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# Overview

Our product ratings use a set of 'red line' criteria to calculate an underlying score for each product, which translates to a star rating.

Products can achieve between one and five stars. The more comprehensive the product, the more likely it is to be rated highly.

To achieve a five-star rating, products must meet all of our red line criteria. We focus on core product features, and don't give extra marks for unnecessary features or optional extras.

Our current red line criteria are contained in the following pages.

## How we decide each category

**0% purchase cards:** We include all cards that offer a period of 0% interest on purchases in this category.

**0% balance transfer cards:** We include all cards that offer a period of 0% interest on balance transfers in this category.

**Credit builder cards:** We include cards aimed at helping people build up a credit score in this category. Credit builder cards typically have higher APRs.

These cards meet the following criteria:

- 1) Representative APR between 27% and 60%

Credit builder cards tend to have higher representative APR than standard credit cards. 27% is significantly above the median representative APR for all credit cards (24.9% in December 2023). Cards over 60% are typically reward focused cards.

- 2) Representative cash transaction rate of equal or more than 2.07%

2.07% is the median cash transaction rate for all credit cards. Cards with rates below this are typically low rate cards.

- 3) An initial minimum credit limit below £1,000.

Most credit builder cards are significantly lower than this. They have a lower minimum credit limit as they are intended for people with little or poor credit history.

- 4) A highest balance transfer rate above 2.14%.

2.14% is the median highest balance transfer rate for all credit cards. Credit builder cards tend to have a higher balance transfer rate as they are intended for people with little or poor credit history.

- 5) Rewards worth £120 per year or less.

Cards with more rewards are reward focused cards. Credit builder cards do sometimes have rewards.

**Money transfer cards:** We include all cards that offer money transfers in this category.

**Foreign use cards:** We include all credit cards in this category.

**Low rate cards:** We include in this category cards that have a significantly lower APR than the mean credit card. In winter 2023 the mean APR was 24.90%. To qualify as a low rate card, the APR would have to be 13% or lower.

**Cashback and reward cards:** We include in this category all cards that offer cashback, airline points or reward points based on how much the customer spends.

# 0% purchase cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR offered to customers can't be higher than 29.9%. This is the median highest APR for 0% purchase cards.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their credit rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 24.9%. This is the median representative APR for 0% purchase cards.

## Red line 3 – introductory purchase rate

0% purchase cards work by offering customers no interest on anything they buy within a certain amount of time after taking out the card.

To pass this red line, cards must have a 0% purchase rate during this introductory period.

## Red line 4 – introductory purchase period

To pass this red line, cards must offer this 0% purchase rate for at least 12 months. This is double the median for the sector.

## Red line 5 – foreign purchase fee

To pass this red line, the fee for buying things abroad must not be more than 2.99%. This is the most common fee for this type of card.

### Red line 6 – foreign withdrawal free

To pass this red line, the fee for taking out cash abroad must not be more than 3%. This is the most common fee for purchase cards. The minimum charge, if the card has one, must be £3 or less.

### Red line 7 – highest cash transaction rate

Cash transactions on a credit card typically include taking out cash at an ATM and gambling.

To pass this red line, the highest rate for cash transactions offered to customers must not be more than 2.21%. This is the median cash transaction rate for 0% purchase cards.

### Red line 8 – representative cash transaction rate

To pass this red line, the representative rate offered to customers for cash transactions must not be more than 2.15%.

### Red line 9 – cash advance fee

A cash advance is like withdrawing money from the ATM with a debit card, but on a credit card it comes from your credit limit. This means you'll have to pay interest on the amount you pay back.

To pass this red line, the cash advance fee must not be more than 3%. The minimum charge for cash advances must be £3 or less.

### Red line 10 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

# 0% balance transfer cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR available to customers can't be higher than 28.9%. This is the median APR for 0% balance transfer cards.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 24.9%. This is the median representative APR for balance transfer cards.

## Red line 3 – introductory balance transfer rate

0% balance transfer cards work by offering customers no interest on transferring the balance from one credit card to another.

To pass this red line, cards must have either a 0% balance transfer fee and offer at least 12 months of 0% on balance transfers or they must have a fee of 2.87% or less and offer at least 19 months of 0% on balance transfers.

