

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 are 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: | Basic bank accounts: |
|--|---|
| You can have a debit card to use in shops and cash machines | You should get a cash card to use at cash machines & sometimes a debit card |
| You may get a cheque book | You may get a cheque book |
| You may get an overdraft and access to credit | No overdraft facility |
| You can set up direct debits and standing orders to pay bills | You can set up direct debits and standing orders to pay bills |
| You can arrange for your wages/benefits to be paid in directly | You can arrange for your wages/benefits to be paid in directly |
| You may pay a fee for your account | No charge for your account (make sure you check this) |

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 for a basic bank account. Ask them for a list of acceptable 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.

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.

Further info & advice can also be found on the following websites:

**The Money Advice Service
or 0800 138 7777 (Mon-Fri 8-6)**

www.moneyadviceservice.org.uk

Money Supermarket (Martin Lewis)

www.moneysupermarket.com

Please contact our financial inclusion co-ordinators on 01903 703 110 for further information.