it had risen by inflation it would now be a considerably more generous £26,100 (in the 2024-25 tax year) – though only 15% of Isa savers reach the £20,000 limit. It can be spread between cash, stocks and shares and innovative finance Isas. You can save up to £4,000 in a lifetime Isa but this counts towards the overall £20,000 allowance. Junior Isas have a separate limit (£9,000).

Frozen allowances haven't just affected Isas, but they have made them more important. The personal savings allowance (PSA), affecting other savings

accounts, has remained the same since it was introduced in 2016. The PSA permits basic-rate taxpayers to earn up to £1,000 in savings interest without paying tax on it, while higher-rate taxpayers get £500 tax-free. Additional-rate taxpayers have no allowance.

### Should you invest in an Isa?

Figures from investment platform Hargreaves Lansdown show that £1,000 invested in a global tracker on Isa 'day one' in 1999 would be worth around £4,100 on average today. The best-performing fund (Marlborough Special Situations) would now be valued at £25,614.

If you sold your stake in that fund now, you'd face a capital gains tax (CGT) bill running into thousands of pounds – unless you held it in a stocks and shares Isa. This shields it from CGT and dividends tax, which is increasingly important, as tax-free allowances for both have been cut.

As of April you can make just £3,000 in chargeable gains before you're liable for tax on investment gains at 10% or 20% (depending on your income tax band). The dividend allowance is also falling to £500. Dividend income above this allowance is taxed at 8.75% (basic-rate taxpayer), 33.75% (higher-rate taxpayer) or 39.35% (additional-rate taxpayer).

Even if you're unlikely to breach either allowance, a stocks and shares Isa can reduce your personal finance admin. With income or gains on assets held within an Isa totally tax free, you don't need to declare it on a self-assessment tax return, making filling one in much simpler.

### How are Isas changing this year?

There are some changes to Isas coming into effect on 6 April 2024 which will increase their flexibility. You will now be able to pay into

multiple Isas of the same type (for example multiple cash Isas) in the same tax year. This reverses the old rules, where you could only pay into one type of Isa per tax year.

Partial transfers of Isa funds – regardless of when the money was paid in – will also be allowed. Up until now, it's only been possible to carry out partial transfers of funds that you've paid in before the current tax year. If you wanted to move money you've paid in since the start of the current tax year, you'd have needed to do so in full.

The age from which you can open a cash Isa is rising from 16 to 18, joining other Isa types (except junior Isas).

### Are Isa transfers getting easier?

Scrapping Isa transfer limits is all very well, but transferring Isas remains more difficult than other savings accounts.

For a start, you shouldn't make transfers yourself: your new provider has to move the money or investments to preserve their tax-free status. In some cases, this requires you to post paper forms.

Cash Isa transfers should be completed within 15 days, and stocks and shares Isa transfers should take no longer than 30 days. However, feedback from customers suggests that transfers can take many weeks and often months.

The Star (speedier transfers and re-registrations) award scheme aims to improve transfers between stocks and shares Isas, by assessing providers on timing and communication. Members can receive gold, silver or bronze rewards, so check for the accreditations on your provider's website, although many Isa providers aren't yet members.

If you lose out financially as a result of a transfer delay, complain to the provider and, if necessary, go to the Financial Ombudsman Service.

## INVESTMENTS IN BRIEF



**0** The number of exchange-traded funds (ETFs) likely to get the Financial Conduct Authority (FCA)'s new sustainable fund labels. ETFs aren't eligible for a series of new 'green' labels, as these will only apply to UK-domiciled funds, and UK-listed ETFs are all currently domiciled abroad. Investors looking for funds with the FCA label will find very few passive funds, and no ETFs.



**173.6%** The returns made by so-called 'performance chasers' over 10 years, AJ Bell has revealed. These are investors who, each January, put their money into the best-performing fund sector of the previous year. If you initially invested £10,000 using this strategy 10 years ago, it would now be worth £27,360. Year-on-year growth in the technology sector during the pandemic helped to push up returns. In comparison, 'bargain hunters' made 42%, ending up with £14,203.



**1.5%** The highest foreign exchange (FX) fee levied by an investment platform in our latest survey (see p12). Interactive Investor's tiered charging structure leaves investors with less than £25,000 paying a 1.5% fee on top of trading costs (those with bigger portfolios pay less). In comparison, Moneybox and Plum charge the lowest FX fees, at just 0.45% for US investments.

## Jargon buster

### FLEXIBLE ISA

**What it means:** An Isa where you can withdraw money and, if you pay it back in the same tax year, your Isa allowance isn't affected. With a non-flexible Isa, your returning of the money would reduce your £20,000 annual Isa allowance. Instant-access cash, stocks and shares Isas and innovative finance Isas can be flexible, although whether an Isa is flexible depends on the provider.

**How it's used:** Finding an Isa that's flexible is important if you plan to occasionally dip into your savings – such as to pay a one-off expense – before later topping your savings back up.

