

Bank accounts

Having a bank account is useful to:

- pay bills by direct debit which can save you money
- pay cheques in as cheque cashing agencies can charge as much as 9% of a cheque's value and an additional fee
- receive your wages as many employers will only pay wages directly into a bank account

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. Read our [payment methods](#) article.

This is for information purposes only to help you make an informed choice. We are not recommending the products or banks included on this page. Please look at your options to see what kind of bank account works best for you.

Types of bank accounts available

Basic bank accounts

Most high street banks offer a basic bank account. It is the simplest type of account available for people who don't want an overdraft facility or cannot access mainstream current accounts. This may be because you have:

- little or no credit history
- going through bankruptcy
- a low credit score

A basic bank account allows you to:

- have your wages, salary, benefits, pensions or tax credits paid directly into your account
- pay bills by standing order or direct debit
- check bank statements online or by phone
- use a debit card
- They usually don't provide overdraft facilities or cheque books.

Basic bank accounts available on the high street

Basic bank accounts	How to access	Facilities
Bank of Scotland Basic Account	Who is it for: people who don't meet the conditions for their other current accounts. How to apply: apply online, in person in a branch, or by telephone for a current account. Then they will decide which account is suitable for you.	Visa debit card Direct debits Standing orders Internet and telephone banking Mobile alerts
Barclays Bank Basic Account	Who is it for: people who don't qualify for Barclays' other current accounts or if you don't have a current UK bank account. How to apply: in person at a local branch with 2 forms of identification	Cash card Direct debits Standing orders Mobile banking Text alerts
The Cooperative Bank Cashminder Account	Who is it for: people who are in financial difficulty and who do not hold a Cooperative Bank or Smile current account. How to apply: download application pack online or call them	Available as a joint account Direct debits Standing orders Regular statements Online and telephone banking Option to pay through Apple Pay, Google Pay or Samsung Pay.

Halifax Basic Account	Who is it for: people who don't meet the conditions for their other current accounts How to apply: apply online, in person in a branch, or by telephone for a current account. Then they will decide which account is suitable for you.	Visa electron debit card Direct debits Standing orders Online banking Telephone and mobile banking Mobile alerts
HSBC Bank Basic Bank Account	Who is it for: people who don't qualify for their other current accounts. How to apply: download and application pack and return in the post	Visa debit card Direct debits Standing orders Internet and telephone banking Mobile banking
Lloyds TSB Bank Basic Account	Who is it for: people who don't qualify for their other current accounts. How to apply: in person at a local branch, online or by phone	Visa debit card Direct debits Standing orders Internet and telephone banking Mobile banking
Nationwide Bank FlexBasic Account	Who is it for: people who've been made bankrupt or who aren't eligible for other current accounts How to apply: online	Direct debits Standing orders Branch banking Internet and telephone banking Mobile banking

NatWest Bank Foundation Account	Who is it for: people who do not meet the criteria for their other current accounts How to apply: online. Apply for a Select Bank Account then they will decide which account is suitable for you	Visa debit card Direct debits Standing orders Monthly statements
Santander Bank Basic Current Account	Who is it for: for people to help manage their money, similar to a 'jam jar' account. How to apply: download an application form online	Cash card Direct debits Standing orders Online and telephone banking Mobile banking
Yorkshire Bank Ready Cash Account	Who is it for: people over 16, who do not meet the criteria for their other current accounts or are in financial difficulty How to apply: by phone or in person in a branch	Debit card Direct debits Standing orders Telephone and online banking

Current accounts

Current bank accounts offer more facilities than basic bank accounts such as cheque books or overdrafts. Some banks may charge customers for these facilities. You may be able to access benefits such as cash back on purchases, mobile phone or travel insurance with some current accounts. There is usually a cost for these bank accounts

All banks offer current accounts.

Jam Jar accounts or Savings pots

The Jam Jar approach can be a useful way to manage your money. You can do this yourself by physically putting your money into different containers or bank accounts. Money Advice Service has more information on [how to use the Jam Jar approach](#).

These accounts are a fairly new product. Your money can be divided into a number of different 'jars' or pots. For example 1 'jar' could be used for paying bills, another could be used to pay for groceries and so on. This can help you to manage your money, putting it aside to pay bills so it can't be spent accidentally. There may be a monthly charge which can be expensive, costing as much as £15 per month. AS they become more common, it is worth looking around for free jam

jar or saving pots current accounts, such as Monzo.

Think Money offer this service. Facilities include:

- contactless debit card
- text alerts
- pay in cash and cheques at the Post Office
- no credit checks to open a current account online
- no minimum monthly pay in
- £15 a month

Post Office accounts

Are no longer available.

