

“Can move, won’t move”

ISA investors unhappy with their banks

Almost half of people with an ISA in Britain hold it with their main bank (47%) and this is despite almost half of those people (49%) admitting to being annoyed with their bank in the last 12 months, according to new research from Selftrade, the independent online broker.

At a time when a new banking code is being introduced to win back public trust with new guidelines on how banks and building societies should treat their customers, research from Selftrade shows that it is no longer just mortgages and loans customers who complain but savers too.

Britons are wasting £382 million a year in tax by not investing their money into ISAs*, Selftrade’s latest findings emphasise many Brits are not only missing out on investing in tax efficient ways, but are not always looking for the best rates for their investments.

Previous research from Selftrade has also revealed that nine in ten adults in the UK (90%) are unaware of any changes to the ISA rules for the forthcoming tax year or how it could benefit them.

With the ISA deadline drawing to a close this Saturday, Selftrade asked a GB representative sample of those that had an ISA with their main bank, what if anything, had annoyed them about their bank in the last 12 months.

Key Findings

Sitting tight

- One in four of the people with ISAs with their bank (24%) complained about the high fees their bank charges for overdrafts and the same number have been annoyed by poor customer service.

- Nearly half of ISA investors admitted to frustration over the poor interest rates offered by their bank.
- One in ten people expressed concern over the lack of control they have over where their money is invested with an ISA (10%) and 8% said they had problems accessing their accounts with their bank.
- Nearly one in four people (24%) expressed dissatisfaction with the level of customer service their banks offer and 20% complained of being bombarded by direct mail.
- Those between the ages of 18-24 are the most likely to express frustrations with their bank (63%) and yet over half of those (58%) have an ISA with their bank. This is compared with just 43 per cent of the over 55s who said they felt frustrated with their bank in the last 12 months.
- Two in five people living in the South West have an ISA with their bank (41%) and yet people in this region were the most likely to be aggravated by poor interest rates (31%) offered by their main bank.

Region	% with ISA with main bank	% of those annoyed with their bank in last 12 months
London	45%	53%
Midlands	49%	47%
East Anglia	55%	46%
Wales	47%	46%
West Country	41%	56%
South	45%	35%
North East	49%	40%
Scotland	47%	54%

Stephen Barber, Head of Research at Selftrade commented – “The research suggests that people are clearly dissatisfied with their high street banks but yet it is surprising just how many still stay with them when there are so many other options available. Don’t just sit back and take the easy option of investing with your bank. By looking around for an ISA that suits investor needs offering greater flexibility and access to products, people will be able to maximise their returns.”

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FD Consumer Dynamics

Notes to Editors-

For more information on Selftrade visit their website – www.selftrade.co.uk
The research was carried out by YouGov amongst a GB representative sample of 2,187 people in March 2008. Additional research is available on request.

*<http://uk.reuters.com/article/personalFinanceNews/idUKNOA53730120080305>

- Selftrade provides a range of investment services and is one of the UK’s largest execution-only stockbrokers
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