

Basic Bank Account - Fact sheet

What is a Basic Bank Account?

A basic bank account is a straightforward, no frills account that allows you to receive money and pay bills, but does not have an overdraft facility or cheque book. It is an account designed for customers who are unable to open a current account due to poor credit rating or just because they want a simpler account to manage their money.

All basic bank accounts have the following features:-

- Pay in wages, benefits and cheques for free
- No credit checks
- Almost anyone can open one
- Free to open and run
- Cash Card or Debit Card – with most
- Direct Debits and Standing Orders
- No minimum opening balance
- Cash withdrawals at cash machines and Post Offices

Choosing the Best Account for you

The chart on the back of this fact sheet has information on Basic Bank Accounts. You should decide what is important to you in choosing which bank to use for one, for example: -

- Is there a free cash machine or branch near me?
- Can I check my balance and get money out at the Post Office or bank
- How much will I get charged if there isn't enough money in my account to pay a direct debit or standing order?
- What sort of card do I get with the account?

Opening an Account

To open a basic bank account you usually have to make an appointment at the bank and take 2 forms of identification with you. Each bank is a bit different so you will need to go in and ask what they need from you. Be very clear about which account you want.

You must prove who you are and where you live. A valid driving licence or a passport is perfect for this. If you don't have either of these then ask the bank for what else you could use. All banks will have a list which includes further documents, such as:-

- Benefit entitlement letters
- Bank or Building Society statement
- A gas, electricity or water bill
- Tenancy agreement
- Council Tax statement

Each bank has their own list of what they will accept as identification. It is useful to register to vote as this can help banks confirm who you are.

Ask the person at the bank to run through how the account works and check it is right for you.

For any further information or help contact your local advice service, credit union or visit the Money Advice Service website on www.moneyadviceservice.org.uk/en/articles/basic-bank-accounts

Basic Bank Account - Fact sheet



Bank name Name of account	Min age to open account	Free * Buffer zone	Direct debit or standing order	Charge for unpaid Direct Debit or Standing Order	Debit Card	Bank counter access	Post Office access	Cash machine access
Barclays: Cash Card Account	18	No	Yes	£8	Yes	Yes	Withdrawals	Yes
Co-op Bank: Cashminder	16	No	Yes	£15	Yes	Yes	Yes	Yes
Halifax: Easycash	16	£10	Yes	£10 max 3 a day	Yes	Withdrawals £300+	Not deposits	Yes
HSBC: Basic Bank Account	18	£10	Yes	No	No	Not withdrawals	Withdrawals	Yes
Lloyds TSB: Cash Account	18	£10	Yes	£10 max 3 a day	Yes	Yes	Yes	Only Own
Nationwide Building Society: Flex Cash Card	18	No	Yes	£15	Yes	Withdrawals £100+	Not deposits	Yes
Nat West: Basic Account	18	£6	Yes	£6 max £60	Yes	Yes	Yes	Only Own
Santander: Basic Current Account	16	No	Yes	£25	No	Withdrawals £300+	Withdrawals	Yes
The Royal Bank of Scotland: Basic Account	18	£6	Yes	£6 max £60	Yes	Yes	Yes	Only Own
Yorkshire Bank: Readycash	16	No	Yes	£35	Yes	Yes	Not deposits	Yes

* Small amount of credit that a bank may give you, so you can get your money at a cash machine even if you don't have enough money in your account.

April 2013

This information is correct at the time of print but is subject to change

What if I get turned down?

People get turned down for bank accounts for many reasons.

- If your application for a basic bank account is turned down you are entitled to ask why. The bank or building society should tell you (unless there are exceptional circumstances such as suspicion of fraud or money laundering).
- If you think you have been credit checked for a basic account then complain as there is no credit facility on these accounts. If this happens, let us know at the Financial Inclusion Derbyshire office on 01629 821929.
- Please note if you have a record of fraud your application may be declined
- Only Barclays will currently open a basic bank account for undischarged bankrupts
- If you are struggling with Identification then each bank should have a special department to help you as they should not discriminate against you for this
- Remember that all banks are different so if you have problems with one you can always try another