Is It the Best Time Ever to Switch Your Bank?

Monday 9 March, 2015

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- **Huge switching incentives, including £150 cashback and up to 5 per cent interest tempt more customers to switch banks**
- **MoneySuperMarket sees a 165 per cent surge in current account demand in 2015**

Competition within the UK current account market continues to be strong according to analysis by MoneySuperMarket, and consumers should take full advantage. The UK's number one comparison website has seen a massive increase in demand for current accounts, with a 165 per cent increase in the number of applications since the start of the year.

Increase in incentives on offer- earn up to £150

There have been a number of new switching incentives in 2015 aimed at attracting new current account customers, with Yorkshire and Clydesdale Bank's launching the latest today, offering £150 cashback for anyone using its dedicated switching service.

Halifax recently upped its cash switching incentive to £125 for new Reward Current Account customers. In addition, the account credits customers with a £5 reward per month – amounting to £185 in a year as long as they deposit a minimum of £750 into the account each month. It also offers up to 15 per cent cash back on debit card purchases through selected retailers.

Regular M&S shoppers looking to change their account can earn £125 to spend in store simply by switching before the end of this month. Furthermore, unlike many others, the account does not require any minimum funding per month.

Maximise you savings with in-credit interest

You can also earn extra just by keeping a certain amount of money in your account. Santander's 123 account pays a higher interest rate than any savings account on the market - three per cent AER - on balances between £3,000 and £20,000 for a monthly fee of just £2, provided that it is funded with £500 each month. On top of this, it also pays you up to three per cent cashback on a variety of essential bills, such as utility, council tax and mobile and home phone bills.

Nationwide currently offers an even higher 5 per cent AER on balances up to £2,500, as well as a 0 per cent EAR on overdrafts for the first year, as long as £1,000 is paid into the FlexDirect account monthly.

Kevin Mountford, head of banking at MoneySuperMarket, said: *"Many providers are taking advantage of the poor savings rates at the moment and ramping up their offers and benefits on current accounts to entice customers. Savvy consumers should make the most of this, and cash in on the tempting incentives if they aren't satisfied with their current deal. Several current accounts now pay better rates than some savings accounts, so it's worth assessing whether you can get more for your money.*

"Now that you can earn as much as £150 just for switching, it's madness not to shop around for a better deal. By spending in the right places, you can also rack up a lot of money in cashback so you can make money by spending money – as long as you don't start spending just for the sake of it! It's easier than ever before to change your account with the process taking just seven days, and your new provider sorting everything out for you. However, don't just be tempted by the offers on these accounts – consider how you will use the account day-to-day and double check any fees and charges to make sure you won't be paying over the odds, especially if you are likely to go overdrawn."

Ends

Notes to Editors:

*Consumers will receive a £125 M&S gift card when the Current Account Switch Service is used to switch to the M&S Current Account. This must be applied for through MoneySuperMarket.

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