

Making sense of ISA transfers

Why it can pay to move your money



COVENTRY
Building Society



Individual Savings Accounts (ISAs) offer a great, tax-free way to save and make the most of your money. But what happens if you find a better deal or your savings goals change?

Moving your savings to a new ISA product is an important financial decision. But it's also one of the least understood aspects of how ISAs work.

Transferring ISAs is often thought of as complicated, but we're here to tell you that's not the case. We've pulled together lots of information in this guide to explain how ISA transfers work, what happens to your interest, what to consider before making any decisions and when it might be the right time to rethink your ISA saving strategy.



This guide focuses on how to transfer your ISA. You'll find this handy if you already started to save in an ISA.

If you want to find out more about ISAs generally, we've outlined everything else you need to know in our [Making sense of ISAs guide](#).

This includes information on how they work, the different types of ISAs available and how you can make the most of your tax-free savings.

We can also send you this leaflet in large print, Braille or on audio CD. Call us on **0800 121 8899** and we'll be happy to help.

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What are the benefits of saving in an ISA?

An ISA is a type of savings account that allows you to grow the money you save and invest, tax-free. This makes them a popular choice.

You can save up to £20,000 into ISAs each tax year. This is called your annual ISA allowance and is set by the government. This is lower for Junior ISAs where the allowance is £9,000, and Lifetime ISAs where the limit is £4,000.*

*Correct for 2024/2025 tax year.

A quick note on Personal Savings Allowance

Your Personal Savings Allowance (or PSA) is the amount of interest you can earn on your non-ISA savings before they're subject to any tax. Your individual allowance depends on your income and whether you're a basic rate, higher rate or additional rate taxpayer.

Income Tax band	Personal Saving Allowance
Basic rate	£1,000
Higher rate	£500
Additional rate	£0

i For more about how the PSA works, see our blog [Back to basics – the Personal Savings Allowance in the Knowledge Centre on our website.](#)

What type of ISAs are there?

There are five main types of ISAs currently available, and they all have different features, depending on what you're saving for. They include:

- Cash ISAs
- Junior ISAs
- Lifetime ISAs
- Stocks and shares ISAs
- Innovative finance ISAs.



At Coventry Building Society, we specialise in cash ISAs, which includes our Junior Cash ISA. You can find out more about what we offer on page 14. We've done an in-depth overview of the different ISAs available across the market in our [Making sense of ISAs guide](#).



What is an ISA transfer?

An ISA transfer is when your money is moved from one ISA product to another via the ISA transfer process so your savings keep their tax-free benefit.

- You can move ISAs from one provider to another, or switch between different ISA products with the same organisation.
- When transferring your ISA, you can choose to move the total value of an ISA or just a portion of it, depending on your needs.
- There's no limit to the number of ISAs you can transfer. While you can transfer at any time, some products have charges - for example, if you're moving within the fixed rate period. It's important to check with your current provider for any restrictions.

To move your ISA savings, all you need to do is contact the ISA provider you want to move to and confirm what you'd like to do.

One thing to note is that an ISA transfer isn't the same as withdrawing from one ISA and paying it into another. Using the ISA transfer process, you can move your money around without affecting your annual ISA allowance. And you won't lose out on any tax-free benefits, as long as you follow the right steps that we've outlined on page 12.

i Deposits from current and previous years - what's the difference?

The tax year runs from 6 April to 5 April every year. Any money you've saved in an ISA in a previous tax year is often referred to as your **previous years' deposits**.

For money you're saving into an ISA within the current tax year, this is within your annual ISA allowance and is referred to as your **current year ISA deposits**.

Keep in mind that if you have a flexible ISA, you can't transfer that flexibility to another account. Flexible ISAs have special rules that let you take money out and put it back in without losing your tax-free benefits, but this only works if you return it to the same ISA, in the same tax year as you took the money out. If you switch providers and close your original ISA, that flexibility no longer exists.



When you're ready to complete an ISA transfer, you should always contact your ISA provider to complete this for you. They'll arrange for your money to be moved across into your new ISA account so your savings keep their tax-free status.

If you try to do the transfer yourself by withdrawing your money into a current or savings account and then add this to a new ISA account, your savings will lose their tax-free status.



Why should I consider transferring my ISA?

There are a number of reasons why you might consider transferring your ISA, but the most important factor is to make sure that you're getting the ISA that best suits your individual needs.

Better returns

Changing ISAs could help you take advantage of higher interest rates, so transferring could really help your savings grow. For example, it's common for rates to fall after an initial period.

