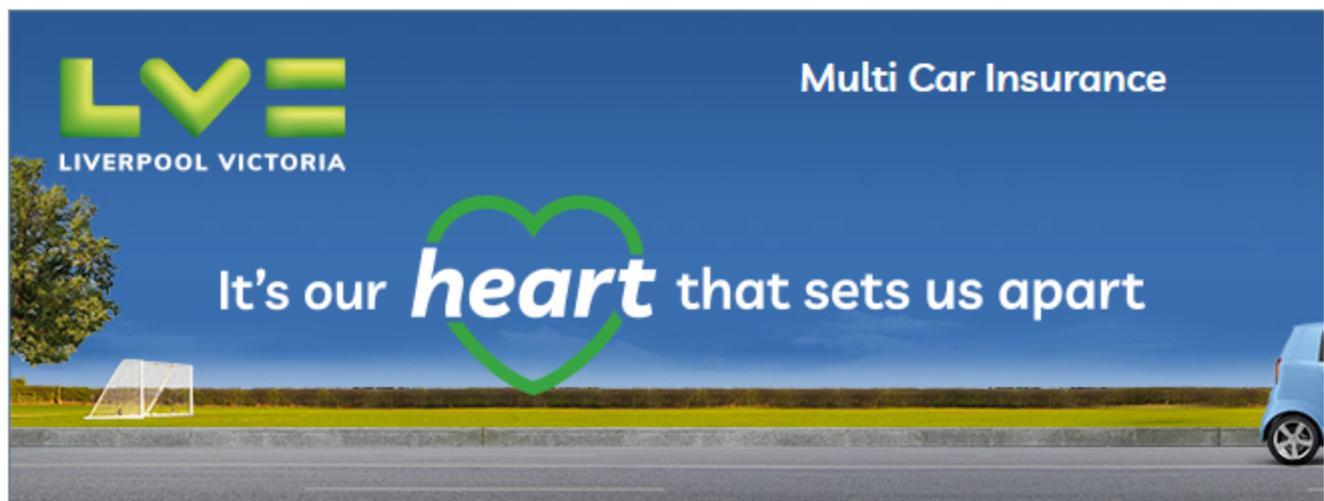




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## JEFF PRESTRIDGE: Bonds will be good for Britain and savers

By [JEFF PRESTRIDGE FOR THE MAIL ON SUNDAY](#)

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It is difficult to argue a case for savers when the economy looks as if it is going to lurch into recession and unemployment could return to levels not seen since the 1980s.

Quite rightly, job creation and retraining initiatives are now a Government priority as the furlough wage-subsidy scheme starts to be scaled back and distressed employers begin laying off workers in droves.

Yet, in directing its energies into saving the economy, the Government should not leave savers behind to feed off the meagre interest scraps that banks and building societies are currently throwing their way – [as we report here](#).



**Ros Altmann, a former Pensions Minister in the Coalition Government headed by David Cameron, says one possible solution to this savings crisis is for the Government to issue 'Save for Britain' bonds that could be bought by the public, perhaps via its savings arm NS&I**

Scraps that might seem like a pot of gold if savings rates are pushed down further as many expect and we get to a stage where institutions start charging us for depositing our money with them (don't laugh, it's coming).

Savers – many of them elderly and dependent on the interest to make ends meet – have had 12 years of interest rate morsels. At the very least, their financial concerns should be considered as the Government works out how best to get the country back on track.

Ros Altmann is a former Pensions Minister in the Coalition Government headed by David Cameron and regularly bats for savers. She has long maintained that governments should do all they can to encourage the savings habit (she was an ardent supporter of pension auto-enrolment).

