

Session 3

Banking and Being Informed



Banks are changing – we have new companies popping up offering new banking services we've never had before. There's funky new apps that are helping us bank in new ways! This module will have shown you how banks work and the new technology making banks smarter.



And don't forget – whenever you sign on the dotted line, you're making a legal agreement. Now you've completed this module you should have a better understanding of what to do before you sign that paper.



Useful Info

Bank Accounts



Current accounts are made to give you access to your cash when you need it. They usually come with a

debit card and allow you to make payments online, in shops or even on buses and trains. They usually don't come with interest and if they do, it's VERY low.



You can also get an ISA – Individual Savings Account – which will allow you to save and earn interest without paying tax on the earned interest. There is a limit on how much you can save in an ISA each year – currently £20,000 – but you can keep this for as long as you want and make tax free interest.



Open Banking

Open banking is the idea of allowing companies access to your banking data in order to offer services or make payments. It's a lot like when you allow some websites to login with your Facebook details – you would allow a company like Amazon or ASOS to access your bank directly.



This could mean that companies can check your account to give a better idea of your finances than a credit score would. It also means companies who deal with comparison shopping might be able to pull your bank data and work out the best deal for you.

It's all secure, and it's now leading to a new wave of apps, banks and services that use the system. We now have app based banks like Monzo and Starling. These are full



bank accounts you can open and manage on your phone and have great features like location marking your spending or

being able to look at where you spend most of your money. We also now have financial services apps – apps that help you manage or use your money better. Curve, for example, lets you put all your cards onto one debit card – you can choose which one you want to use with an app on your phone. Very clever!



Contracts / Tenancies

Whenever you are asked to sign something, you should always read it **BEFORE** you sign. In the case of contracts and tenancies, once you sign you are saying you agree to everything in the contract or tenancy and can't change your mind later.



Take mobile phone contracts for example. Once you open an account, the provider can make you pay for the whole contract cost even if you try to leave early. If you didn't ready your contract, you may not know this and might get caught out.

You should also make sure you ask questions if you're unsure. Don't assume that the contract is in your favour – in many cases, it leans more toward the writer.



If you sign anything at your door, different rules apply and you have a 7 day cooling off period in which you can cancel the agreement without penalty.

If you buy or sign up for anything online, you have 14 days to cancel or return without penalty. If you think the other person has broken the terms of the contract (also known as a breach of contract) you should seek specialist help and advice – Citizens Advice can help with issues like this.

Useful Websites and Apps



Websites



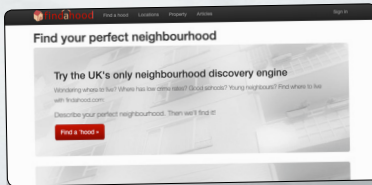
www.citizensadvice.org.uk

Information about your rights covering lots of different areas – similar to Gov.uk but with more user friendly language.



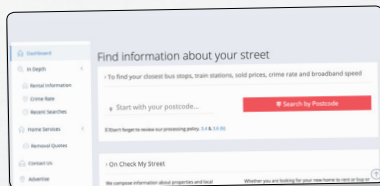
www.homeswapper.co.uk

Site where you can find other social housing tenants across the country who might want to trade houses with you. Best option for moving house after being given a social tenancy.



www.findahood.com

Allows you say what sort of area you'd like and suggests places that meet your requirements.



www.checkmystreet.co.uk

Lets you search for a postcode and gives your local travel options, crime stats and more.



Monzo



Starling

Internet based banks you control from your mobile phone. There's no branches on the high street but they do offer new and exciting features that might help you and your money.



Your bank's app

Most banks have an app you can use to manage your account. This might help you keep track of your money better and be more mindful of your spending.



MoneyBox

Moneybox is a savings and investments app. They offer lots of financial products, including pensions and savings accounts. As with all investments, be sure you understand the risks if you choose to invest your money



Curve

Curve lets you put multiple bank cards onto one physical card - you pick the card you want to use via an app and the physical card works like a copy. Free and paid versions are available but both give the same basic function