For more investment news, advice and platform reviews, go to: [which.co.uk/investing](https://www.which.co.uk/investing)

### WHICH ISA IS RIGHT FOR YOU?

Compare the different types of Isa to see which best suits your needs

TYPE	HOW IT WORKS	ADVANTAGES
→ Cash Isa	Similar to a savings account	You don't ever pay tax on interest
→ Stocks and shares Isa	Holds a range of funds and shares in Isa wrapper	You'll never pay dividend or capital gains tax
→ Innovative finance Isa	Wraps peer-to-peer loans and long-term asset funds in an Isa	You pay no tax on returns
→ Junior Isa	Cash or stocks & shares Isa for children aged 0-18	You don't ever pay tax on interest or returns
→ Lifetime Isa	Cash or stocks & shares Isa for those aged 18-39 at the time of opening	Government tops up contributions by 25% (max £1,000) a year, used to buy first home or when you reach 60
→ Help to Buy Isa	Cash Isa designed to help first-time buyers save for a deposit	You can no longer open one, but existing customers get a 25% government bonus and can pay in until 2029



**T**he Financial Conduct Authority wants more of us to switch savings account and it's

spending £600,000 on a campaign to convince us to shift. Mercifully, unlike its PPI claims ads, this one won't feature the animatronic head of Arnold Schwarzenegger yelling 'do it now'. But I suspect if you're reading this, you might think the regulator is preaching to the choir.

Savvy savers don't need more motivation, they need more information. When considering moving your savings, you'll want to know the extra interest will justify the hassle. How many more pounds will you earn?

Unless you're confident setting up spreadsheets, this can be surprisingly difficult to work out. Even the FCA's own savings calculator won't compare between two accounts. The closest I could find is on Hargreaves Lansdown's Active Savings platform (hl.co.uk/savings/guides/savings-calculator) – although don't feel restricted to its range of savings accounts. Instead, compare the top rates outlined here then apply directly to the provider.



**Sam Richardson**  
Deputy editor



## Looking for contact details?

Take care when searching for financial firms online, as criminals can set up imitation websites. You can find website addresses and other contact details in the Financial Services Register (register.fca.org.uk).

Alternatively, get in touch with our Money Helpline, where an expert can look up the latest rates and provide firms' contact details. Simply call **029 2267 0001** Monday to Friday, 9am to 5pm.



## What makes a Which? Recommended Provider

Look out for icons showing our Which? Recommended Providers (WRP), Eco Providers (♻️) and Best Buy products (👑). All must meet rigorous standards:



### p33 Current account WRPs

- Customer score of 70% or more
- Offers at least one account with an above-average product score (67%)
- Covered by the Financial Services Compensation Scheme (FSCS)
- Packaged bank accounts can be named Best Buys, but can't be WRPs



### p36 Car and home insurance WRPs

- Received 30 or more responses from customers in our survey
- Achieved a high customer score
- At least an average policy score on its standard policy (or its only policy, if it offers just one)
- At least an average claims score



### p34 Savings account WRPs

- Customer score of 70% or more
- Offers an account with an above-average product score (68%)
- Covered by the FSCS
- Offers products available nationally that are not tied to another product with the same provider



### p37 Credit card WRPs

- Customer score of at least 70%
- At least one top-10 card in one of seven categories
- Offers a card with at least an average product score (69%)
- Didn't have a representative APR of more than 25% on any of its main cards when we analysed it



### p35 Investment platform WRPs

- A customer score of at least 70%
- No scores of two stars or less
- Can't be in the 25% most expensive for fees in our fund-buying scenarios



### Eco Providers

Banks or building societies that don't finance or facilitate investment in the fossil fuel industry, with policies to prevent this in future



### Best Buys

Products that are highly rated by our experts and meet minimum criteria in key areas. We use customer scores or industry data to check the provider isn't worse than average

## HOW WE COMPILE OUR TABLES

*The methodology behind our scores and rankings*

The providers and products you see here are the best in their fields. They're selected by our market analysts each month without regard to commercial ties and ranked by their most important feature, whether that's the savings account offering the highest interest rate, or the credit card paying the most cashback. To generate our scores, each year we survey

## CURRENT ACCOUNTS

[which.co.uk/banks](https://www.which.co.uk/banks)

### Which? Recommended Providers

	Why choose it?	Product score	Provider customer score
<b>STARLING BANK</b>	Offers 3.25% interest up to £5,000 and has no fees for overseas spending	<b>74%</b>	<b>83%</b>
<b>FIRST DIRECT</b>	Only bank to score well for phone banking, also no fees for overseas spending	<b>83%</b>	<b>82%</b>

Customer scores based on 4,550 responses from current account holders in August 2023