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. Some pre-paid credit cards allow you to pay wages in.

Moneywise Credit Union offers the Engage Visa debit card. You can shop, pay bills, set up direct debits and collect cashback rewards.

Money Advice Service has more information about pre-paid cards.

Credit Union

Affordable credit is another option. Moneywise Credit Union offer accounts to anyone living in Tyne & Wear. You can open an account and have your benefits paid into this account. They require a National Insurance Number, a current address or someone such as a support worker to verify who the person is. You may then be eligible for an Engage Visa debit card.

Identification needed to open a bank account

To open a bank account you need to show documents to verify your identity and current UK address. The type of identification accepted includes:

Documents to verify your identity	Documents to verify your address
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
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 you 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 you're on the electoral role

Open banking Apps

Only 11% of us are using apps to help with our finances, but 35% are using apps to plan our holidays and far more to check our exercise and calories. So why not consider using an app to help you with your finances?

If you have several workplace pensions, then [Pensionbee](#) may be the one for you. You enter your pension or employer details and it will find all those plans so that you can see your total and plan effectively. There is a management fee.

[Snoop](#) enables you to connect your bank accounts and credit cards and shows you all your info in one place. Snoop uses secure tech to connect your accounts and never sees your bank login details. Sometimes called open banking, their app works with Barclays, Lloyds through to Monzo and MBNA. But more than this, it identifies where and how you buy things and snoops to make you savings.

[Plum](#) might be your route to investing. It combines open banking, saving on your regular spends but it will help you if you want to invest ethically or tech stocks. It can also form part of an ISA. Basic Plum is free but you will pay a management fee to invest.

[Emma](#) helps you avoid overdrafts, get rid of forgotten and under used subscriptions and poor utilities. On average, we spend £39 per month on standing orders, recurring card payments and direct debits we don't use. The app can also keep an eye on your pension or help with investments.

[Chip](#) works out what you can afford to save from your main bank account and auto saves every four days.

[Moneybox](#) helps you save and invest by rounding up to the nearest pound when you spend, then saves or invests the spare change in an ISA.

Untied helps you work out what your tax bill will be based on your bank account and income sources.. The app is recognised by the HMRC.

Open banking allows third party financial services to access your financial data. Therefore, only allow apps that are regulated by the FCA.

All these apps are regulated by the **Financial Conduct Authority**.

Money worries

Support is available to help you to budget, manage your money and make sure you're receiving all the benefits you're entitled to. Read more in the related articles below:

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Useful Organisations

Bank of Scotland

Website: <https://bankofscotland.co.uk/bankaccounts/compare-current-accounts/basic-account>

Telephone: 0345 721 3141

Barclays Bank

Website: <https://www.barclays.co.uk/current-accounts/bank-account/>

Telephone: 0345 600 4545

HSBC Bank

Email: reportaloanshark@stoploansharks.gov.uk

Website: www.hsbc.co.uk/1/2/current-accounts/basic-bank-account

Telephone: 0800 028 0126

Halifax Bank

Website: <https://www.halifax.co.uk/bankaccounts/>

Telephone: 0345 720 3040

Lloyds TSB Bank

Website: <https://www.lloydsbank.com/current-accounts/all-accounts/basic-account.asp>

Telephone: 0345 300 0000

Address: TSB Newcastle upon Tyne, NE1 7PR

NatWest Bank

Website: https://personal.natwest.com/personal/current-accounts/foundation_account.html

Telephone: 0345 300 0000

Nationwide Bank

Website: www.nationwide.co.uk/products/current-accounts/flexbasic/apply

Telephone: 0345 300 0000

Santander Bank

Website: <https://www.santander.co.uk/personal/current-accounts/basic-current-account>

Telephone: 0845 602 6198

Address: Santander Newcastle upon Tyne, NE1 7DG

The Cooperative Bank

Website: www.co-operativebank.co.uk/currentaccounts/cashminder

Telephone: 03457 212212

Yorkshire Bank

Website: <https://secure.ybonline.co.uk/personal/current-accounts/>

Telephone: 0800 678 3380

Think Money

Website: <https://www.thinkmoney.co.uk/>

Telephone: 0800 678 3380

Money Helper

Email: pensions.enquiries@moneyhelper.org.uk

Website: <https://www.moneyhelper.org.uk/en>

Telephone: 0800 678 3380

Address: Holborn Centre, EC1N 2TD

Financial Conduct Authority (FCA)

Email: consumer.queries@fca.org.uk

Website: www.fca.org.uk

Telephone: 0800 111 6768

Address: 25 The North Colonnade, E14 5HS

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