

Top bonds pay 5 pc fixed for three years

TWO fixed-rate bonds paying 3.2 pc after tax (4 pc before tax) for 18 months or 4 pc (5 pc) for three years go on sale today.

The rates from Close Brothers are the most attractive on the market over these time periods.

Minimum investment is £10,000 and your money is covered — up to a maximum of £85,000 — by the Financial Services Compensation Scheme.

Recent research by Close Savings reveals demand for fixed-rate accounts remains high, and millions of savers plan to deposit cash in one over the next 12 months.

The top one-year rate comes from AA Savings, where the deposit taker is Halifax/Bank of Scotland (HBOS) at 2.72 pc (3.4 pc).

The minimum investment is £1 and the bond is run through the post. You can take your interest monthly at 2.68 pc (3.4 pc).

Birmingham Midshires, also part of HBOS, is paying 3.08 pc (3.85 pc) for two years on £1 or more.

You can also earn 5 pc on tax-free, fixed-rate cash Isas for five years with Skipton BS.

Northern Rock, Marks & Spencer, Cheshire, Dunfermline and Saffron BS all pay 3 pc fixed for a year.

The top two-year cash Isa deals come from Yorkshire BS, Santander and Halifax, all at 3.5 pc.

On three-year deals, Chelsea fixed-rate e-ISA at 4 pc is among the best payers, followed by Saga, where the deposit taker is HBOS, at 3.75 pc.

BEST BUYS: Variable rate savings accounts — easy access

Provider	Contact	Account	Guarantee	Compensation licence	Minimum deposit	Before tax	After 20% tax	After 40% tax
				£	%	%	%	%
IN THE HIGH STREET								
Northern Rock	0845 600 4466	Branch Saver 4	no	own	1	2.05	1.64	1.23
Halifax	0845 726 3646	Guaranteed Saver Reward	one year	shared	1	2.00	1.60	1.20
Leeds BS	0845 054 0995	Albion Saver	no	own	2,500	1.35	1.08	0.81
Skipton BS	0845 717 1777	Branch Access	no	shared	1	1.20	0.96	0.72
TELEPHONE (T) and POSTAL (P) ACCOUNTS								
ING Direct (b)	0800 376 8877	Direct Savings (T)	for 12 months	Dutch	1	2.80	2.24	1.68
Leeds BS	0845 054 0995	Postal Tracker Bond (P)	yes	own	1,000	2.50	2.00	1.50
Sainsbury's Bank	0500 405 060	Easy Saver (T)	no	own	1	2.50	2.00	1.50
Skipton BS	0845 850 1722	Telephone Saver	no	shared	10,000	2.00	1.60	1.20
INTERNET ACCOUNTS								
ING Direct (b)	ingdirect.co.uk	Direct Savings	for 12 months	Dutch	1	2.80	2.24	1.68
Newcastle BS	newcastle.co.uk	Online Access	no	own	500	2.70	2.16	1.62
Skipton BS	skipton.co.uk	My Saving	to Jan 2012	shared	1	2.50	2.00	1.50
Northern Rock	northernrock.co.uk	E-Saver 3	no	own	250	2.50	2.00	1.50
Ingelligent Finance	if.com	iSaver	no	shared	1	2.49	1.99	1.49
CASH ISAS: Branch (B), telephone (T), Postal (P) and Internet (Int)								
Santander (a)	0800 234 6065	Flexible Isa 3 (B/T/Int)	one year	own	1	3.15	3.15	3.15
Halifax	0845 726 3646	Isa Direct Reward (T/Int/B)	no	shared	1	3.00	3.00	3.00
Northern Rock	northernrock.co.uk	E-Isa	no	own	1	2.65	2.65	2.65
NS&I (a)	0500 007 007	Direct Isa (Int/T)	no	govt	100	2.50	2.50	2.50
Northern Rock	0845 600 4466	Easy ISA (B)	no	own	1	2.50	2.50	2.50
FOR PENSIONERS IN THE HIGH STREET								
Leeds BS	0845 050 5075	Flexible Freedom	to Sept 2011	own	500	2.00	1.60	1.20
Skipton BS	0845 850 1722	Pension Plus	no	shared	500	1.45	1.16	0.87
Norwich & Peterborough BS	0845 300 2511	50-Plus Savings	no	own	5,000	1.00	0.80	0.60
BONUS ACCOUNTS								
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Santander	santander.co.uk	eSaver 3	2.4% pt for 1 yr	own	1	2.90	2.32	1.74
AA Savings	theaa.com	Internet Extra 4	2.3% pt for 1 yr	shared	1	2.80	2.24	1.68
Principality BS	principality.co.uk	e-ISA	1% pt for 1 yr	own	1	2.80	2.80	2.80
Saga (c)	0800 066 5784	Telephone Saver Issue 2	1% pt for 1 yr	shared	1	2.75	2.20	1.65
BM Savings	0845 602 2828	ISA Extra (T/Int)	1% pt for 15mths	shared	1	2.70	2.70	2.70
C&G	0845 602 0022	Cash Isa (B/T)	1.7% pt for 1 yr	shared	1	2.70	2.70	2.70
BM Savings	0845 602 2828	Telephone Extra 3 (T)	2.1% pt for 1 yr	shared	1	2.60	2.08	1.56
Santander	0800 389 9875	Instant Access 3 (B/T)	1.5% pt for 1 yr	own	1,000	2.50	2.00	1.50

KEY: (a) No transfers from other providers. (b) New savers only. (c) For the over 50s only.

TABLE COMPILED BY SYLVIA MORRIS. See www.thisismoney.co.uk for savings updates.

To find out which banks and building societies share a licence, go to www.fsa.gov.uk or call 0845 606 12340.