### Interest-paying current accounts

	Interest rate	Change since last month	Max balance on which interest is paid	Minimum direct debits	Minimum monthly funding	Provider customer score
<b>NATIONWIDE BS FlexDirect</b> ♻️	5% <sup>a</sup>	None	£1,500	0	£1,000	<b>78%</b>
<b>KROO BANK</b> <sup>b</sup> Current Account	4.35%	None	£85,000	0	£0	n/a
<b>SANTANDER</b> Edge Up <sup>c</sup>	3.5%	None	£25,000	2	£1,500	<b>70%</b>
<b>STARLING BANK</b> Current Account <b>WRP</b>	3.25%	None	£5,000	0	£0	<b>83%</b>
<b>BANK OF SCOTLAND</b> Classic with Vantage	3% <sup>d</sup>	None	£5,000	2	£1,000	<b>72%</b>
<b>Market average</b>	<b>2.77%<sup>e</sup></b>	None				<b>74%</b>

n/a = score unavailable, sample size too small <sup>a</sup> For 12 months, then falls to 1% <sup>b</sup> Digital-only bank, founded in 2016 <sup>c</sup> Account charges a £5 monthly fee <sup>d</sup> On balances from £4,000 to £5,000, or 1.5% on up to £4,000 <sup>e</sup> Market average based on balance of £1,000

### Current account switching incentives

	How much does it offer to switch?	Must apply by	Minimum funding	Number of direct debits needed to qualify	Provider customer score
<b>NATWEST/RBS/ULSTER</b> Reward/Select	£200 <sup>a</sup>	No date given	£1,250	0	<b>72%</b>
<b>LLOYDS</b> Club Lloyds/Silver/Platinum	£175 <sup>b</sup>	28 March	£0 <sup>c</sup>	2	<b>72%</b>

<sup>a</sup> Can't have benefited from a NatWest, RBS or Ulster switch offer since 1 January 2020. Existing customers can switch another bank account into their NatWest/RBS/Ulster account to get the bonus. To earn £200 you must also log in to the mobile app within 60 days of switching to your eligible account <sup>b</sup> Can't have got cash for switching to Lloyds or Halifax since April 2020 <sup>c</sup> £3 monthly fee waived if you pay in at least £2,000 a month

### Fee-free current accounts for spending abroad

	Overseas purchase fee	Overseas cash withdrawal fee	Monthly limit on free cash withdrawals	Provider customer score
<b>STARLING BANK</b> Current Account <b>WRP</b>	0%	0%	Unlimited	<b>83%</b>
<b>FIRST DIRECT</b> 1st Account <b>WRP</b>	0%	0%	Unlimited	<b>82%</b>
<b>VIRGIN MONEY</b> M Plus Account	0%	0%	Unlimited	<b>70%</b>
<b>Market average</b>	<b>2.17%</b>	<b>2.33%</b>		<b>74%</b>

### Packaged accounts

	Annual cost	Travel insurance	Travel insurance max age	Car breakdown cover	Account score	Provider customer score
<b>NATIONWIDE BS FlexPlus</b> ♻️	£156	Family, worldwide	70	Roadside, home, EU	<b>81%</b>	<b>78%</b>
<b>CO-OPERATIVE BANK</b> Everyday Extra ♻️	£180 <sup>a</sup>	Family, worldwide	79	Roadside, home, EU	<b>76%</b>	<b>73%</b>
<b>HALIFAX</b> Ultimate Reward Current Account	£204	Family, worldwide	70	Roadside, home, EU	<b>70%</b>	<b>74%</b>

<sup>a</sup> £168 if you opt in to Everyday Rewards, use online banking and paperless statements, have four direct debits and deposit £800-plus a month

customers, gather information from providers, analyse the products they offer and check for consumer-friendly practices such as signing up to industry codes. We keep an eye on companies during the year to keep our recommendations relevant. Our unique customer score is based on satisfaction and likelihood to recommend: these two questions

contribute 50% each to the score, and we apply a weighting to each response. Respondents are also asked to rate various aspects of a company's service, and these become star ratings calculated independently of each other. We require a minimum number of responses per company to ensure score and ratings are statistically meaningful; this varies by product.



## Nationwide snaps up Virgin Money

**T**here's precious little connecting Virgin Money

with Richard Branson these days, beyond the name. And not even that for much longer, given Nationwide plans to buy Virgin Money and phase out the brand from 2030.

Nostalgia aside, this £2.9bn takeover could prove good news for customers. It could create a group with 696 branches, second only to Lloyds Banking Group (which includes Halifax and Bank of Scotland). Nationwide says it will keep a branch in every place where both it and Virgin are present until at least 2026.

In our latest survey of current account customers, Nationwide got a score of 78%, far above Virgin Money (68%) which came second from bottom. Nationwide members get perks such as last year's £100 'fairer share' payment. Yet our experts rated Virgin Money's M Plus account a better product than Nationwide's, as it offers free spending abroad.

If you're a Virgin Money M Plus customer and this matters to you, see left for other banks that offer this perk.

**Sam Wilson**  
Which? banking analyst



## Don't miss out on inflation-beating rates

When it comes to savings, we've not always had it this good. For several years until July 2023 no savings accounts came close to matching inflation, let alone beating it. Your money, even when sitting in the best accounts on the market, was steadily losing its buying power.

