



Information on Alternative Easy to Open Basic Bank Accounts

If you owe money to the Bank where you hold your account, they may use all the money in your account to pay off the debt you have with them.

It may be in your best interest to open an account with another Bank or Building Society that is unconnected to any of your creditors. This will ensure that you remain in control of your money and that you are able to make your priority payments such as your mortgage or rent etc. By doing this, you will also be ensuring you are treating all your creditors on a fair and equal basis.

This is particularly important as if you do not do this, we may not be able to protect your income (e.g. salary), which you pay into your existing account.

- a) Do not use the Building Society where you have your mortgage
- b) It is better that your banking facilities are kept separate, therefore do not open a joint account with your partner.
- c) Tell your employer about the new account and check that there is enough time to make the change and have your next salary paid in.
- d) Remember to transfer to your new account any standing orders and direct debits for priority payments such as your mortgage, secured loans, car finance, council tax etc.
- e) Do not move any direct debit/standing order payments for the creditors that are to be included in your IVA. You may wish to consider cancelling these to ensure that you do not incur any bank charges.
- f) Do not close your old bank account if connected to your creditors. This will be handled in your IVA.

Alternative Easy to use Basic Bank Accounts

You could apply to open a simple basic bank account from one of the major high street banks. Explain that you need a basic account to receive your salary and conduct direct debits/standing orders. Also explain that you require a cash card and that you will not require any borrowings. This should ensure that the account can be opened without difficulty. If you choose an account with more features, you should remember that under an IVA you cannot obtain any further credit.

Opening an account is usually a simple process. You will need identification in the form of your passport or any other photo ID, and a recent utility bill or any other official correspondence with your name and home address on it.

What to do next.....

- a) Check with the local branch of your chosen bank as to what they require.
- b) Review the features of your chosen account and ensure that it is suitable for you.
- c) Tell your employer to stop making any direct payment of wages or salary into your existing account.
- d) Tell your employer to either start making direct payments of wages or salary into the new account (if you have opened one in time) or issue you with a cheque, whilst you are in the process of opening the new account.

Where you could open a new Bank Account

You could open a basic account with virtually any of the main high street banks. The following is a list of fee free basic bank accounts put together by the magazine, Which?, in January 2016:

Provider	
Nationwide BS FlexBasic	
TSB Cash Account	
Virgin Money Essential Account	
Yorkshire Bank ReadyCash	
Co-operative Bank Cashminder	
Halifax Basic	
Santander Basic Account	
Lloyds Bank Basic	
Bank of Scotland Basic	
Barclays Basic	
NatWest Foundation Account	
Clydesdale Bank ReadyCash	
Royal Bank of Scotland Foundation Account	
Ulster Bank Step Account	