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MONEY BOX LIVE

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DUGGLEBY: Good afternoon. It's hard to believe that the concept of tax free investment in shares has been around for more than 20 years. Actually many people would argue it's not really tax free, but there are worthwhile advantages, especially for higher rate taxpayers. When Personal Equity Plans were first announced in the 1986 Budget, the limit was £2,400, and they were so hedged around with restrictions that few people took them up. Gradually the rules were eased and when Labour came to power in 1997 Gordon Brown brought in Individual Savings Accounts to replace PEPs and TESSAs. Instead we had to get used to Mini and Maxi ISAs. Frankly, there wasn't a huge difference between the two approaches, but it's taken the government another 10 years to overhaul the system so PEP, ISA and TOISA accounts will come under one umbrella from 6th April. At the same time, the investment limit will be raised from £7,000 to £7,200 and up to half of that can go into cash. Which begs the question as to whether now is a good time to invest in shares when stock markets are so volatile? And with credit becoming more expensive, the latest industry figures show that ISA withdrawals are on the increase. Maybe it's better to play safe and stick with cash. Either way, it's your chance to talk to the experts on Money Box Live. Mark Dampier is Research Director at Hargreaves Lansdown; Darius McDermott is Managing Director at Chelsea Financial Services; and Andrew Hagger is from Moneyfacts, the financial comparison magazine website. 08700 100 444 is the number to call. First on the line, Sheila in Glasgow.

SHEILA: Hello, yes.

DUGGLEBY: Hello.

SHEILA: I've been listening to the programme on Saturday and you were talking about the new Barclays Haven Account, which I think is launched today, with an interest rate of 6.3%. And prior to hearing about that one, I was considering the NSI cash ISA. I suppose I began to think about the Barclays Haven ISA and my question really relates to the kind of interest rates that are on offer there and what the likelihood is of that falling really in line with the other kind of cash ISAs that are out there within a couple of months of signing up to it?

DUGGLEBY: Okay, yeah, got the point. Yeah, well you're subject to do things. First of all obviously is the provider itself or the building society or bank and, secondly, it's interest rates generally. But let's deal with the providers first. Andrew?

HAGGER: So, yeah, the Barclays ISA that you're talking about is currently the best on the market - 6.50% AER if you take into account the monthly interest. But, yeah, you're right, it's a variable rate product, so there's nothing to stop them reducing that rate as the year goes on. There are possibilities that rates will come down this year. So, you know, you have to make a choice I guess at this time - do you want something that could go down or do you want to fix in and take a one year deal say from the Nationwide at 6.15? Who's to say what is the best at this time? If we had a crystal ball, then it would be ….

DUGGLEBY: There is a general warning I think that's worth making, Darius, and that is that some of these deals that you see have got quite complicated restrictions on them. For example, they have bonuses in them that are taken away and it's not necessarily the case that they will follow base rate. They might just go down much quicker.

McDERMOTT: Rates on cash ISAs do vary greatly. They can have different payment schedules - either anniversary or monthly - and some of them are variable and some are fixed, so you do need to sort of take a view which type of product is most suitable for you at the moment.

DUGGLEBY: Of course we know banks and building societies need the cash, but in the end I think the message you have to give, Andrew, is that these things are not static. You obviously don't want to be switching every five minutes, but the great thing with an ISA is some people don't seem to realize that you *can* switch it any time you like.

HAGGER: That's right, you know there's nothing to stop you going to your current ISA provider and asking if you can switch it to a better deal. So you know if you're the sort of person that's got the time to shop around and wants to get the best deal, then you know by all means do so.

DUGGLEBY: Do you find there's a consistency between the best providers? I mean do you find that they stick around in the top tables for quite a long time?

HAGGER: No, you'll find on the cash ISA side of things that at this time of year you'll get people coming to try and mop up what's left of *this* year's tax allowance and pick up the first few weeks of the new tax year and then they'll drift away. So if you want to get one of these top deals, you do have to act fast. The alternative is to have a look at some of the providers that perhaps have been a bit more consistent in the past and if you want to look on Moneyfacts we have a list there of the most consistent providers over the last three years and the last 18 months. Now that's not to say that they're always going to be consistent, but you know if you're somebody that hasn't really got the time to keep shopping around and transferring then that might give you an idea of the sort of people that do tend to offer a more consistent rate.