Contrast that to today. At the time of writing, 65% of accounts had interest rates that could beat inflation (judging by January's consumer price inflation, at 4%). In fact all one-year fixed rate accounts we looked at topped inflation, as did 93% of three-year fixed-rate accounts and even a bunch of instant access accounts.

Sadly, it won't take much to send us back into the bad old days. While a jump in inflation seems unlikely, if it falls to 2% the Bank of England will come under pressure to drop the base rate, and savings rates will fall with it.

Consider how much of your savings you don't need instant access to and lock in an inflation-beating rate today – and enjoy the benefits for years to come.

**Sam Wilson**  
Which? savings analyst

## SAVINGS ACCOUNTS

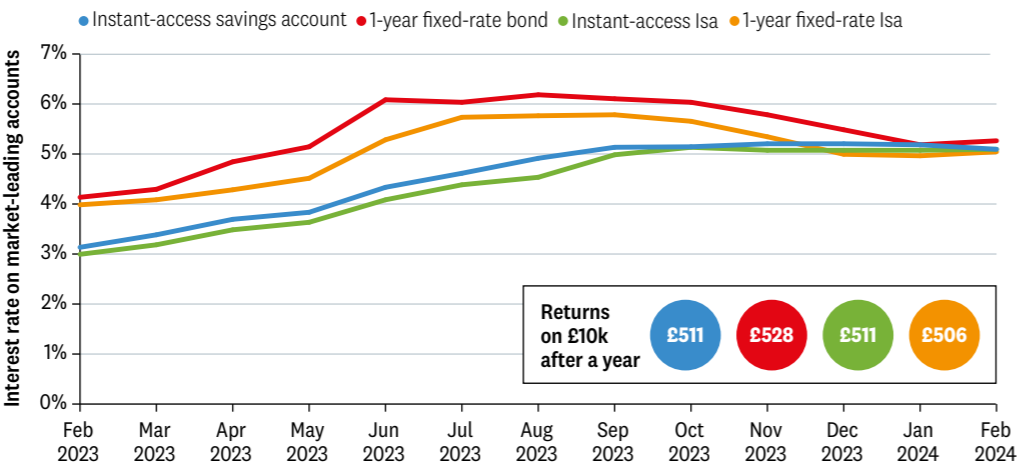
which.co.uk/savings-and-isas

### Which? Recommended Providers

Provider	Why choose it?	Best instant-access cash Isa rate <sup>a</sup>	Best ordinary instant-access account rate <sup>a</sup>	Provider customer score <sup>*</sup>
<b>MARCUS BY GS</b>	Consistently competitive instant-access rates	4.75% <sup>b</sup>	4.75% <sup>b</sup>	<b>85%</b>
<b>PARAGON BANK</b>	Offers an 'Isa wallet' combining instant and fixed-rate Isas	4.95% <sup>c</sup>	5.05% <sup>c</sup>	<b>82%</b>
<b>COVENTRY BS</b>	Good rates for limited-access accounts	4.55% <sup>d</sup>	4.58% <sup>e</sup>	<b>79%</b>
<b>ZOPA</b>	Many options for instant, notice and fixed-rate accounts	5.08%	4.54%	<b>78%</b>

<sup>\*</sup> Scores in all savings tables based on 5,959 responses from savings account holders in August 2023. n/a = score unavailable, sample size too small  
<sup>a</sup> Based on £20,000 balance <sup>b</sup> Includes 0.49% bonus for 12 months <sup>c</sup> Max two withdrawals per year, or rate drops to 1.5% <sup>d</sup> Fifth withdrawal results in charge equal to 50 calendar days' interest on the amount withdrawn <sup>e</sup> Maximum three withdrawals per year, or 50 days' interest penalty on amount withdrawn

## Fixed rates bounce back



### Instant-access cash Isas accepting transfers in

Provider	AER	Change since last month	Initial deposit	Access	Provider customer score
<b>MONEYBOX</b> Cash Isa	5.11% <sup>a</sup>	None	£500	App	n/a
<b>ZOPA</b> Smart Isa - Access Isa Pot <b>WRP</b>	5.08%	None	£1	App	<b>78%</b>
<b>Market average</b>	<b>3.32%</b> <sup>b</sup>	<b>+0.02%</b>			<b>69%</b>

<sup>a</sup> Maximum three penalty-free withdrawals per year, or rate drops to 0.75%. Includes 0.96% bonus for the first 12 months <sup>b</sup> Average AER on £20,000

### 1-year fixed-rate cash Isas accepting transfers in

Provider	AER	Change since last month	Initial deposit	Access	Provider customer score
<b>OAKNORTH BANK</b> 12 Month Cash Isa	5.06%	+0.35%	£1	Online, app	n/a
<b>ALDERMORE BANK</b> 1 Year Cash Isa	5.05%	+0.25%	£1,000	Online	<b>61%</b>
<b>CASTLE TRUST BANK</b> 1 Year e-Cash Isa	5.05%	+0.08%	£1,000	Online, app	n/a
<b>Market average</b>	<b>4.49%</b> <sup>a</sup>	<b>-0.02%</b>			<b>69%</b>

