

# Bank Accounts

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## Getting Started



REFUGEE  
COUNCIL

SUPPORTING AND  
EMPOWERING  
REFUGEES

# About this Guide

This guide is for people who have recently been granted refugee status in the UK.

## It includes:

- A step-by-step process with tips and tricks on how you can get a bank account
- The right documents you need to get a bank account
- Explanations of different types of bank accounts
- Explanations of terms you need to understand to make the most of your bank account
- Things to consider after you get a bank account
- Information on scams and how to deal with them.

We hope this guide makes getting and using a bank account easier for you.

To get more information, or if you are unsure of anything, please check the **Helpful Contacts** page to speak to someone from The Refugee Council, or other charities and organisations.

## Definitions



### FSCS (Financial Services Compensation Scheme)

The FSCS protects money in your account up to a balance of £85,000. If your bank or building society runs out of money, the FSCS will pay compensation.



### Debit Card

Used to pay for goods or services using money in your account. A lot of debit cards are 'contactless'. This means that if you are paying amounts up to £30, you can tap your card on the card machine rather than inserting your card and entering your PIN.



### PIN (Personal Identification Number)

When you receive your debit card, you will also get a PIN number. This number is used to identify that you are the owner of the debit card when you use it to pay for things. Remember to keep that number safe and secret from anybody else – your bank will also never ask for your PIN.



### Cheque Book

You can write a cheque as a form of payment. You may be asked if you want these when applying for your

account. Not many places accept cheques as payment, so they are not essential.



### Direct Debit

An agreement for a person/organisation to take money out of your account. The payment is regular, but the amount may be flexible. For example, a direct debit could be set up to pay your energy bills.



### Standing Order

A regular payment set up by you, to pay for goods or services regularly. They are useful for setting up fixed payments between individuals, like rent to a landlord.



### Overdraft

If you spend more money than is in your account, you will enter an overdraft, which is essentially a loan from your bank. Money spent will often result in charges and fees. Make sure you know how much you will be charged before you attempt to enter your overdraft.



### Credit Score

A number that reflects how likely you are to repay your debts. A higher score will

allow you to apply for more products involving credit (like a credit card). The limit you get on these products will also be higher.



### Mortgage

A mortgage is a loan you can take out from your bank to buy a house or land. This loan is 'secured', which means that your bank can take back your home and sell it if you cannot repay your loan. Most loans are taken out for 25 years with monthly repayments, but can be longer or shorter. A higher credit score will give you access to better mortgages with lower interest rates.



### Fraud

A crime where a person tricks someone else to get their money. Someone who commits this crime is called a fraudster.



### Money Laundering

When money that came from criminal activity is "laundered" or "cleaned" by passing it through a legal source. For example, money that has come from drug dealing might be used to fund a pizza restaurant. Therefore, the pizza restaurant is a front for money laundering.



## How to get a bank account

**1** Arrange an appointment at a branch of your chosen bank. It's easiest to call the bank branch (find the number online), you can also go to the branch to arrange the appointment but you won't get it immediately so will need to return later. Some banks will allow you to book an appointment online – check if your chosen bank offers this. An appointment is the easiest option, but you can also choose to apply for a bank account online.

### Tips

Consider choosing a bank that is close to where you live, so you can visit whenever you need to.



**2** This booklet contains information about the ID and proof of address documents you will need to take to the bank. Spend time getting these documents for yourself to bring to the bank.

### Tips

Take as many forms of ID and proof of address as you have. You can also look on your chosen banks website for a list of what they accept.



**3** Go to your appointment at the bank with your documents, explain your circumstances and that you want to open a bank account.

### Tips

Get someone to help you book an appointment before you go. The bank can find a staff member who can help. If you are not confident, go with a friend or family member who speaks English. They will need to take identification with them as well.



**4** If you are successful in opening a bank account, go to the **After Opening Your Bank Account** section.

### If you are not successful these Tips might help.

- Ask the bank if they have a phone number to call if you struggle to provide proof of address or a form of ID.
- If you are not successful at one bank, try another. They don't all accept the same documents.
- If you are refused a current bank account, ask for a basic bank account.
- See the 'Helpful Contacts' section for more people who can help.