DUGGLEBY: I mean National Savings, for example, have been fairly consistent, haven't they?

HAGGER: Yeah, they're our top over the last 18 months.

DUGGLEBY: Okay, we'll move onto Derek now in Brechin.

DEREK: Yes, good afternoon to you. I've got a Halifax online mini cash ISA, which currently has £44,000 in it. The interest rate has come down from what was 5.75 down to 5.25 in three months. Now I'm contemplating switching to a Lloyds fixed rate mini cash ISA, which is currently being offered at 6½%. Now when I transfer my money from the Halifax, the 11 months interest which I've got from this year so far, will that come across on top of my £44,000; and when it gets to 6th April, can I put in the forthcoming year's allocation of £3,600, which will make my investment up to just over £50,000?

DUGGLEBY: This is raising quite an interesting set of questions about the technical way that these plans are going to work. Mark, can you just give us the basic rules as to how mini or maxi ISAs are going to kind of be brought together after 6th April?

DAMPIER: Well I mean the cash comes in as one anyway - so I mean with the interest that'll all be included, so there's no need to worry about that; it's not outside that. Stocks and shares ISAs are still treated separately in that way. The only difference is that you can this time if you want, if you're in a pure cash ISA, change that into a stocks and shares one if you so wish at a later date.

DUGGLEBY: So this £50,000 that Derek's talking about can remain as a cash ISA and be transferred to any provider?

DAMPIER: Indeed.

DUGGLEBY: At any time - in whole or in part?

DAMPIER: Yuh, absolutely.

DUGGLEBY: If the provider accepts it?

DAMPIER: Of course if the provider accepts it. They're not likely not to.

DUGGLEBY: The big improvement I think on the new system, Derek, is that you're no longer going to actually be tied in to cash if you don't like it. You could take some of that money and have a dabble in shares if you wanted to, if it appealed to you?

DAMPIER: But of course you can't go back.

DUGGLEBY: Yeah. Derek, sorry?

DEREK: I'm a teensy bit I would say scared of the stocks and shares side because I've now retired, so the money I get from my ISA generates an income. Obviously I don't withdraw the income, but I feel safer with the money in a cash ISA than shares …

DUGGLEBY: Okay, fair enough.

DEREK: … especially when you have to pay to let somebody else play with your money.

DUGGLEBY: Indeed.

DEREK: It's paying somebody to run your account for you.

DUGGLEBY: I mean many people are scared of going into shares, but another question that's been raised on this question of transferring is you know whether every institution doesn't necessarily want the money. Now is that changing, Andrew, because money's a bit tight nowadays?

HAGGER: Very much so. That's an interesting point. I mean this time last year, there were very few of the best buys that would actually accept transfers in and they were sort of getting their name out there with a nice, big, juicy rate, but actually the amount of money that they would be actually taking would be quite limited. But, as you say, now the banks are struggling with raising funds on the money markets, we're seeing all bar one of our best buys actually accepting transfers in - so it's just the number one at the top, Barclays, that's not accepting the transfers in at this stage.

DUGGLEBY: We had an email asking whether if you do merge a whole lot of ISA accounts, these cash ISAs, whether you will then qualify for any of the top tier, for example, in those organisations that pay tiered interest rates. I imagine you would.

HAGGER: You would, yeah. For those that have a tiered structure - then if your balance exceeds that top tier, then yeah you get that best rate.

DUGGLEBY: £50,000's a tidy sum. Does he get the best rate in the market?

HAGGER: To be honest, there's not many that actually advertise a tiering that goes like that. To be honest, most of them will show 3k, some will show 9k, but they don't tend to sort of tier it any further up than that. But now that may be something that we will start to see perhaps.

DAMPIER: And if you can tie your money up as well for a year, if you can afford to do that, it's well worth it because I think interest rates are on their way down. So a rate of over 6% looks pretty good to me.

