

Access to bank accounts

Toolkit for staff and volunteers

Why having a bank account is important

Having a bank account is important for a number of reasons:

- Paying bills by direct debit can cost less, even if bills are normally paid on time;
- Some cheque cashing agencies can charge as much as 9% of a cheque's value, as well as an additional fee for the transaction; and,
- Many employers will only pay wages directly into a bank account.

However, bank accounts may not be suitable for everyone. Charges can be applied if payments are missed, or there is not enough money in an account to cover a payment due.

The different types of bank accounts available

Basic bank accounts

Basic bank accounts are the simplest type of accounts available. They are aimed at people who may not be able to access mainstream current accounts, or people who do not want an overdraft facility.

A basic bank account usually allows people to:

- Have their wages or salary, benefits, pensions and tax credits paid directly into their account;
- Pay bills by standing order or direct debit; and,
- Check online statements online.

Basic bank accounts generally don't offer overdraft facilities or cheque books, and only some banks will offer debit cards with this type of account. Most high street banks offer some form of basic bank account. Overleaf are further details of these accounts.

Please remember, information about the different products listed is not an endorsement of any particular bank, or a recommendation about the suitability of products for someone's specific needs.

Bank	Name of account	Facilities	Contact details
Bank of Scotland	Basic Account	Visa debit card Direct debits Standing orders Internet banking Telephone banking Mobile alerts	Bank of Scotland's Basic Account may be available if you don't meet the conditions for other current accounts. For more information visit: https://www.bankofscotland.co.uk/bankaccounts/compare-current-accounts/basic-account/
Barclays Bank	Basic Account	Cash card Direct debits Standing orders Mobile banking Text alerts	Barclays Bank Basic Account is available for people who don't qualify for Barclays' other current accounts, or for people who don't have a current UK bank account. Applications must be made in person. Two forms of identification are needed. To find out where the nearest branch is visit: https://www.barclays.co.uk/branch-finder/ For more information call 0345 6004545. Lines are open 8am to 6pm Monday – Friday, 9am to 5pm Saturday or visit: https://www.barclays.co.uk/current-accounts/basic-account/
The Cooperative Bank	Cashminder Account	Available as a joint account Direct debits Standing orders Regular statements Online banking Telephone banking	The Cooperative Bank's Cashminder Account is available to people who are in financial difficulty and who do not hold a Cooperative Bank or Smile current account. An application pack can be downloaded at: https://www.co-operativebank.co.uk/currentaccounts/cashminder or by phoning 03457 212212. Lines are open 6am to 10pm 7 days per week. For more information visit: www.co-operativebank.co.uk/currentaccounts/cashminder
Halifax Bank	Basic Account	Visa electron debit card Direct debits Standing orders	A Halifax Basic Account may be available for people who do not meet the conditions for their other current accounts.

			<p>For more information or to apply online visit: www.halifax.co.uk/bankaccounts/basic-bank-account/</p>
HSBC Bank	Basic Bank Account	<p>Visa debit card Direct debits Standing orders Internet banking Mobile banking Telephone banking</p>	<p>HSBC's Basic Bank Account is designed for people who don't qualify for their other accounts.</p> <p>For more information or to apply online visit: www.hsbc.co.uk/1/2/current-accounts/basic-bank-account</p> <p>An application pack can be downloaded via the above link and returned by post.</p>
Lloyds TSB Bank	Basic Account	<p>Visa debit card Direct debits Standing orders Internet banking Mobile banking Telephone banking</p>	<p>Lloyds TSB Bank's Basic Account may be available for people who do not meet the conditions for other current bank accounts.</p> <p>For more information visit: https://www.lloydsbank.com/current-accounts/all-accounts/basic-account.asp#tab-row-3</p> <p>Applications can be made in branch, online (via the link above) and by calling 0345 300 0000. Lines are open 24/7.</p>
Nationwide Bank	FlexBasic Account	<p>Direct debits Standing orders Branch banking Internet banking Mobile banking Telephone banking</p>	<p>Nationwide Bank's FlexBasic Account is open to people who've been made bankrupt or who aren't eligible for other current accounts</p> <p>For more information visit: https://www.nationwide.co.uk/products/current-accounts/flexbasic/features-and-benefits</p> <p>Applications can be made online: https://www.nationwide.co.uk/products/current-accounts/flexbasic/apply</p>
NatWest Bank	Foundation Account	<p>Visa debit card Direct debits Standing orders Monthly statements</p>	<p>Natwest Bank's Foundation Account may be available to people who do not meet the criteria for other current accounts.</p> <p>For more information visit: https://beta.natwest.com/personal/curre</p>

