

Basic Bank Accounts in Mendip

If you do not have a bank/building society account, this leaflet will give you advice on the type of accounts available in this area.



Basic bank accounts

Basic bank accounts are available to almost everyone from most high street banks. Getting a bank account is easy and makes managing your finances easy too. However, obtaining a bank account has in the past been difficult for those with previous or existing debt problems. Since October 2000, the Government has stated that banks need to make a basic bank account available to everyone, including those with poor credit records.

Why open a bank account?

- Provides a route to many other banking services
- Helps build a banking history
- You can make automated payments such as paying bills by direct debit or standing order
- You can budget more easily by getting regular bills paid by Direct Debit, which offers discounts with some suppliers and spreads the cost over a period of time
- Cashing personal cheques can be difficult and expensive without a bank account
- You can have your Housing Benefit, other state benefits, pensions and wages paid directly into the account
- You can get easy access to your money from cash machines and at Post Offices
- You can pay your landlord directly by standing order, direct debit, telephone or internet banking

What service do basic bank accounts generally offer?

- Free automated payments e.g. Standing Orders and Direct Debits
- A cash card for use at cash machines and from Post Office counters
- Telephone banking
- Internet banking
- Mobile banking
- Text alerts

Most of these accounts will not give you a debit card or cheque book and will not allow you to go overdrawn. Some may offer these services after carrying out certain checks on you. It is not a requirement of a basic bank account for a minimum amount to be credited each month.

Remember that you must make sure that there is enough money in the account to cover payments out of your account - if not; you may be charged a fee.

What will I need to open an account?

All banks require proof of identity and residency as part of their application process. You will need to provide documents to prove both your identity and your address. Normally you will be asked to provide at least two documents, one to prove each of these things. This is a list of the most commonly accepted documents.

- A current passport, for example, one which has not expired.
- A Driving Licence either a full or provisional photo-card or full old-style paper licence
- A recent letter stating that you are entitled to state benefit, pension, Tax Credit or Housing Benefit
- A recent utility bill for example, from your gas or electricity supplier. Please note that mobile phone bills are not accepted
- A current Council Tax bill
- A recent statement from your bank, building society or credit card company
- A current certificate of your home or motor insurance
- A tenancy agreement from a Housing Association or a reputable lettings agent known to the bank
- A most recent Notice of Tax Coding from Her Majesty's Revenue and Customs
- An Armed Forces or Police ID card
- A National Identity Card for non-UK nationals
- A Firearms Certificate

Remember that Mendip District Council cannot recommend any particular account or offer financial advice. Please contact the local branches and ask for advice before making your choice. The information provided is a general guide only to what 'basic bank accounts' are currently available and should not be treated as a complete and authoritative guide to available accounts and acceptable identification.

Citizens Advice Bureau offers a money advice service which can advise you about opening a bank account, getting benefit to help pay your rent and how to manage your debts. For free, impartial advice visit www.citizensadvice.org.uk