



- **Why open a bank account?**
- **Different types of bank accounts**
- **How to open a bank account?**

Why open a bank account?

If you have not had a bank account before, it can be difficult to get started but it is easier than you may think and is a good way to manage your money.

Here is a brief summary of some of the benefits of having a bank account:

- Get your benefits and salary paid in
- Set up standing orders and direct debits-potentially saving you money and avoiding debt
- Take out your money when you need it from any cash machine
- Earn interest on cash in your account
- Access you account by telephone, on the internet or at your local branch

Different types of bank accounts

There are lots of different types of bank accounts and it can be confusing to choose the right one for you. For example, some charge, others are free and may depend on

your personal circumstances. Most high street banks offer the option to

Bank Accounts

open an account in person, via telephone or online.

Below is a summary of some of the main types of accounts:

Basic Bank Account (BBA)

You can:

- have money in (benefits/wages) and out (bills)
- a cash card to take out your money when you need to
- set up direct debits and standing orders

This can be an option if you have a poor credit history or this is your first account.

Current account (some banks charge for some of these services)
In addition to the above, with a current account you will get:

- a debit card, cheque book and interest on your money
- access to an overdraft

How to open a bank account

Banks are required by law to check your identity when they open an account for you. They will ask for **proof** of your **name** and **address**.

Here are some examples:

- a valid passport or full driving licence
- letters from DWP confirming your entitlement to benefit or a letter confirming your identity from an "appropriate" person, i.e. doctor or teacher.
- suitable confirmation from a young persons' workplace or educational institution

This list is not complete list of what they will accept. If you are not sure, just ask the bank what they will accept.

If you do have any problems in opening an account, you can visit your local CAB or advice agency as they can help you through the process, alternatively, you can contact us(details are available in the back of this pack)

For more information visit
<http://www.moneymadeclear.fsa.gov.uk>