			<p>nt-accounts/foundation_account.html</p> <p>In the first instance customers need to apply for a Select Bank Account. During the application process a decision will be made regarding the most suitable account option.</p> <p>Applications can be made online by visiting: https://beta.natwest.com/personal/current-accounts/select_account.html</p>
Royal Bank of Scotland	Basic Account	<p>Visa debit card Direct debits Standing orders Monthly statements Online banking Telephone banking Online and mobile banking Mobile alerts</p>	<p>A Halifax Basic Account may be suitable for people who do not meet the criteria for other current accounts.</p> <p>People can't apply for a Basic Account directly. An application should be made for a current account and a decision will be made regarding the most suitable account option.</p> <p>For more information or to apply online visit: https://www.halifax.co.uk/bankaccounts/current-accounts/basic-account/</p> <p>Applications can also be made by calling 0345 720 3040. Lines are open Monday – Friday 8am to 8pm, Saturday 8am to 6pm and Sunday 9am to 5pm. Or by calling into a branch.</p>
Santander Bank	Basic Current Account	<p>Cash card Direct debits Standing orders Online banking Mobile banking Telephone banking</p>	<p>The Santander Basic Current Account has been designed to help people manage their money and operates similar to a 'jam jar' account. For more information or to download an application form visit: www.santander.co.uk/cs/gs/Satellite?appID=abbey.internet.Abbeycom&canal=CA_BBEYCOM&cid=1210607872368&empr=Abbeycom&leng=en_GB&pagename=Abbeycom%2FPage%2FWC_ACOM_TemplateA1</p>
Yorkshire Bank	Ready Cash Account	<p>Debit card Direct debits Standing orders</p>	<p>For more information visit: https://secure.ybonline.co.uk/personal/current-accounts/standard-current-</p>

			account/ To apply for an account phone 0800 678 3380. Lines are open Monday to Friday 8am to 8pm, Saturday 9am to 5pm and Sunday 10am to 4pm.
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Current accounts

Generally, current bank accounts offer more facilities than basic bank accounts. This could include things such as cheque books or overdrafts. Some banks may charge customers for these facilities.

'Jam jar' accounts

'Jam jar' accounts are a fairly new product. The main feature of this type of account is that money can be divided into a number of different 'jars', for example one 'jar' could be used for paying bills, another could be used to pay for groceries and so on.

The advantages of a 'jam jar' account are that some of the worries linked to managing money are taken away and money set aside to pay bills can't be spent accidentally.

The main drawback of this type of account is they can be very expensive; as much as £15 per month. Currently, only Think Money offers this service. For more information visit: www.allaboutmoney.com/accounts/what-is-a-jam-jar-bank-account-0-5455.htm

Post Office accounts

Post Office Card accounts are useful for people who do not have a bank account but need a way of receiving benefits, pensions or Tax Credits.

For more information about Post Office Card accounts, visit: www.postoffice.co.uk/current-accounts

Pre-paid credit cards

Pre-paid credit cards can be an alternative to a traditional bank account and are a new way to manage money. For more information about pre-paid cards which let you pay in wages, visit: <http://moneyfacts.co.uk/compare/credit-cards/pre-paid-cards/>

Identification needed to open a bank account

To open a bank or Post Office account identification is needed to verify an individual's identity and their current UK address. The type of identification accepted may differ between banks, however examples could include:

Identify verification	Current UK address verification
Current passport	Utility bills (mobile phone bills are excluded)
Current driving licence (provisional licences are not accepted)	Current TV Licence
Armed forces identification card	Current household insurance policy document
Current student university identification card	Current tenancy agreement or rent book from a social landlord
Current Child Tax Credit letter, or other official letter from HM Revenues and Customs	Current benefit entitlement letter – this must differ from documents used to verify an individual's identity
Notice of coding	An official letter from a sheltered housing provider confirming residency
Current benefit entitlement letter, for example Housing Benefit	A letter from a local authority to confirm that an individual is on the electoral role

Further information

Debt and money advice:

www.newcastle.gov.uk/benefits-and-council-tax/welfare-rights-and-money-advice/debt-and-money-advice

Financial inclusion information for professionals and volunteers:

www.newcastle.gov.uk/benefits-and-council-tax/welfare-rights-and-money-advice/information-professionals-and-volunteers

For queries relating to the support available to promote financial inclusion, contact the Active Inclusion Newcastle Unit at Newcastle City Council:

Email: financial.inclusion@newcastle.gov.uk

Phone: 0191 277 1707

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