<sup>a</sup> Average AER on £20,000

### 3-year fixed-rate cash Isas accepting transfers in

Provider	AER	Change since last month	Initial deposit	Access	Provider customer score
<b>ALDERMORE BANK</b> 3 Year Cash Isa	4.5%	+0.5%	£1,000	Online	<b>61%</b>
<b>CLOSE BROTHERS SAVINGS</b> 3 Year Isa	4.4%	+0.1%	£10,000	Online, phone, post	n/a
<b>UBL UK</b> 3 Year Cash Isa	4.39%	-0.02%	£2,000	Branch, online, app <sup>a</sup>	n/a
<b>Market average</b>	<b>4.08%</b> <sup>b</sup>	<b>None</b>			<b>69%</b>

<sup>a</sup> Also phone and post <sup>b</sup> Average AER on £20,000

### Instant-access savings accounts

Provider	AER	Change since last month	How interest is paid	Initial deposit	Access	Provider customer score
<b>VIRGIN MONEY</b> Defined Access E-saver	5.11% <sup>a</sup>	+0.04%	Monthly, yearly	£1	Online	<b>69%</b>
<b>CYNERGY BANK</b> Online Easy Access Account	5.10% <sup>b</sup>	None	Anniversary	£1	Online	n/a
<b>HAMPSHIRE TRUST BANK</b> Online Easy Access Account	5.09%	+0.19%	Anniversary	£1	Online, phone <sup>c</sup>	n/a
<b>Market average</b>	<b>3.18%</b> <sup>d</sup>	<b>+0.01%</b>				<b>69%</b>

<sup>a</sup> Maximum three penalty-free withdrawals per year, or rate drops to 2% <sup>b</sup> Includes 1.1% bonus for the first 12 months <sup>c</sup> Also post <sup>d</sup> Average AER on £10,000

### 1-year fixed-rate savings accounts

Provider	AER	Change since last month	How interest is paid	Initial deposit	Access	Provider customer score
<b>SMARTSAVE</b> 1 Year Saver	5.28%	+0.12%	At maturity	£10,000	Online	n/a
<b>MBNA</b> 1 Year Saver	5.27%	n/a	At maturity	£1,000	Phone	n/a
<b>CLOSE BROTHERS SAVINGS</b> 1 Year Bond	5.18%	+0.08%	Yearly	£10,000	Online, phone <sup>a</sup>	n/a
<b>Market average</b>	<b>4.61%</b> <sup>b</sup>	<b>-0.01%</b>				<b>69%</b>

<sup>a</sup> Also post <sup>b</sup> Average AER on £10,000

### 3-year fixed-rate savings accounts

Provider	AER	Change since last month	How interest is paid	Initial deposit	Access	Provider customer score
<b>HAMPSHIRE TRUST BANK</b> 3 Year Bond	4.65%	n/a	Anniversary	£1	Online, phone, post	n/a
<b>SMARTSAVE</b> 3 Year Saver	4.64%	+0.08%	At maturity	£10,000	Online	n/a
<b>Market average</b>	<b>4.13%</b> <sup>a</sup>	<b>+0.01%</b>				<b>69%</b>

<sup>a</sup> Average AER on £10,000

### Regular savings accounts

Provider	AER	Change since last month	Access	Monthly deposit		Free withdrawals per year	Provider customer score
				Min	Max		
<b>Open to all</b>							
<b>GATEHOUSE BANK</b> 12 Month Regular Saver	7% <sup>a</sup>	None	Online, app	£1	£300	0	n/a
<b>PRINCIPALITY BS</b> 2 Year Healthy Habits Saver Bond	6%	None	Branch, online, post	£1	£50	0	n/a
<b>Current account customers only</b>							
<b>FIRST DIRECT</b> Regular Saver	7%	None	Online, app	£25	£300	0	<b>75%</b>
<b>THE CO-OPERATIVE BANK</b> Regular Saver	7%	n/a	Branch, online, app, phone	£1	£250	Unlimited	<b>68%</b>
<b>Market average</b>	<b>4.98%</b>	<b>+0.42%</b>					<b>69%</b>

<sup>a</sup> Expected profit rate in accordance with the principles of Islamic finance

## INVESTMENT PLATFORMS

which.co.uk/investing

### Which? Recommended Providers for stocks and shares Isas

Provider	Why choose it?	Annual fees for £25,000 portfolio	Annual fees for £250,000 portfolio	Customer service	Info on investment opportunities	Value for money	Provider customer score
<b>VANGUARD</b>	Low fees, particularly for smaller portfolios	<b>£38</b>	<b>£375</b>	★★★	★★★	★★★★	<b>76%</b>
<b>AJ BELL</b>	Lots of investment information and tools	<b>£75</b>	<b>£637</b>	★★★	★★★	★★★	<b>74%</b>
<b>Market average</b>		<b>£90</b>	<b>£638</b>				<b>67%</b>