DUGGLEBY: Okay, right. Joanne in Clacton, your call?

JOANNE: Good afternoon. I've invested in a cash ISA for the past couple of years. I'd like to start investing in a shares ISA, but I don't know where to begin. Could the panel give me some pointers as to where to start, which providers I should consider and which funds I should look at, bearing in mind I'm a fairly cautious investor?

DUGGLEBY: Darius?

McDERMOTT: I think you should have a look at this new raft of funds which come under multi-asset, so they have some investments into equities but they also invest into other asset classes which helps to spread the risk. These are a new breed of fund, but growing in popularity quite quickly.

DUGGLEBY: Joanne?

JOANNE: That's very helpful, thank you.

DUGGLEBY: I think we can give you a bit more advice for the time of your call, so we'll also try and extract a few ideas because when you invest in funds and things there's a thing that the fund managers will not necessarily always make clear - is that they tend to follow the good fund managers. And you know worry about the fund managers because that's where you'll make money and if you get the wrong fund in the wrong funds, Mark, you can just take…

DAMPIER: Absolutely. Of course the idea of cautious funds is always a difficult one to actually nail down in terms of what you mean by cautious, but I would actually go further and go for a fund called the Merrill Lynch BlackRock UK Absolute. Now some people wouldn't call that …

DUGGLEBY: What a frightful name! How are you going to remember that? *(Laughs)*

DAMPIER: I know. I can't help the name, I'm sorry. And it is actually the nearest thing you can get to a retail hedge fund. Now don't be scared by that - actually it means that it can do extremely well when the market goes down - and year to date, for example, it's up about 2½% and the market's down about 7 or 8%. So although people might say that's not a novice investor, I'd say it actually fits the cautious bill very nicely. It wants to make absolute money and it wants capital and the objective is capital preservation. And Mark Lyttleton who runs that fund is a damn good fund manager.

DUGGLEBY: Darius, some funds from you?

McDERMOTT: Yes, I mean other funds which people might look at are Equity Income Funds, things along the lines of Neptune Income, Standard Life, Equity High

Income. By investing into that income type of strategy, they tend to have a lower risk strategy than general growth funds. But still, they do carry an equity risk.

DUGGLEBY: In the olden days, we used to talk about blue chips. Is that completely out?

DAMPIER: No, no, blue chips… Most of these funds are actually investing - sorry Darius, I'm interrupting you… They've got about 75, 80% at the moment in actually the top 100 companies, the ones that Darius mentioned, so you are investing in some of the largest companies. But that doesn't mean that they're without… they're not without risk.

DUGGLEBY: Yeah. A lot of our emails do reflect this point - of saying okay they're prepared to put the money in, you know they're prepared to take their allowance out. They seem to be leaving it quite late in the year incidentally…

DAMPIER: Always the way.

DUGGLEBY: … and I think they're very frightened by the stock market position. But they don't really want to put the money into the stock market and there is a facility of course for keeping money in cash…

DAMPIER: Absolutely.

DUGGLEBY: … although it's not the purpose of the exercise.

DAMPIER: No, but you can put the full allowance in cash and make a decision later - particularly people who leave it till the last minute because they make you know a quick decision rather than a considered one, so you put it in cash, invest it later. So don't lose the allowance. Put it in cash. You can invest it in six months time if you so want to.

DUGGLEBY: And get some interest on it in the meantime.

DAMPIER: And get some interest. Okay it's net, but you can get some interest, yes.

DUGGLEBY: I like this email that's come in from Edward in Norfolk. He says, "I don't think I'm a complete idiot, but I don't understand financial matters. For example, can I take out a new ISA every year while hanging onto the previous ones, or can I have only one ISA? See how little I know."

McDERMOTT: Well the one thing about ISAs is in each individual tax year, you have your own ISA allowance and it certainly doesn't stop you investing into new products in the new tax year and you have of course until 5th April this year to utilise your ISA allowance in the current tax year. So there's no need to find these matters difficult. You have one ISA allowance per year, per tax year.