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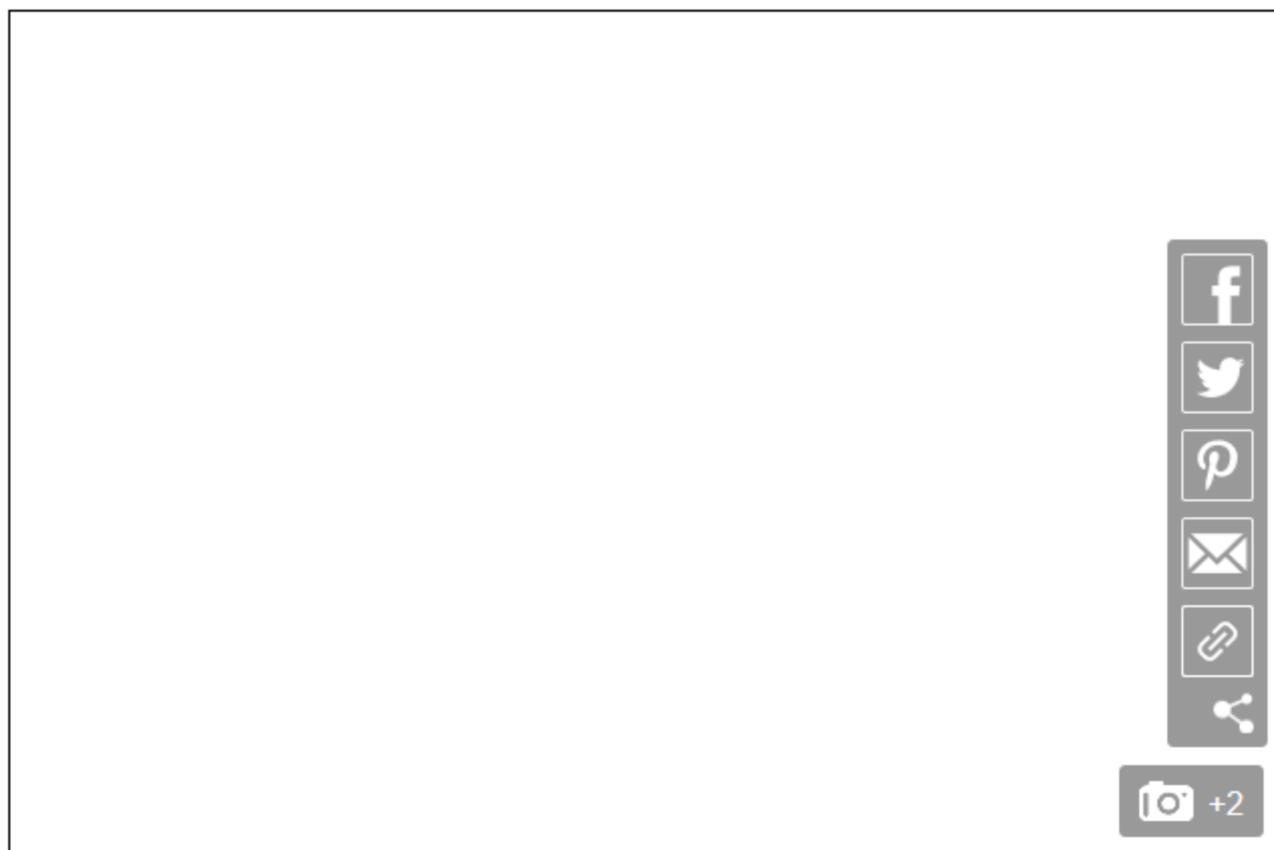
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Altmann believes the savings ethic in this country has been whittled away in recent years by a combination of easy credit and paltry interest rates. Its erosion, she says, is demonstrated by the fact that 40 per cent of the working age population had less than £100 in accessible savings going into economic lockdown.

A frightening financial state of affairs that could have spelt immediate disaster for millions of households if the Government and the financial services regulator had not come riding to the rescue with their combined support measures.

Altmann says one possible solution to this savings crisis is for the Government to issue 'Save for Britain' bonds that could be bought by the public, perhaps via its savings arm NS&I.

Offering good returns and guaranteed by Government, the money raised from the bonds would then be used to invest in the economy's future – for example, by funding infrastructure projects.



**'Save for Britain' bonds should be added to the potpourri of ideas being pored over by Chancellor of the Exchequer Rishi Sunak as he looks to save the economy from imploding**

Savers, she says, would be putting money away for the future (a win as far as the savings habit is concerned), earning a decent return in the process (something the banks and building societies can't offer at the moment), while also feeling good that they were doing their bit for the country. A win-win.

At the very least, 'Save for Britain' bonds should be added to the potpourri of ideas being pored over by Chancellor of the Exchequer Rishi Sunak as he looks to save the economy from imploding.

Finally, a well done to Andrew Bell, boss of £1.5billion investment trust Witan, for having the good grace last week to apologise for the fund's poor performance compared to its peers.

Over the last six months, one and three years, it has delivered negative returns for investors. In contrast, the average global trust has made money over the same time periods.

Humility is a rare trait in fund management so we should welcome Bell's mea culpa.

Let's now hope that Witan, invigorated by the portfolio changes Bell has made, will go from strength to strength and make shareholders lots of money.