### Which? Recommended Providers for general investment accounts

Provider	Why choose it?	Annual fees for £25,000 portfolio	Annual fees for £250,000 portfolio	Customer service	Info on investment opportunities	Value for money	Provider customer score
<b>AJ BELL</b>	Lots of investment information and tools	<b>£75</b>	<b>£637</b>	★★★	★★★★	★★★★	<b>77%</b>
<b>Market average</b>		<b>£90</b>	<b>£638</b>				<b>70%</b>

Online survey of 6,073 UK adults in January 2024. Customer score based on satisfaction with brand and likelihood to recommend. Fee estimates assume that you only invest in mutual or exchange-traded funds (whichever have lower fees), making four purchases and four sales a year. 'Market average' is of the 18 providers covered in our survey



## The hidden costs of a better courtesy car

If your car needs repairs after an accident that wasn't your fault, your insurer will usually arrange these and provide a courtesy car. However, you could be without your vehicle for some time, or find the replacement offered, often a small hatchback, isn't suitable. You may also find that making a claim would affect your no-claims discount.

In these cases, your insurer may suggest going to a credit hire or accident management company. These provide better replacement vehicles and recoup the costs from the third party at fault. But there are serious risks – if the third-party's insurer doesn't pay up, you could end up on the hook for the courtesy car costs. Neither credit hire or accident management companies are regulated by the Financial Conduct Authority, so you won't be able to escalate complaints to the Financial Ombudsman Service. You can, however, complain to the Ombudsman about your insurer, if it didn't explain the risks.

**Maha Gadir**  
Which? insurance analyst

## CAR, HOME, TRAVEL AND PET INSURANCE [which.co.uk/insurance](https://www.which.co.uk/insurance)

Car insurance Which? Recommended Providers						
	Why choose it?	Dealing with complaints	Value for money	Claims score	Policy score	Customer score
NFU MUTUAL	High scores and no interest if you pay monthly	-	★★★★	84%	76%	81%
LV	Excellent key cover. Lifetime repairs guarantee.	★★★	★★★	74%	78%	70%
Market average				64%	64%	64%

Car insurance policies				
	Repairs Guarantee	NCD protected - Vandalism <sup>a</sup>	Glass damage cover limit <sup>b</sup>	Policy score
AVIVA Car Insurance ●	Lifetime	Yes	Ult'd	74%
AXA Plus Car ●	Lifetime	No	Ult'd	74%
SHEILAS' WHEELS Car Insurance ●	5 years	Yes	Ult'd	73%
Market average				64%

Car insurance customer scores based on November 2023 survey of 2,793 policyholders who have claimed in the past two years. Claims scores on sample of 2,807 claimants. A dash (-) indicates that not enough responses were received to generate a star rating. Policies table shows top three Best Buys by policy score; others at [which.co.uk/car-insurance](https://www.which.co.uk/car-insurance) <sup>a</sup> NCD = no claims discount <sup>b</sup> For windscreen & windows using insurer-approved repairer

Home insurance Which? Recommended Providers							
	Why choose it?	Dealing with complaints	Value for money	Customer score	Buildings policy score	Contents policy score	Total score
NFU MUTUAL	Unlimited contents cover. No admin fees	★★★★	★★★	81%	74%	74%	78%
Market average				72%	71%	65%	70%

Contents insurance policies			Buildings insurance policies		
	Single item cover limit	Policy score		Escape of water excess	Policy score
NATWEST Premier/RBS Premier ●	£10,000	91%	NATWEST Premier/RBS Premier ●	£450	86%
NATWEST Elite/RBS Elite ●	£10,000	79%	NATWEST Elite/RBS Elite ●	£450	80%
DIRECT LINE Home Insurance Plus ●	£4,000	77%	DIRECT LINE Home Insurance Plus ●	£450	79%
Market average		£8,551 66%	Market average		£417 72%

Home insurance customer scores based on December 2022 survey of 1,718 policyholders who have recently made a claim. Shows top three Best Buys by policy score; others listed at [which.co.uk/home-insurance](https://www.which.co.uk/home-insurance)

**£627**  
Car insurance average premium  
**34%**

Paying above average? Head to [which.co.uk/cheap-car-insurance](https://www.which.co.uk/cheap-car-insurance) or [which.co.uk/cheap-home-insurance](https://www.which.co.uk/cheap-home-insurance)  
Source: Association of British Insurers, cost of car insurance data Oct-Dec 23, home Oct-Dec 23, both compared with the same period the year before.