DUGGLEBY: So when we talk about the system being, as I mentioned at the beginning, the system coming - I used the words "coming under one umbrella", which I think is right - it doesn't mean to say you've simply got one product, which is called an ISA, which is all in shares. You can have more than one product spread around more than one adviser if you want to?

DAMPIER: You can have a *number* of providers. It's entirely up to you. So that's quite possible.

DUGGLEBY: And also the PEP, there's been a question about the technicality of this as to what does it actually mean. And I think actually I'm being told that yes Elizabeth I think in Aberdeen, you're going to raise the very point I was just about to pick up from an email. But you should put the question to us.

ELIZABETH: Hello.

DUGGLEBY: Hello Elizabeth.

ELIZABETH: *(clears throat)* Excuse me. I have £9,000 in a PEP and I wonder can this be transferred into a stocks and shares ISA and can I still use this year's £7,000 allowance or am I restricted to £7,000 transferred?

DUGGLEBY: Right. Well what you've got in a PEP is actually the old … it's the thing that actually ceased to exist, except in the books of the providers, in terms of the product as it was then conceived back in '86, and the problem was that there was actually very little difference between PEPs and ISAs. It was just a few technical points. So, Mark, does the PEP actually literally just disappear off the face of the earth in terms of its labelling and its…?

DAMPIER: Well I don't wish to confuse things, but technically it doesn't actually have to; but for all intents and purposes, you might as well call it an ISA as far as I'm concerned. You don't lose anything. It's the same thing, it's the same wrap, it still allows you the same tax advantages.

DUGGLEBY: So, for example, if Darius you know you bought shares or something, you know you bought one little packet of shares in a PEP, which had to stay there because it was in a PEP wrapper; you have exactly the same company - I mean let's say for example it's British Gas or BP or something like that - in your ISA wrapper, the sensible thing now of course is just to put them together and instead of having 150 shares in each bit, you've got 300 in the same one, which makes it easier to deal.

McDERMOTT: Indeed and the new rules in the new tax year deal with that exactly. And Elizabeth was talking about transferring her PEP into an ISA. In fact she need to do nothing at all unless she wants to move it for performance reasons. It actually will automatically become a stocks and shares ISA in the new tax year, so nothing to worry about on the existing PEP.

DUGGLEBY: Right, so gradually these distinct labels will just disappear?

DAMPIER: They will gradually disappear in my view, yes.

DUGGLEBY: But I gather you actually have to maintain some mechanism to keep them separate just in case anybody wants…

DAMPIER: Just in case some people might want to, although I can't quite see why.

DUGGLEBY: Can't quite see why, right. *(Laughter)* Norma … Norman, sorry. Norman in Cumbria, your question now?

NORMAN: Hello. At the moment I have a cash ISA and a TESSA ISA. Because of the change in the regulations, I shall soon have two cash ISAs. What are the rules about investing in ISAs now that both my ISAs are cash ISAs?

DUGGLEBY: Well you're indeed right, they're cash. And the TOISA was the Tessa Only ISA, which was the transitional phase to get the money that was left in the TESSAs, which was the brainchild of John Major. Then they were made ISAs, except they couldn't be ISAs because they weren't, they were TESSAs, so they called them TOISAs. Well I think again. let's just ask Andrew this one. We've got rid of all this nonsense now, haven't we? Or we will be soon.

HAGGER: We have, yes, I mean and you can transfer both of those into one new ISA if you so wish or you can put them into two separate ISAs depending on what you're looking to do. I mean, as I've mentioned previously, there are variable rate options and there are fixed rate options for the ISA.

DUGGLEBY: The great thing, it doesn't affect your right, Norman, to take out a new ISA in any year you like in the future and you can put it with different providers if you want to. That's the key thing. You can move it, you can hold it in the same place, you can switch it, you can split it up. You can even put it into shares, but you can't put it back into cash if you decide that you prefer cash to shares. So are you clear on that one? Norman? No, he's gone. I think he's probably had his mind blown. *(Laughter)* Sorry, you were saying?

