

Bank & Saving Accounts

Information Session

March 2024

Content for today....

- Why have a Bank Account?
- Bank Account/Banking providers – who? where?
- Types of account & key features
- Packaged accounts with benefits
- Types of Savings Accounts
- Credit Union (Savings) Account
- Digital banking – On-line & via Apps
- Safe on-line Banking
- *Further information, help & advice*

Why have a Bank Account?

A quick quiz

- Q: Why have a Bank Account?
- Q: What are some advantages of having a Current or Savings account?

[How to choose the right bank account | MoneyHelper](#)

Who provides Banking & where?

- Traditional 'High Street' Banks & Building Societies – *both disappearing! E.g. Letchworth!*
- So.... most 'High Street' Banks also offer on-line access & internet banking, via laptops, tablets & phone Apps
- The Post Office – '**Everyday Banking**' - *branches also disappearing!*
- Credit Unions – *becoming more popular*
- On-line **only** Banking providers, using smart phone Apps, e.g. Monzo, Starling, etc.
- Sometimes, Bank staff visit local amenities

[Best bank accounts: Up to £200 to switch or up to 7% interest](#)

Post Office - 'Everyday' Banking service



- The Post Office stopped providing its own 'Bank' account service on 30th November 2022
- However, for many other Banks, the P.O. *will enable 'Everyday Banking' services*; check with your own bank.
- What you may be able to do:

What can I do?	Where and when can I do it?	What do I need to access my account?
<ul style="list-style-type: none"> • Pay in cash and cheques • Withdraw money • Check your balance 	<ul style="list-style-type: none"> • Any Post Office • Whenever it's open • This includes evenings and Sundays (where available) 	<ul style="list-style-type: none"> • Your card and PIN to withdraw money, check your balance and deposit cash • Pay in cash using your card or pre-printed paying in slip • Bring a pre-printed paying in slip to pay in cheques • A branded envelope for your cheque deposit

• [Everyday Banking | Personal & Business Accounts | Post Office](#)

Account types – Compare key features

- [Types of accounts](#)
- [Account Overview](#)
- [Use our compare bank account fees and charges tool | MoneyHelper](#)

Packaged (Current) Accounts with benefits

- Some current accounts are ‘packaged’ with various benefits, and/or offer cashback on retail spending, or regular DD’s
 - use, spend & receive money just like a regular account – all usual features
 - pay a monthly (auto-deductible) fee - usually minimum 12 months
 - access & use ‘inclusive benefits’ such as:
 - Travel, breakdown and mobile phone insurance (separate terms and conditions)
 - Home Emergency cover
 - Arranged overdrafts at favourable rates
 - Credit card deals
 - Cashback on spending with partnered retailers / service providers
 - Cashback on regular DD bill payments, e.g. monthly Utility bills

[Compare best packaged bank accounts](#)

Savings Accounts

Before you open a savings account think about:

- Whether you need quick access to your money?
 - It may be locked away for a longer period.
- If you can save a lump sum or regular monthly payments, or both?

You may not want to open a savings account if you....

- Have debts with a higher interest rate than you can get with savings – paying off debts first could save you more money in the long-run.
- Can get a better rate of interest on small amounts in a high interest current account.

Main types of Savings Accounts

Savings Account	What it is	Who it is for
Easy Access Account	Pay your money in, earn interest, and withdraw your funds whenever you like. Flexible, but <i>may have low interest rates</i> .	People putting money aside for emergency, where quick, easy access is important.
Fixed Rate Savings Account (Notice Savings Account)	Lock up savings for a fixed (variable) periods of time, in return for higher interest rates. Notice Accounts require specified withdrawal notice period. Better returns, but <i>maybe penalties for early access</i> .	People not requiring quick access, with a lump sum to invest, looking for better returns.
Regular Savings Account	Requires you to pay in a set (<i>maybe limited</i>) amount each month; possible withdrawal restrictions - <i>usually higher interest rates</i>	New savers - to get into the savings habit; or for those with limited free cash to save each month.
ISA's – Individual Savings Accounts	Savings accounts backed by provider investments; Cash or Stocks & Shares type accounts. An annual £20,000 deposit allowance to earn tax free interest. <i>Maybe withdrawal restrictions or notice delays</i> .	Long term tax benefits for everyone, <i>interest rates can vary with performance</i> of the provider's fund.
Help To Save Government Scheme	Get a bonus of 50p for every £1 you save over 4 years.	People on low income (entitled to Working Tax Credit or receiving UC)

Other types of Savings Accounts



Savings Account	What it is	Who it is for
Children's Savings Account	Tailored regular (or Junior ISA) savings accounts, designed to help parents encourage saving and allow providers to gain extra customers. Possibly favourable rates. Age restricted, e.g. up to 18 only. <i>Maybe restricted withdrawal access, or fixed rate periods.</i>	People encouraging children to save & take an early interest in managing money & personal finance. <i>Many different types & 'flavours' of children's savings accounts & plans, so get specific advice.</i>
Sharia Savings Account	Savings accounts that comply with Sharia law. They do not charge or pay interest as Islamic law forbids people from making a profit by exchanging money.	People who wish to safely save whilst still complying with their beliefs.
Premium Bonds & Green Savings Bonds – NS&I	Government (Treasury) backed savings scheme(s) with monthly prize draw – top prize £1,000,000 <i>Low Odds</i> of winning any value of prize is 1:24,500 each Bond held. Better than Lotteries. <i>Delayed access to get money back.</i> Green Savings Bonds – contribute to public spending on finance for green projects. 4.20% gross/AER, fixed for 3 years	Saving with a 'risk free' gamble. BUT...no interest is earned. (The interest rate funds tax-free prizes.) <i>Remember - inflation reduces true value of your money over time.</i> Green Bonds – fixed holding periods.
Credit Unions	See YouTube	

HOW MANY SAVINGS ACCOUNTS CAN I HAVE?

- No limit on the number of savings accounts you can have - helpful for a mix of easy-access and fixed-rate options.
- Possible to have multiple ISA accounts, *but you can only open and pay into one type of ISA per tax year*

Online / App Banking

- Accessed via easy to use, flexible, downloaded Apps on laptops; tablets; smart phones
- **Banking Apps**
 - *High-street bank App* (maybe branches) or *Online banking only App* (no physical branch – e.g. Monzo or Starling)
 - The Apps offer advanced security features; normal banking facilities; budgeting help; easy payments; easy transfer between account types.
 - Free to download; secure access features, e.g. fingerprint / linked phone PIN
 - UK-regulated banks protected by FSCS – deposits up to £85K
- **Open Banking or Savings Apps**
 - You allow your bank to share your financial data with a savings app which might offer a wider range of services.
 - You don't have to share your data if you don't want to.
 - Is my data safe?

[Digital Banking - info & comparison](#)

Safe online banking

Check statements often	✓
Don't reply to emails or direct phone calls asking for personal details or passwords (You can call 159 to contact the fraud department of your bank)	✓
Log out of banking sessions	✓
Use secure Wi-Fi, 3G or 4G but NOT public Wi-Fi	✓
Update software and use anti-virus software	✓
Use memorable, secure, passwords for each account e.g. These 3 words	✓
Multi-level access protection available, e.g. fingerprint recognition / linked phone PIN numbers of access codes by text.	✓

Thank you 😊

- Complete the Feedback form
- Information sessions available:
 - Bank & Saving Accounts
 - Being Consumer Savvy
 - Budgeting
 - Choosing Credit
 - Cost-of-living Support
 - Energy Savings
 - Scam Awareness
 - Understanding Debt