Easier to manage

You may find that you want to consolidate multiple ISAs into one ISA account. This could make it easier to manage your finances and understand how you're working towards your savings goals.

Changing goals

Our circumstances change all the time and so might your aspirations. Maybe you've ticked off some big financial goals in recent years - like saving for home improvements, helping towards your children's future or buying a new car - and you're ready to take a different approach to setting money aside.

As with any savings product, it's important to make sure that it continues to fit your needs and circumstances as they change.

Great service

An ISA provider that listens to you and offers clear, helpful guidance can't be matched. They'll also help you feel empowered to make financial decisions for your future.

At Coventry Building Society, our award-winning service makes us special. And whatever your savings goals, we're here to help you reach them.

Having an impact

You may want to consider switching to an ISA provider that aligns with your personal values, one that strives to make a difference to local and wider communities.

As a B Corp certified building society, moving your ISA to Coventry Building Society means that you're choosing a provider that's part of a global community of businesses that meet high standards of social and environmental impact. We're a force for good for people and the environment. We care about making life better, not only for our members and our employees, but also the communities in which they live and work.

Can I mix and match ISAs?

There's no limit on the number of ISAs that you can open with different providers, with the exception of the Lifetime and Junior ISAs. In terms of your options, you can:

Split your **current tax year** ISA allowance between different:

- ISA types – cash or stocks and shares
- ISA features – easy access, limited access or fixed (we allow one type only)
- ISA providers.

Split **previous years'** ISA balances between different:

- ISA providers
- ISA product types (we allow multiple product types).

This means you can pay into multiple ISAs in the same tax year, and these can be with different providers. While the annual tax-free ISA allowance is still £20,000, you can spread your allowance across multiple providers to best suit your savings goals.

You can only have one cash ISA with us for your current year's allowance, but you can split previous years' deposits across multiple ISAs, e.g. you could open three cash ISAs with us and divide your previous years' deposits between a fixed cash ISA and an easy access ISA and pay current year's deposits into the third cash ISA (if the specific terms of the account allow this).

We're proud to have been awarded a gold ribbon and named number one for customer experience for our savings (autumn 2024) by Fairer Finance.



With us, you can make full transfers in and out of your current tax year, and full or partial transfer of your previous tax years.

You can also make partial ISA transfers between providers in the same tax year. However, restrictions may apply and you should contact your ISA provider for full details.

How long does it take to transfer an ISA?

We're part of the Cash ISA Transfer Service which has a defined Service Level Agreement for how long ISA transfers should take. For transferring cash ISAs, this is up to 15 business days, and for stocks and shares ISAs, this is up to 30 calendar days.

In 2024, our electronic transfers only took 2.25 days on average (based on Pay.UK data).

What happens to my interest when I transfer?

For cash ISAs, your provider will pay you any interest earned up to the day the transfer is carried out. Once your ISA is transferred, you'll start earning the rate of interest on the new ISA account from the day of transfer. This means you won't lose any interest during the transfer process.

If you choose to transfer from a fixed rate ISA, your provider may charge an early exit fee, which could eat into the interest you've earned. Always check the terms and conditions of your ISA before carrying out a transfer.

How do I transfer my ISA?

You're free to transfer your ISA as many times as you'd like - there's no limit on how often you can move money between different providers.

If you transfer one type of ISA to another, or you choose to move to a different provider, it won't affect your annual allowance and the interest you earn on your savings will remain tax-free.

While it's important to take your time to decide when it's best for you to transfer your ISA, some ISAs can only be transferred without fees at the end of the product term. For example, at Coventry Building Society, at the end of a fixed period, you'll be given three weeks after your savings are automatically reinvested into another fixed product to change your mind and transfer your ISA to another product. Check with your current provider to see if there are any restrictions and when you can transfer your ISA without charge.

Transferring to Coventry Building Society in three easy steps

Step 1: Do your research

Before you transfer, it's important to read the terms and conditions of your current ISA and your new ISA to check for any restrictions or charges you may have to pay. For example, charges are often seen on fixed term ISAs when moving before the fixed term ends. And with stocks and shares ISAs, there may be charges to cover the cost of selling the assets your ISA was invested in.

To avoid the risk of charges, it's always best to speak to your provider before making any decisions.

Step 2: Decide how you're going to transfer

If you're thinking about transferring your ISA savings from another provider to Coventry Building Society, you can easily request a transfer through our Online Services, if you've already opened your new ISA with us. Alternatively, you can call us on **0800 121 8899** or visit one of our branches.