McDERMOTT: The key thing for Norman to remember is every year, every tax year, each individual has a different allowance. Products, cash ISAs or TOISAs bought eight, nine, 10 years ago sit in that tax year and are not affected… make no difference to what happens in the next tax year. So they can't be added to. You can add to a ***new*** ISA in the ***new*** tax year with the same provider or a new provider.

DUGGLEBY: Okay. Now then we've got an email here from Andrew in Cardiff. Gosh, we've got a lot of emails today. He says, "How do you set up a self select ISA and could you ask your panel whether financial advisers add or reduce value?" ***(Laughter)*** I see what he means. Mark, what do you do for your money?

DAMPIER: Well for us, a huge amount as far as I'm concerned, of course, but we do a lot of fund reports, as I know Darius does as well. It is actually one of the strange things in this industry that it is actually cheaper to come through the middleman than go direct. So through brokers such as ourselves and Darius, we actually can do stocks and shares ISAs for virtually no initial charge or quite often no charge at all; whereas if you go direct to the groups, you'll pay usually 5, 5¼%. So this is a case where the middleman actually saves you money.

DUGGLEBY: That would explain possibly why we've had an email from a listener… I can't find exactly where it is, but I remember what he said. He said that he'd gone it alone. He was interested in an ethical investment and he put money into Jupiter and he was quite surprised at the high charges which were involved.

McDERMOTT: Yes, I mean if you use an IFA that do offer discounts, you would probably have found that he hadn't paid that 5% initial charge at all…

DUGGLEBY: That's because he went direct to the front desk?

McDERMOTT: Because he went direct. This is this anomaly that Mark was explaining about - that if you do come through third parties like IFAs or discount brokers, they actually can in most instances remove those charges entirely for you.

DUGGLEBY: So what would a typical charge then be if you're…? I mean obviously they're not all the same because I think the overseas funds tend to be a bit more expensive.

DAMPIER: Not necessarily. I mean through ourselves it would be anything between nought and about ½% initial charge.

DUGGLEBY: And direct, you might be paying up to four or five?

McDERMOTT: 5, 5½%.

DAMPIER: 5½%, yeah. So it's quite a big difference when it comes to your £7,000.

McDERMOTT: It makes a big difference to the performance over a period of time as well. The money saved can then go on to grow and compound your saving.

DUGGLEBY: Okay, Martin in London, your call?

MARTIN: Hello, I've been getting cash ISAs with Abbey over several years and I now understand that I can get a Super ISA, which will give me a return of 10% over 13 months provided that I put the same amount or more into this guaranteed growth plan. Now I understand that the capital invested in that growth plan is secure, but I don't understand the minimum return which for a 3½ year term is given at 6% guaranteed - that is less than the ordinary cash ISA - or for a six year term, 18% guaranteed, which seems quite unbelievable.

DUGGLEBY: Okay, well there's an old saying in the financial world, which has many times been repeated on this programme, that if it looks too good to be true it probably is. But I think this is a perfectly reputable product, but we'll just get Andrew's take on this one.

HAGGER: Yeah. I mean from the cash side of it, basically you can invest exactly the same amount in cash as you can into the growth plan. But I must admit, I don't personally have the details on the actual growth…

McDERMOTT: The …

DAMPIER: It's a guaranteed growth… Sorry Darius.

McDERMOTT: Yeah, these are known as back to back plans. They utilize high interest rates for half the plan…

DUGGLEBY: To draw you in.

McDERMOTT: … and then give you a stock market linked product for the other half, which may have a capital guarantee on it, and that half will obviously be dependent on the market on which it is linked. Typically it would be the FTSE 100.

DAMPIER: I strongly dislike them.

McDERMOTT: Guaranteed plans.

DUGGLEBY: Why do they do it then?

DAMPIER: Well… because they make the money on the investment plan really.

DUGGLEBY: Ah, right.

DAMPIER: … and hence I mean to me they're not worth having. If you want your cash, have a cash ISA and go with Barclays or one of the others that Andrew's spoken about; and if you want an investment ISA, do a proper investment ISA, not one of these guaranteed type products which probably would give you a lower return than cash anyway.

