



OPENING A BANK ACCOUNT IN THE UK !

If you are in the UK for more than a short period you will probably find that you need to have your own UK bank account. This Guidance Note gives information about the services offered by UK banks, and how to open and operate a bank account while you are in the UK.



Before you leave home

Speak to your bank in your home country before you leave. Ask their advice about running a bank account in the UK. Find out what methods of transferring money are available, including the security of each method and the cost involved. Ask if your country bank has a special relationship with a bank in the UK, and whether this can help you with setting up an account or in any other way. Also, find out if you can use a cash card (see below) from your home country bank in UK bank machines, to take money out of your account in your home country.

International students and migrants do not always find it straightforward to open a bank account in the UK as different banks have different policies and apply different conditions. So you must assume it will take at least 2-3 weeks to open a bank account and make sure you have access to the money that you will need during this period by making financial arrangements similar to those you might make if you were a tourist. Bring travellers cheques with you, and possibly a credit card and a cash card. Do not carry large amounts of cash or keep large amounts of cash in your accommodation.

On arrival in the UK

There are many banks in the UK and they offer different arrangements and levels of service. You should spend some time finding the bank, which offers the best service for you. Ask other international students which banks they have found most helpful.

When choosing a bank, you need to consider the following:

The services the bank will offer you and what charges it will make;
What arrangements there are for transferring money from your home country, and the costs involved;

What documents are required by the bank in order to open an account. Many UK banks will ask to see your passport, a letter from the institution confirming that you are a student, and a document confirming your address in the UK (for example a contract for accommodation). The bank may also require information about your bank account in your home country;

How easy it is for you to visit or contact the bank.

Accounts

Deposit account or 'basic account'

International students may find that some banks will offer them only one of these types of account. A deposit account, sometimes called a savings account or a 'basic bank account', may offer a cash card and will pay additional money to you ('interest') based on the balance in your account. When opening an account check the procedure for taking money out of the account. There may be restrictions.

Current account

A current account may offer a cheque book, cheque guarantee card, cash card, debit card, overdraft facility, and direct debit and standing order facilities. Some accounts pay interest, although this is usually at a lower rate than a deposit account. You should ask the bank which services would be available. Some banks will not allow international students to open a current account and you may only be allowed to open a 'basic bank account'. It may be possible to change your account to a current account after a period of time.

Some students find it useful, if they can, to operate both a current account and a deposit account. The current account is used to meet monthly expenses, whilst money that is not yet needed is kept in a deposit account to earn interest.

Student account

These accounts are special current accounts only offered to students. A free overdraft facility may be available. However, some banks may not offer student accounts to international students.