## Red line 4 – introductory balance transfer period

To pass this red line, cards must offer this 0% balance transfer rate for at least 12 months.

## Red line 5 – introductory balance transfer initial period

To pass this red line, during the introductory period, customers must have at least 2 months to transfer the balance to a different credit card.

### Red line 6 – introductory balance transfer fee

To pass this red line, the fee for transferring the balance must be 0%.

### Red line 7 – annual fee

To pass this red line, the card's annual fee must be £0.

### Red line 8 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

# Credit builder cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR available to customers can't be higher than 39.2%.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 34.9%.

## Red line 3 – highest cash transaction rate

Cash transactions on a credit card typically include taking out cash at an ATM and gambling.

To pass this red line, the highest rate for cash transactions offered to customers must not be more than 2.87%. This is the mean rate for credit builder cards.

## Red line 4 – representative cash transaction rate

To pass this red line, the representative rate offered to customers for cash transactions must not be more than 2.53%. This is the median rate for credit builder cards.

## Red line 5 – highest balance transfer rate

A balance transfer is when customers can transfer the balance from one credit card to another.

The highest balance transfer rate offered to customers can't be more than 2.56%. This is the median rate for credit builder cards.

### Red line 6 – representative balance transfer rate

The representative balance transfer rate offered to customers can't be more than 2.53%.

### Red line 7 – balance transfer fee

To pass this red line, the balance transfer fee must be no more than 3% of the balance transferred. This is the most common fee for these types of cards.

### Red line 8 – foreign purchase fee

To pass this red line, the fee for buying things abroad must not be more than 2.75%. This is the most common fee.

### Red line 9 – foreign withdrawal fee

To pass this red line, the fee for taking out cash abroad must not be more than 3%. This is the most common fee. The minimum charge must be £3 or less.

### Red line 10 – cash advance fee

A cash advance is like withdrawing money from the ATM with a debit card, but on a credit card it comes from your credit limit. This means you'll have to pay interest on the amount you pay back.

To pass this red line, the cash advance fee must not be more than 3%. This is the most common fee. The minimum charge must be £3 or less.

### Red line 11 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

## Red line 12 – no fee to change the due date of statements

The credit card statement date is the endpoint of a billing cycle, marking the period when all transactions are gathered to create the monthly statement for the customer.

To pass this red line, no fees should apply when a customer alters their statement due date.

# Money transfer cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR available to customers can't be higher than 29.9 %. This is the median for money transfer cards.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 24.90%. This is the median for money transfer cards.

## Red line 3 – introductory money transfer rate

Money transfer cards often offer customers no interest on transferring the balance of one credit card to a bank account. This differs from balance transfer cards, which allow customers to transfer a balance from one credit card to another.

To pass this red line, cards must offer an introductory money transfer rate of 0%.

## Red line 4 – introductory money transfer initial period

To pass this red line, during the introductory period, customers must have at least 2 months to transfer the balance to a current account.

## Red line 5 – introductory money transfer period

To pass this red line, the 0% money transfer rate must apply for at least 12 months. This is the average amount of time offered by cards of this type.

### Red line 6 – introductory money transfer fee

To pass this red line, the maximum fee applied for transferring money to a current account after the offer period must not be more than 4%.

### Red line 7 – highest money transfer rate

To pass this red line, the highest money transfer rate offered to customers can't be more than 2.2%.

### Red line 8 – representative money transfer rate

To pass this red line, the representative money transfer rate offered to customers must be no more than 2.04%. This is the median rate for money transfer cards.

### Red line 9 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

# Foreign use cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR available to customers can't be higher than 27.9%. This is the median highest APR of foreign use credit cards.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 24.90%.

## Red line 3 – foreign purchase fee

To pass this red line, providers must not charge if the card is used abroad for purchases, such as buying gifts or paying in a restaurant.

## Red line 4 – foreign withdrawal fee

To pass this red line, providers must not charge if customers use their card to take out cash whilst abroad.

## Red line 5 – highest cash transaction rate

Cash transactions on a credit card typically include taking out cash and gambling.

To pass this red line, the highest rate for cash transactions offered to customers must not be more than 2.28%. This is the average highest cash transaction rate for foreign use credit cards.

### Red line 6 – representative cash transaction rate

To pass this red line, the representative rate for cash transactions offered to customers must not be more than 2.16%.