## There are two main types of bank accounts



### Current Account

The most common type of bank account is a current account. It is offered by all high street banks. You can put your own money into the account. It can help you pay your bills and receive money like salary or benefits.

You will receive a debit card to use money in your account in shops and to make withdrawals from cash machines and you may also be given a cheque book to take money

out. You can also set up direct debits and standing orders on your account. With some current accounts, there is the option to arrange an overdraft.

### Basic Bank Account

This is a free bank account that still offers the services of a bank account but without an overdraft. Also, if you set up a direct debit and there isn't enough money in the account, you may be charged.

After opening a basic bank account, you are still able to open a standard current account in the future.

Basic bank accounts are offered by: Barclays, the Co-operative Bank, HSBC, Lloyds Banking Group, Clydesdale Bank and Yorkshire Bank, Nationwide, RBS, Santander and TSB.

## There is also the option of Digital Banks

### Digital Banks

In the UK, digital banks are now an option for banking. A digital bank is a direct bank that operates online only. While most banks will have a branch that you can go visit in person, at a digital bank, all services are carried out online.

These banks offer current accounts that can be applied for by downloading their apps onto a mobile device. You will need a BRP, and an address in the UK where your debit card can be sent.

Examples of some of the most popular digital banks in the UK are: Monzo, Monese, Revolut and Starling Bank. This is by no means a complete list, and you should do your own research to find out which bank is the best for you.



## Documents You Need

Banks need to check the details of prospective customers to prevent fraud and money laundering. Therefore, to open a bank account you need to prove your identity. You need to show valid photo identification along with another document to prove where you live (proof of address).

None of these documents are guaranteed to be accepted by the bank so take as many as are available to you.

If you are refused a bank account at one high street bank, you can try a different bank, as one bank may have different requirements to another.

The next page lists the types of documents that will be accepted by banks as proof of identity and address.

## Proof of Identity – In order of most widely accepted

- ✓ Current Passport
- ✓ Biometric Residency Permit (BRP)
- ✓ Department for Work and Pensions letter confirming right/entitlement to benefits
- ✓ Current full (or provisional) UK driving license
- ✓ UK Home Office travel document
- ✓ UK Home Office application registration card
- ✓ UK Home Office immigration status with right to reside
- ✓ Notification of other government/local authority grant



### Notes:

A provisional driving licence can be obtained with a biometric residency permit. There is a fee for getting a provisional driving licence. You can apply for one here: [www.gov.uk/apply-first-provisional-driving-licence](http://www.gov.uk/apply-first-provisional-driving-licence)

## Proof of Address – In order of most widely accepted

- ✓ Council tax bill
- ✓ Tenancy Agreement (including from the Council)
- ✓ Utility bill (Electricity, Gas or Water bill) from the last 3-4 months
- ✓ Current EU/EEA driver's license (or provisional)
- ✓ HMRC Tax Notification
- ✓ Department for Work and Pensions letter confirming right to benefits



### Notes:

Many of the above may not be immediately available to you. However, some banks will have schemes in place for refugees. It is worth asking someone at The Refugee Council or a local charity what the currently available options are.

It can be possible to get a tenancy agreement before moving into new accommodation.

A letter from a reputable source can sometimes be used as proof of address, e.g. a letter from an organisation, housing agency, warden of a homeless shelter or a hostel.

Some banks will let you log onto your Universal Credit account to prove your address, ask the bank about this.



# Free Cash withdrawals

FREE CASH  
WITHDRAWALS

operated by

operated by

## After Opening Your Bank Account

If you have successfully opened a bank account, congratulations! You are now on your way to gaining full access to the UK financial services.

Below are a few things you can consider in the long run.

### Apply for an interest-free integration loan.

This is available for refugees to use on accommodation, rent, education and training for work.

To apply, go to [www.gov.uk/refugee-integration-loan/how-to-apply](http://www.gov.uk/refugee-integration-loan/how-to-apply).