**£364**  
Home insurance average premium  
**19%**

Travel insurance policies						
	Medical expenses limit	Baggage cover limit	Cancellation limit	FCDO Cancellation cover <sup>a</sup>	Travel delay	Policy score
NFU MUTUAL Home & Lifestyle ●	£5m	£2,500	£5,000	Yes	£250	81%
ALLCLEAR Platinum ●	£15m	£3,000	£5,000	Yes	£1,500	79%
INSUREANDGO Black ●	Unlimited	£3,000	£10,000	Yes	£650	72%
Market average		£10m	£1,941	£3,820	£307	64%

Based on analysis in December 2023. We've removed insurers with a poorer-than-average record of paying claims. Other Best Buy policies and criteria available at [which.co.uk/best-travel-insurance](https://www.which.co.uk/best-travel-insurance). <sup>a</sup> Cover if you cancel because of FCDO advice against travel (not including due to Covid)

Cat insurance policies			Dog insurance policies		
	Annual vet fee limit	Policy score		Annual vet fee limit	Policy score
AGRIA Lifetime Premium ●	£20,000	83%	AGRIA Lifetime Premium £20k ●	£20,000	83%
JOHN LEWIS Lifetime £12k ●	£12,000	79%	KENNEL CLUB Lifetime Premium ●	£25,000	83%
PETPLAN Covered For Life £12k ●	£12,000	79%	JOHN LEWIS Lifetime £12k ●	£12,000	78%
PDSA Lifetime £8k ●	£8,000	77%	PETPLAN Covered For Life £12k ●	£12,000	78%
Market average		£5,413 57%	Market average		£5,464 56%

Based on analysis in December 2023. Shows the top four Best Buys by policy score; other Best Buy policies and criteria available at [which.co.uk/best-pet-insurance](https://www.which.co.uk/best-pet-insurance). Vet fee limits apply to total fees and refresh each year unless otherwise indicated.

# Which?

## Get the right deals

From credit cards to car insurance, search for deals that could cut your bills.

Compare deals [which.co.uk/deals](https://www.which.co.uk/deals)



## CREDIT CARDS [which.co.uk/credit-cards](https://www.which.co.uk/credit-cards)

Which? Recommended Providers		
	Why choose it?	Provider customer score
TESCO BANK	Offers a consistently market-leading low-interest card. Tesco Bank credit cards act as a Clubcard and earn a higher rate of points	80%
AMERICAN EXPRESS	Market-leading cashback and reward credit cards. You can earn more cashback or rewards through introductory offers, but conditions apply	79%
VIRGIN MONEY	Has an excellent all-round credit card and money transfer credit card	75%

Customer scores based on October 2023 online survey of 3,775 members of the public

Low-interest credit cards			0% interest purchase credit cards			
	Representative APR	Provider customer score		Rep. APR	0% purchase term	Provider customer score
TESCO BANK Low APR Credit Card WRP ●	10.9%	80%	BARCLAYCARD Platinum All-rounder ●	24.9%	21 months	72%
HALIFAX Credit Card ●	10.9%	72%	Market average			26.4% 8 months 69%
LLOYDS BANK Credit Card ●	10.9%	68%	Our Best Buy credit cards must meet certain criteria specific to the card type and we check this regularly throughout the year. In the case of 0% interest cards, for instance, this includes how long the 0% purchase term applies for compared with the rest of the market – hence the removal of cards that were previously Best Buys. For the full details, go to <a href="https://www.which.co.uk/credit-card-deals">which.co.uk/credit-card-deals</a>			
BANK OF SCOTLAND Credit Card ●	10.9%	67%				
Market average		28.9%	69%			

Fee-free credit cards for spending abroad						
	Representative APR	Overseas purchase fee	Overseas cash withdrawal fee <sup>a</sup>	Cash withdrawal interest rate	Provider customer score	
HALIFAX Clarity Credit Card ●	23.9%	0%	0%	23.9%	72%	
BARCLAYCARD Rewards ●	28.9%	0%	0%	27.9%	72%	
NEWDAY Bip Card ●	29.9%	0%	0%	29.9%	69%	
Market average		34.77%	2.51%	3.46%	28.96%	69%

<sup>a</sup> Credit card cash withdrawals (in the UK and abroad) typically incur interest straight away until you repay your balance in full

Cashback credit cards						
	Representative APR	Minimum cashback	Maximum cashback	1st-year reward for £1,000 monthly spend <sup>a</sup>	Year 2+ reward for £1,000 monthly spend <sup>a</sup>	Provider customer score
AMERICAN EXPRESS Cashback Card <sup>b</sup> WRP ●	36.7%	0.75%	1.25%	£181.25 <sup>a</sup>	£75 <sup>c</sup>	79%
AMERICAN EXPRESS Cashback Everyday Card <sup>d</sup> WRP ●	31%	0.5%	1%	£160	£70	79%
SANTANDER All In One	29.8%	0.5%	0.5%	£50 <sup>e</sup>	£50	75%
HALIFAX Cashback Credit Card <sup>f</sup>	22.9%	0.25%	0.5%	£50	£50	72%
LLOYDS BANK Cashback Credit Card <sup>f</sup>	22.9%	0.25%	0.5%	£50	£50	68%
BARCLAYCARD Rewards	28.9%	0.25%	0.25%	£30	£30	72%
Market average		35%				69%

<sup>a</sup> Minus any annual fee <sup>b</sup> Cashback rate depends on annual expenditure. Spending up to £10,000 has a cashback rate of 0.75%; any expenditure over this has a rate of 1.25% <sup>c</sup> £25 annual fee <sup>d</sup> Expenditure up to £10,000 has a cashback rate of 0.5%; any expenditure over this has a rate of 1% <sup>e</sup> £3 monthly fee <sup>f</sup> Expenditure up to £4,000 has a cashback rate of 0.25%, any over this has a rate of 0.5%



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## Jargon buster

Your guide to the highlighted terms we've used in this issue



### P12 INVESTMENT PLATFORMS

#### Exchange-traded funds (ETFs)

Funds that can be bought and sold on the stock market, like a share. This means most but not all investment platforms charge transaction fees when you buy and sell ETFs.