Remember, if you withdraw funds from your ISA into a normal savings or current account, or even withdraw into another ISA, they will lose their tax-free status. If you deposit your savings into a new ISA account yourself, it will be treated as a new deposit and count towards your annual allowance.

Step 3: We'll take care of the rest

Once you've made the decision to transfer your ISA to Coventry Building Society, our team will get in touch with your current ISA provider and arrange the transfer for you. You can just sit back, safe in the knowledge that you've chosen an ISA that suits your personal circumstances.

Transferring from one Coventry Building Society ISA to another

We allow full transfers of current year's deposits and full and partial transfers of previous years' deposits. If you want to do a full transfer and you have already opened the new ISA, you can use our Online Services to complete the transfer. You can also reach us on **0800 121 8899** or to visit your local branch if you'd like some help.

If you want to do a partial transfer of previous tax years' deposits, or haven't opened a new ISA yet, just call us or visit your local branch to open the account and ask us for an ISA transfer.

Which ISA is best for me?

With so many different options available, it can be difficult to know which ISA is right for you. As a trusted provider, we're here to help you choose the best ISA for your personal circumstances.

The first thing you should do is think about what you want to achieve, as the ISA you choose should depend on your current situation and plans for saving. Are you putting money aside for the short-term or do you have longer-term goals? Is there a high chance you'll want access to the money or are you happy to have your savings locked away?

At Coventry Building Society, we have a variety of cash ISA to suit your needs. These include:

Easy access ISAs allow you to save and earn interest, while also letting you withdraw funds as often as you want.

Limited access ISAs often let you take advantage of a slightly better interest rate than an easy access ISA, in return for less access to your money. These products usually allow a limited number of withdrawals without charge each year. If you make any further withdrawals in a year you'll be charged based on the amount withdrawn.

Fixed rate ISAs are good to help you earn interest on lump sums that you don't need to access for a while. However, they don't come with any flexibility because they're not designed to allow withdrawal within the fixed term. You can only withdraw funds before the end of the fixed term by closing the account which typically will incur a charge.

Some cash ISAs can also be flexible, allowing you to withdraw money and replace it later without it impacting your annual allowance. We also offer a Junior Cash ISA.

We've put lots of information about ISAs in our [Making sense of ISAs guide](#).

Why choose Coventry Building Society?

Whether you're dreaming about a trip to a far-flung destination, planning an experience for a milestone anniversary, or simply looking to add some sunshine to your sunny day fund, cash ISAs from Coventry Building Society can be a great, tax-free way to help your savings grow.

As a provider of cash ISAs for over 25 years, whatever your savings goals - we'll help you reach them. By saving with us, you're choosing a company who cares about making a difference, and continues to make a positive impact on the communities around us.

If you're ready to explore opening a new ISA or want to transfer your savings to us, explore our range of ISAs on our [website](#).

Other useful information

How do I make sure to keep the tax-free status on my ISA when I move it?

To you keep the tax-free status of your ISA, make sure you include the details of the ISA you want to transfer as part of your instruction with your new provider or as part of the new ISA account opening. If transferring into a Coventry ISA, you can do this within our Online Services, over the phone or by visiting a branch with your existing ISA details.

When is my interest paid?

Most of our ISAs will pay interest annually and some will have the option to have it paid monthly. If you choose the option to add interest into the ISA account it will keep its tax-free benefit. If you choose to pay the interest away to a nominated account, it will no longer have the tax-free ISA benefit. Check the individual ISA product detail for options.

Can I use my unused allowance into the next tax year?

You can't carry over any unused amount of your ISA allowance from one tax year to the next.



Where to find out more

Cash ISA product page

Making sense of ISAs guide

ISAs explained page

Contact us

At a branch

For details of our opening hours, visit **[thecoventry.co.uk](https://www.thecoventry.co.uk)**

Online **[thecoventry.co.uk](https://www.thecoventry.co.uk)**

By phone **0800 121 8899**

By post Oakfield House, PO Box 600, Binley, Coventry CV3 9YR.

Coventry Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority (www.fca.org.uk) and the Prudential Regulation Authority (firm reference number 150892).

The information in this leaflet is provided for your information only and should not be taken as advice.

For more information, visit our website **[thecoventry.co.uk](https://www.thecoventry.co.uk)**, call us on **0800 121 8899** Monday to Friday 8am-7pm or Saturday 9am-2pm, or pop into a branch.

Calls to 0800 numbers are free from the UK. Calls may be monitored or recorded to help improve our service and as a record of our conversation.

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