### Red line 7 – 24-hour helpline

To pass this red line, a 24-hour telephone helpline must be available for customers should they need it. For example, if their card is lost or stolen.

# Low rate cards

## Red line 1 – highest APR

APR stands for Annual Percentage Rate. It's the rate providers use to work out how much a customer will pay back over a year. Whilst this includes interest, it also takes into account other things such as charges customers have to pay (such as an annual fee). APRs can vary depending on a customer's credit score – the lower their credit rating, the higher the APR that the customer will typically get.

To pass this red line, the highest APR available to customers can't be higher than 18.90%. This is the upper quartile for low rate cards.

## Red line 2 – representative APR

Providers will typically advertise what is called a 'representative APR'. This is the rate a customer will get providing they have the credit rating the provider is looking for. If their rating is too low, then the customer will get a higher rate.

To pass this red line, the representative APR available to customers can't be higher than 11.9%. This is the median for low rate cards.

## Red line 3 – highest balance transfer rate

To pass this red line, the highest balance transfer rate offered to customers must be no more than 1.53%.

## Red line 4 – representative balance transfer rate

To pass this red line, the representative balance transfer rate offered to customers must be no more than 0.94%. This is the mean rate for low rate cards.

## Red line 5 – balance transfer fee

To pass this red line, the balance transfer fee must not be more than 3.99% of the balance transferred.

## Red line 6 – foreign purchase fee

To pass this red line, the fee for buying things abroad must not be more than 2.85%.

## Red line 7 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

# Cashback & reward cards

## Red line 1 – highest cash transaction rate

Cash transactions on a credit card typically include taking out cash at an ATM and gambling.

To pass this red line, the highest rate for cash transactions offered to customers must not be more than 2.74%.

## Red line 2 – representative cash transaction rate

To pass this red line, the representative rate offered to customers for cash transactions must not be more than 2.67%. This is the most common rate for cashback and reward cards.

## Red line 3 – highest purchase rate

Purchase rate is the interest on anything customers buy using the card.

To pass this red line, the highest purchase rate offered to customers must not be more than 2.28%.

## Red line 4 – representative purchase rate

To pass this red line, cards must offer a representative purchase rate of no more than 2.20%.

## Red line 5 – amount of rewards (in £s) returned in first year (minus annual fee)

To pass this red line, cards must give the customer at least £257 worth of rewards in the first year of the customer having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

Red line 6 – amount of rewards (in £s) returned after first year (minus annual fee)

To pass this red line, cards must give the customer at least £192 worth of rewards each year after the first year of having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

Red line 7 – amount of airmiles (£s) returned in first year (minus annual fee)

To pass this red line, cards must give the customer at least £740 worth of airmiles in the first year of the customer having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

Red line 8 – amount of airmiles (£s) returned after first year (minus annual fee)

To pass this red line, cards must give the customer at least £571 worth of airmiles each year after the first year of having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

Red line 9 – amount of cashback (£s) returned in first year (minus annual fee)

To pass this red line, cards must give the customer at least £203 in cashback in the first year of the customer having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

Red line 10 – amount of cashback (£s) returned after first year (minus annual fee)

To pass this red line, cards must give the customer at least £156 in cashback each year after the first year of having the card. This is after the annual fee has been subtracted. The amount returned has been calculated using the [ONS' family spending statistics](#).

### Red line 11 – cash advance fee

A cash advance is like withdrawing money from the ATM with a debit card, but on a credit card it comes from your credit limit. This means you'll have to pay interest on the amount you pay back.

To pass this red line, the cash advance fee must not be more than 3%. This is the most common fee. The minimum charge must be £3 or less.

### Red line 12 – foreign purchase fee

To pass this red line, the fee for buying things abroad must not be more than 2.99%.

### Red line 13 – foreign withdrawal free

To pass this red line, the fee for taking out cash abroad must not be more than 3%. The minimum charge must be £3 or less.

### Red line 14 – 24-hour helpline or ability to freeze or report a card lost via app

To pass this red line, there must either be a 24-hour telephone helpline for customers should they need it - for example, if their card is lost or stolen - or, alternatively, customers must have the ability to freeze or report their cards lost via the provider's mobile app.

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