#### You will need:

- ✓ Your National Insurance Number
- ✓ Your BRP/immigration status document/passport
- ✓ Bank statement/letter detailing bank details



### Improve your credit score.

Paying for things like bills/rent using **direct debits** or **standing orders** will help show how likely you are to repay debts. This will improve your **credit score**. Your credit score is considered when you want to apply for things like:

- ✓ Loans
- ✓ Credit cards
- ✓ Mortgages
- ✓ Car and home insurance



If you have a basic bank account, improving your credit score may increase your chances of getting a standard current account in time.

### Open a savings account.

You can open a savings account with a bank of your choice. This account exists for you to put your money into, and earn interest. Interest is a small percentage that your bank will pay you for keeping your money with them.

For example, if you put £100 in a savings account with an interest rate of 2% annual, you will earn £2 in interest. After one year, you will have £102.





## Common Scams

### Phishing and Smishing

Phishing (email scams) and smishing (texting scams) are the most common types of scam. Fraudsters will pretend to be your bank or building society by asking you to click a link and confirm your account details.

Your bank will never ask you for your password or PIN. If you are unsure, call, email or visit your bank and ask them if they tried to contact you.



### Investment Scams

A fraudster might try to persuade you to invest in fake assets such as gold, wine or land banks. They will try to convince you that they are real investments.

If you get a random call offering you an investment opportunity that sounds too good to be true, and you are told you must act fast and transfer your money immediately, it is likely a scam.

### Prepaid Card Scams

Prepaid cards can be bought to be used instead of carrying cash around. You can use them in shops and restaurants. When you run out of money, you can't spend any more money until you top up the card.

While they might seem like a good option for someone who has just moved to the UK and does not have a credit score, prepaid cards can be vulnerable to scams. These cards can be swapped for fake ones or have their details stolen by fraudsters before you have even bought the card.

If you fall victim to a prepaid card scam, it is not attached to a bank account so there are no legal options available to you to reclaim the money, and will face difficulty in uncovering the crime.



## What to do if you've been scammed

### Protect yourself from things getting worse:

Scenario	What to do
If you feel threatened	Call the police on <b>999</b>
If you've transferred money to a scammer	Call the police on <b>101</b>
If the scammer comes to your door, calls you or sends you a message	Ignore them, record what happened and call the police on <b>999</b>
If you think your account details or PIN have been stolen	Contact your <b>bank</b>
If you think your password has been stolen	<b>Change</b> your password online.
If there is a payment you don't recognise	Contact your <b>bank</b> . Explain what happened and ask for a refund.
If more money was taken than you expected	Contact your <b>bank</b> . Explain what happened and ask for a refund.
If your bank won't take action after 8 weeks of something happening	Contact the <b>Financial Ombudsman Service</b>
If the scam involves post	Contact Royal Mail on <b>0800 011 3466</b>

### Report the scam

- **Citizens Advice** - 0808 223 1133  
<https://www.citizensadvice.org.uk/consumer/scams/reporting-a-scam/>
- **Action Fraud** - 0300 123 2040
- **Financial Conduct Authority** - 0800 111 6768  
consumer.queries@fca.org.uk
- **Go to the link below for more advice:**  
<https://www.citizensadvice.org.uk/consumer/scams/what-to-do-if-youve-been-scammed/>

# Helpful Contacts

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## The Refugee Council

02073466700 | [info@refugeecouncil.org.uk](mailto:info@refugeecouncil.org.uk)

## Other Charities

- **Scottish Refugee Council** – 0141 223 7979
- **Welsh Refugee Council** - <https://wrc.wales/contact/>
- **Migrant Help** – 0808 8010 503
- **CARAS (South-West London Only)** - +44 (0)208 767 5378
- **Citizens Advice** – 03444 111 444
- **Refugee Action** – Offer lots of different services - <https://www.refugee-action.org.uk/help-support-advice-services/>

## The bank's complaint line/website

Every bank will have a complaint number, email address, online form or you can complain in store

## The Financial Ombudsman Service

0800 023 4567 | [www.financial-ombudsman.org.uk/contact-us/complain-online](http://www.financial-ombudsman.org.uk/contact-us/complain-online)

For more information on complaints see:

<https://www.fca.org.uk/consumers/how-complain>



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