

TIP OF THE MONTH - 'HOLIDAY SUPPLEMENT'

GETTING THE BEST DEAL ON HOLIDAY CURRENCY

With the holiday season upon us once again, it is important that we get the best deals we can when obtaining overseas currency. Many of us spend hours at our local travel agent or online trying to secure the best holiday packages, including low cost air flights and hotel deals, only to lose out when it comes to purchasing overseas currency or using our plastic cards abroad.

There are two main areas to consider when thinking about your holiday currency:

1 Buying foreign currency

The golden rule if you want the best deal is to shop around before you go. It is amazing how few of us look around the market place before buying our foreign currency. Maybe it's partly to do with the fact that we leave it until the last minute or maybe it's because we don't fully understand what is available. There are two charges that you can avoid – a commission charge and a handling fee. Both these charges are levied by many bureaux de change and similar outlets, but there are some that charge neither. Look around for those who do not make a charge but make sure that these outlets don't claw back charges by giving you a poorer rate of exchange; currency 'sales' held by some supermarket may not. If you have the time try to identify and seek out the best rates after adjusting for any commission. Malcolm Hardy at Sheerness Travel reckons the rates he gives more than compensates for commission charges, for example.



In addition to avoiding commission when purchasing overseas currency, you should also look for those outlets that will not charge you commission when you return any unused foreign currency.

2 Debit, credit and cash cards



Be careful when using your debit or credit card abroad. Whilst the use of plastic is convenient and, in the main, safer than carrying large sums of cash around, there is a downside. This is known as the "currency loading fee" levied by the card provider which is often 2.75% or more for each transaction. This might not seem a vast amount until you add up your total spend using a debit or credit card during your holiday, especially if you pay your hotel bill whilst abroad.

In addition, watch the charges if you use a cash machine whilst you are abroad. Once again, this can be convenient and safe but remember that interest charges can be higher and you will start paying interest as soon as you withdraw the money.



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A prepaid cash card (we would suggest Thomas Cook Cash Passport Mastercard) allows you credit card convenience with a single 'loading fee' and is potentially useful.

Advice:

- **Look around for those foreign exchange outlets that offer the best rates. Those that do not charge commission may seem cheaper but that depends on their rates. Malcolm at Sheerness Travel (01795 667777) is likely to be competitive and very "transparent".**
- **Use a card provider who will waive currency loading fees and not levy extra charges and interest for using cash machines abroad.**
- **Avoid purchasing foreign currency whilst you are at the airport or abroad and try to purchase any currency in this country.**
- **Make sure that you do not carry too much foreign cash whilst abroad and ensure that you insure your plastic cards against loss or theft.**



Don't let car hire companies drive you crazy

An article in The Independent recently gave 5 tips to stop hidden car rental charging driving you 'round the bend' as author Sarah Pennells put it:

- Shop around: the difference between the cheapest and most expensive firm offering a mid-size family car for one week in Malaga, Spain in August was £600.
- Always fill the petrol tank up before returning the car, as the charge for not doing so can be eye-popping.
- Don't add last-minute extras on arrival - car seats, satellite navigation and other extras can easily cost £15 a day or more.
- Buy insurance in advance and consider a standalone policy - try Insuremycarhire.com or Insurance4carhire.com - to cut the cost of pricier options offered on arrival. (We're not too sure about this one, you could have local problems or find the operator/franchisee can't or just won't accept insurance, certainly there'll be some negotiation).

Finally

- Double check the cost of dropping off the car at a different location before you arrange anything - this can be very costly.

And have a good time!

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