

Bank name	Account name	Direct Debit	Cheque book	Cash card	Debit card	Overdraft facility	Post Office access	Charges for unpaid direct debit	If any of the following apply, your application may be declined
Alliance & Leicester	Basic cash account	Yes	No	Yes	No	No	Yes	Yes	Undischarged bankrupt, some adverse credit
Barclays Bank	Cash card account	Yes	No	Yes	No	No	Yes	Yes	Record of fraud
The Royal Bank of Scotland	Key account	Yes	No	Yes	No	No	Yes	Yes	Undischarged bankrupt
Lloyds TSB	Cash account	Yes	No	Yes	No	No	No	No	Undischarged bankrupt
Halifax	Easycash	Yes	No	Yes	No	No	Yes	Yes	Undischarged bankrupt Record of fraud
Natwest	Step account	Yes	No	Yes	Yes	No	Yes	Yes	Record of fraud
Co-operative Bank	Cashminder account	Yes	No	Yes	No	No	Yes	Yes	Record of fraud
Yorkshire Bank	Ready account	Yes	No	Yes	Yes	No	Yes	Yes	Record of fraud
HSBC	Basic bank account	Yes	No	Yes	No	No	Yes	Yes	Undischarged bankrupt, some adverse credit

Remember, this is general information and isn't the same as getting financial or other professional advice. For advice based on your own circumstances, talk to a financial advisor. This information was correct at the time of going to press.

### What steps do I take next?

**Step 1** - Decide which Basic Bank Account would be best for you. Please use the table provided.

**Step 2** - Be ready to prove to the bank that you are who you say you are. If you have difficulty proving your identity, the member of staff dealing with your application can usually refer the matter to someone who is authorised to decide in exceptional circumstances.

**Step 3** - If you want to have your Local Housing Allowance, wages, state pension or tax credits paid directly into your account talk to your wages office, or the pension or benefit office dealing with your claim.

**Step 4** - If you wish to pay your rent or bills by standing order please check with your bank to make sure they offer this facility. To set up direct debit or standing orders please ask the bank or company for a form.

### Further help or advice

If you need help and advice on opening a bank account or you need help budgeting or managing your money, you can contact the following organisations;

Bolton Citizens Advice Bureau  
Free financial advice and help available.  
Telephone: **0844 8269707**

Bolton's Money Skills Service  
Group courses available to help with financial planning and budgeting.  
Telephone: **01204 331968**

# Basic Bank Accounts

A guide



**Bolton Council**

www.bolton.gov.uk

## What is a Basic Bank Account?

Basic bank accounts are easy to use and have the basic features of a current account such as;

- you are able to withdraw cash at the counter and cash machines
- set up direct debits to pay your bills and to manage your finances

Most basic bank accounts do not offer an overdraft or chequebook. People with a poor credit history can usually open them. All the major banks and building societies operate them and most let you use the Post Office to get your money.

## Why do I need a bank account?

### From April 2008:

- If you rent your home from a private landlord, the way you receive your benefit will change
- If you make a new claim for Housing Benefit, or change address to a privately rented property, benefit will be paid direct to you
- This payment will be made by BACS into your account

### Important

If you already hold a Post Office card account, you will need to open another account as these types of accounts do not accept BACS payments.

## How will having an account help me?

With most Basic Bank Accounts you can:

- have your wages, benefits, state pension or tax credits paid directly into your account
- pay in cheques for free. Please remember you will have to wait a few days before the money is available for you to spend
- take money out at cash machines with a cash card. This is usually free, but some cash machines make a charge
- withdraw money at the Post Office
- pay your bills by direct debit or standing order, please check with your bank when you apply. This may mean that you pay less for such things as electric, gas and telephone bills

## How do I open a Basic Bank Account?

If you want to open a Basic Bank Account you should check with your local branch what you need as proof of your identity and address. This could be documents such as a passport, driving licence, council tax bill or a recent utility bill, (electric, gas or water bill).

You can apply for a bank account by picking up an application form or making an appointment to complete one at your bank. If you need help with this, free financial advice and assistance is available from the Citizens Advice Bureau, please see contact details overleaf.

**Remember...** please explain that you want to open a **Basic Bank Account**. Do not be persuaded into opening another account, which could be unsuitable and may lead to future problems such as overdrafts.

## What Identification do I need to open a Basic Bank Account?

The law says that banks have to identify their new customers. This is to help stop criminal activities like money laundering. They will explain which documents they will accept as proof of your identity, although this may vary from one bank to another.

They may ask you for a government issued document together with a photograph, plus another document from an approved source.

If you don't have these documents, they may accept other documents such as a letter from a government department or local council confirming your right to state benefits.

## Identification requirements

For most banks you will need two separate forms of identification, one of which will show your address. The following documents may be accepted by most banks;

### Identification:

- Benefits Agency letter
- Housing Benefit award letter
- HM revenue & Customs Tax notification
- Full UK Driving licence
- Passport or National Identity card

### Address:

- Tenancy agreement
- Benefits Agency letter
- Recent Utility bill
- Current years Council Tax bill
- HM Revenue & Customs Tax notification

For more specific information on acceptable documents, you may wish to contact a bank to obtain details.