DUGGLEBY: And we should say, Andrew, that Abbey aren't the only ones doing this.

ANDREW: No, there's a product from Alliance & Leicester. They have Premier ISA at issue two and there are two versions of this. If you've got an existing Premier current account with them, then you can go for this 10%; but you do actually have to have an investment product for at least £5,000 at the same time. But Alliance & Leicester have today come out with a deal, a better deal for new customers if you like, saying that they can get this 10% if they open a current account, so it can be their Premier current account - Premier 50 or Premier 21 - but you don't have to have the £5,000 investment product.

DUGGLEBY: Well if you want to go into that one, all I would suggest is you really do read the small print because you don't want to be sorry six or nine months down the line and say I never realized what was going to happen. Okay, we'll have John now in Coventry.

JOHN: Hello.

DUGGLEBY: Hello John.

JOHN: I've got about a month now to take out this year's ISA and I was wondering what Money Box Live would recommend to provide a maximum income while avoiding serious risk of a major capital loss?

DUGGLEBY: Is this in a shares ISA?

JOHN: Yes. No … well yes. A maxi ISA probably.

DUGGLEBY: Yeah, you want a maxi ISA. You want to place that. Yes, this is reflecting a theme from quite a lot of people. They're prepared to put their money in, but they don't really want to either go high risk, and some of them actually don't want to sort of do anything, till the stock market volatility begins to cool. Darius?

McDERMOTT: Yeah, there's a product called Schroder Income Maximiser, which I particularly like. It is a stocks and shares fund and it's based on the Schroder Income Fund, but it's actually offering a 7% yield, which I think does meet the caller's requirements.

DUGGLEBY: Is that a bond based fund?

McDERMOTT: No, it's an equity based fund. There is a clever use of derivatives over the top of the income fund, which actually lowers the risk of it. People can get frightened by terms like derivatives, but actually…

DUGGLEBY: They're not buying sub-prime mortgages, are they?

McDERMOTT: No they're not, not at all. These are just instruments which …

DAMPIER: No … they're buying into blue chip shares.

McDERMOTT: Basically it sells away potential growth from the fund to buy extra income. And it does have some equity risk, of course, but at 7% that's sort of double the yield on the FTSE at the moment.

DUGGLEBY: Interestingly enough, of course, if you look at the FTSE index there are some quite high yielding shares in there where the dividends would *appear* to be reasonably safe.

DAMPIER: Well yeah, I mean Royal Bank of Scotland's yielding about 9%, but you know who knows? I mean they've increased their dividend from last week, but it's not really what I think John was looking for. I mean I would look at fixed interest perhaps - Artemis Strategic. James Foster has been running that for a long time. That yields 6.7. And in fact I met Paul Causer and Paul Read the other day from Invesco Perpetual. They're great bond managers and they were actually jumping up and down with glee, which is not what bond managers normally do, I might add - very boring people, I have to say. But actually they think there's very exciting markets and their fund is yielding about 8% at the present time.

DUGGLEBY: And of course I mean we're looking forward or maybe *not* looking forward to the Bank of England deciding interest rates this week. General theory that they're probably going to leave them on hold at the moment, but almost certain to come down which cannot be but good for well managed bond funds.

DAMPIER: In due course, yeah.

DUGGLEBY: In due course.

DAMPIER: Absolutely, yeah.

DUGGLEBY: Do you think the rates will stay the same?

McDERMOTT: I think interest rates will definitely come down …

DUGGLEBY: But not this month?

McDERMOTT: … over the course of the year, whilst those looking for cash rates could be well advised to actually pick a fixed rate and lock into it now because the variable rate ones may well come down later in the year.

DAMPIER: Yeah, I think they're going to come down about 1% over the course of the next 12 months.

DUGGLEBY: Do you think so, Andrew? Are fixed rates better than variables?

HAGGER: I must admit I would go for fixed at the moment because you only need a couple of quarter point cuts and the fixed will come into their own.

LEWIS: Okay, we've got a question coming in on an email from Peter in Epsom and he says, "I've a small share portfolio, which I'd like to transfer into an ISA. Can I do this and will it be free of capital gains tax?" Can do?