#### Robo-adviser

Also referred to as 'do-it-for-me' investment platforms, these ask questions about your financial situation and attitude to risk, before suggesting a portfolio of funds and ETFs.



### P16 BANKING COPYCATS

#### Phishing

Sending emails that try to get you to reveal personal information, such as passwords. Vishing is the equivalent for phone calls and Smishing uses text messages.

#### False positives

When a test wrongly suggests something is present, when it is not. In our test, this could include a legitimate website, or a fraudulent one that isn't trying to mimic a UK bank.



### P28 MONEY SAVER: GARDENING

#### Harden off

Gradually transferring plants raised indoors to outdoors. This could involve moving them back inside overnight if frost is forecast.

#### Self-seed

When plants reproduce unaided. To stop them spreading, remove the flowers when they fade so they can't make seeds.

## INDEX OF RECENT WHICH? MONEY FEATURES

You can contact the Money Helpline on 029 2267 0001 for digital copies of previous articles

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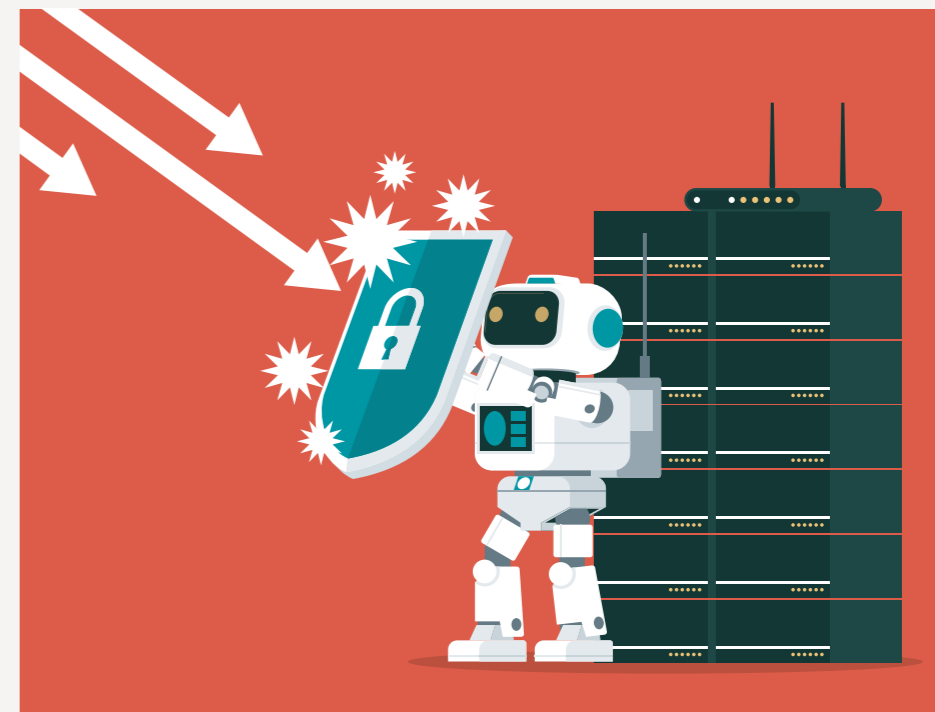
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# Next month

## ONLINE BANKING SECURITY

Our tests have uncovered the most secure banks and building societies, whether you bank online or via a mobile app.

### Downsizing

Want to free up cash or would just prefer a more manageable property? Find out the best ways to prepare, what to watch out for, and how much value you could potentially unlock from your home.

### Insurance claims

With complaints about insurers rising, we hear from thousands of car, home, pet and travel insurance policyholders to unearth the key issues that are throwing claims off the rails.

### Holidays

From European getaways to further-flung voyages, we explain how to save money on travel, drawing on our latest research into flight booking sites, foreign hotel chains, and the most popular global cities.

## Latest on the website **Which.co.uk**

→ **Best supermarkets 2024**  
[which.co.uk/best-supermarkets](https://www.which.co.uk/best-supermarkets)  
 We've surveyed over 3,000 customers to score retailers and pick Recommended Providers, with ratings for in-store and online shopping.

→ **How to dry your home after a flood**  
[which.co.uk/after-flood](https://www.which.co.uk/after-flood)  
 From preparing your home to safely removing damp and how to deal with your home insurer, we look at all aspects of handling leaks and floods.

→ **6 renovations that don't need planning permission**  
[which.co.uk/plan-permission](https://www.which.co.uk/plan-permission)  
 If you're mulling over a loft conversion, conservatory or a garden room, getting started may involve less paperwork than you think.