

Opening a bank account

Why do I need a bank account?

Bank accounts make it easy to manage your money and ensure bills are paid on time. Some banks do not check your credit rating and many current accounts and basic bank accounts do not charge fees – always ask.

Most benefits and Tax Credits will soon be changing to Universal Credit, which is paid monthly in arrears into a bank account. You will need to set up your own rent payments from this new benefit. A Direct Debit from your bank account on your Universal Credit pay day is the best way to do this!

What bank accounts are available?

Current accounts:

- You can have a debit card to use in shops and cash machines
- You may get a cheque book
- You may get an overdraft and access to credit
- You can set up direct debits and standing orders to pay bills
- You can arrange for your wages and / or benefits to be paid in directly

Basic bank accounts:

- You should get a cash card to use at shops and cash machines
- You can set up direct debits and standing orders to pay bills
- Your wages and / or benefits can be paid directly into your account
- A poor credit rating should not prevent you setting up a basic bank account

How to open a bank account

Fill in an application form in the branch or online. You need proof of ID e.g. passport, utility and council tax bills, some tenancy agreements are accepted. Most banks do not now need photo ID.

Terms and conditions - Always read carefully; they give information on interest rates and any charges. The bank may charge you if you go overdrawn or if a Direct Debit is not paid because you do not have enough money in your account.

Why not pop into any of the high street banks & chat to them about opening an account? Compare information from different banks before deciding.

Banks offering basic bank accounts which allow direct debits

Please note this is not a complete list of all banks. **Worthing Homes do not recommend any bank or account on this list and the details may change.**

Name of bank	Name of account	Do they check your credit rating?	Charge for unpaid transaction eg returned Direct Debit
Barclays	Cashcard	No	£8
Lloyds TSB	Cash account	No	£10
Santander	Basic account	No	£25
Co-Operative Bank	Cashminder	Yes	£15
Halifax	Easycash	Yes	£10
HSBC	Basic Bank Account	Yes	£10 - £25
Nationwide	Flex Cash Card	Yes	£15
NatWest	Step Account	Yes	£6
Royal Bank of Scotland (RBS)	Key Account	Yes	£6
Yorkshire Bank	Readycash	Yes	£34.50

Always check the full details of the account before you sign anything to ensure it meets your needs, and seek further independent advice if you have any questions or queries. Please check the up to date charges.

Easy-to-read information about banking www.making-money-easier.info

The Money Advice Service www.moneyadviceservice.org.uk

The Money Advice Line: **0300 500 5000.**

Please contact Jan & Jo, financial inclusion co-ordinators on 01903 703 110 for further information.