DAMPIER: Absolutely - up to… well I mean up to the £7,000. You can't really transfer it. You actually have to do… What's it called - an ISA…?

DUGGLEBY: A BED & ISA.

DAMPIER: A BED & ISA… forget the terminology actually. So you actually have to sell the shares because the Revenue will only take cash and then buy them back again, which is obviously a bit of an ordeal.

DUGGLEBY: Puts a bit of expense in it.

DAMPIER: Puts a bit of an expense, but…

McDERMOTT: And they will be free of capital gains tax when they're in the ISA. If they had made a substantial gain on them now, I'm afraid they would be subject to capital gains tax.

DUGGLEBY: Provided you… Unless you have of course your allowance, which is £9,000…

DERMOTT: *(over) Outside* of his annual allowance…

DUGGLEBY: So if your gains on your share portfolio… If it's a small portfolio, I'd be quite surprised if it's got a gain of much more than £10,000 in this sort of climate because quite a lot of shares have actually done quite badly in the last few years, so you may be a little bit disappointed on the actual… if you got a gain at all. Now Pat in Silverton next.

PAT: Oh hi. In the light of the Northern Rock crisis, the government did say that they were going to take steps to safeguard all of people's money in banks and building societies as opposed to the £34,000 I think is 90% guaranteed at the moment. My husband and I have several ISAs each going back over the years and with one provider we have got over that limit - or will have soon - and we were wondering have they taken those steps yet or are they likely to be forgetting about it?

DUGGLEBY: Who's going to take this one?

DAMPIER: Well my understanding is it was £35,000, which it is now, I thought, with perhaps a proposal that it might go to £100,000, but that's not definite at the moment.

PAT: Right.

DAMPIER: So you know if you're worried, then you really want to limit your amounts to just a bit under £35,000 with each provider.

PAT: Right, yes. And when are they going to look at this? Is there any idea when it will be finalized?

DAMPIER: Ah, well we're dealing with politicians now, so…

DUGGLEBY: We've got a budget coming up though, so we might hear something about that.

DAMPIER: Yes, that's true.

DUGGLEBY: Got time for one more email. As I say, we've had so many it's impossible to get even to the bottom of the pile, let alone get them all on air. And this is from Narendra and he says, "My wife and I have already got cash ISAs for this year, but we'd like to take out a shares based ISA which we've never taken out before. We'd just like quick guidance as to how we should do this, you know what we should be looking for and how we should approach it."

McDERMOTT: Well potentially as they've been cash investors previously, I would suggest they do stick with a more cautious fund and the Newton Phoenix is one to consider.

DUGGLEBY: And that's what - just a general growth one or…?

McDERMOTT: That's a fund of multi-assets - equities, bonds and other asset classes in there - and that does keep the risk lower than just having one asset class.

DUGGLEBY: And is it sensible advice to say stick broadly with the UK and don't sort of go abroad and start…

DAMPIER: Well you could start with a UK fund to begin with and I mean I…

DUGGLEBY: I'm talking about what's called asset allocation.

DAMPIER: Yeah, I know, but we can get too complicated. You can go straight to a UK fund with someone like Neil Woodford of Invesco Perpetual, which is one of the top managers in the industry. Or if you want to, go to an international fund like Artemis Global Growth and that'll give you a spread across all the world stock markets. There's nothing stopping you doing both within an ISA actually.

DUGGLEBY: But the great thing is it's not something you can really do on your own. You do have to have somebody to hold your hand and an independent adviser is probably the way to do it.

DAMPIER: I think you need to double check and just have a second you know sounding board.

DUGGLEBY: Okay, well thank you very much gentlemen. That's Mark Dampier from Hargreaves Lansdown, Darius McDermott from Chelsea Financial Services and Andrew Hagger from Moneyfacts. You can get more information on the points we've raised during the programme on 0800 044 044, or the website, bbc.co.uk/moneybox, with contacts and links to other related financial websites. Paul Lewis will be here with Money Box on Saturday and I'll be back with the live programme same time next Monday afternoon taking your calls about insurance.