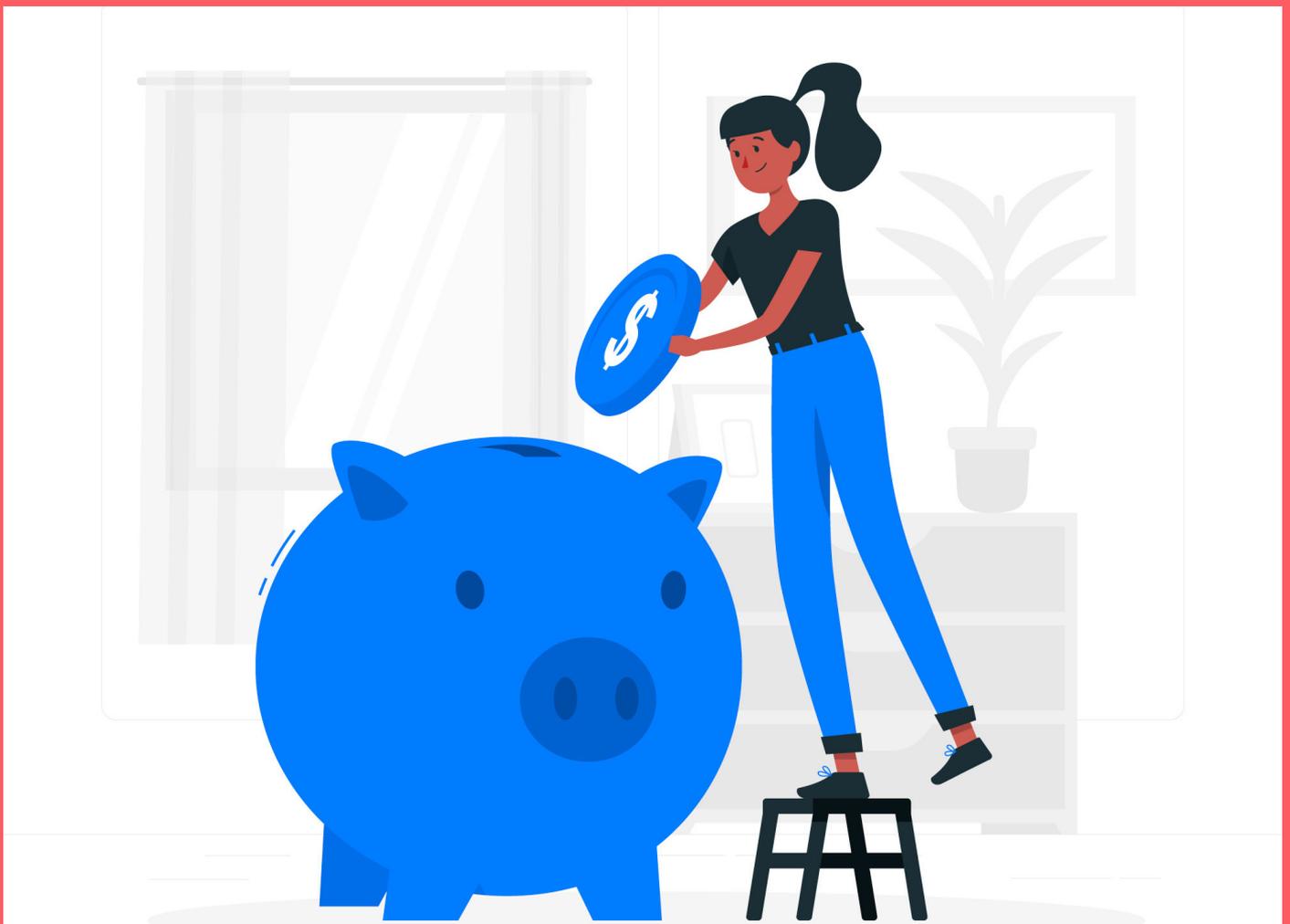


Savings Accounts

solace

Once you've thought about why you want to save, and what type of savings you'll be making, you can start to look at different saving account types. Consider shopping around to make sure you get an account most suited to your objectives. If you decide that opening a savings account is right for you, make sure to take advantage of any introductory offers and assess what different providers are offering.

You can use trusted online comparison sites to compare interest rates and other saving account features amongst different providers so that the savings account you choose has the right features for the savings that you want to do.



For more information on the different types of savings accounts, visit:

<http://www.moneyadviceservice.org.uk/en/articles/cash-savings-at-a-glance>.

It's important to decide what works best for you and remember that you don't have to open a savings account to save. If you've done your research and have decided that opening a savings account is right for you, take a look at comparison websites like: '*Which?*', '*Money Saving Expert*' or '*Money Supermarket*' to make sure you're getting the best deal.

It is essential that you compare the different offerings provided on these websites before making your choice, as they won't all give you the same results. Make sure that the savings account you choose has the right features for the savings that you want to do.

There is no limit to how many savings accounts you can have open. If you think two different accounts will suit your different savings goals, then you can open them both or as many as you wish. However, it is important that you read the account's Terms and Conditions to stay in the know of the product limitations being offered.

Make sure you're aware of all your options. Comparison websites help you understand what's available, but make sure you're not just limiting yourself to traditional savings accounts. Have a look at Government savings schemes (like the 'Help to Save' scheme and 'Lifetime ISA!') as well. Make sure the product you choose will help you meet your savings goals.

Opening a savings account is very similar to opening a current account. Follow our guide on opening bank accounts for more detail. Remember – your savings account doesn't have to be with the same bank that your other account(s) are. This means that you are allowed to have different savings accounts across different banks if you prefer to do so. This may help divide and separate your money accounts so that you can better manage, save and spend your money for different purposes.

If you're saving for a deposit to buy your first home, take a look at the government's Lifetime ISA ('L-ISA').

As part of this scheme you can save up to £4000 a year until you reach the age of 50 and the government will add a 25% bonus to your savings, up to £1000 a year. This means that you would make a total of £5000 if you held on to your savings at age 50!

If you're experiencing economic abuse, and live at the same address, be aware that opening a new account carries risks, as opening new accounts will typically involve documents being sent to your home address. Always read the terms and conditions of any agreement that you sign so you can best prepare for these kinds of risks.

Government Help to Save Scheme

'Help to Save' is a type of savings account where you will get a bonus of 50p for every £1 you save over 4 years. The scheme is only open to certain people, who meet any of the following criteria:

- Receiving Working Tax Credit
- Entitled to Working Tax Credit and receiving Child Tax Credit
- Claiming Universal Credit and you earned £604.56 or more from paid work in your last monthly assessment.

As part of the scheme, you'll be able to save between £1 and £50 each month. You don't have to pay in every month. You can make payments into the account as many times as you want (up until the limit of £50 a calendar month).

You can withdraw your money from your Help to Save account to your bank account anytime. However, withdrawing money will make it harder for you to grow your balance and earn larger bonuses. Therefore, be mindful of the withdrawal consequences as this would make you earn less over time this way.

The scheme is backed by the government, so you can rest assured that all your savings in the scheme are secure. You will receive your bonus at the end of the second and fourth years, based on how much you save. Your bonus will be paid directly into your bank account.

The diagram below shows the explains the process of the Help to Save scheme in more detail.

[Check your eligibility](#)

Go to www.gov.uk/get-help-savings-low-income/eligibility to find out if you meet the criteria to open a Help to Save account.

Check that it won't affect your benefits

Go to <https://www.gov.uk/get-help-savings-low-income/how-it-will-affect-your-benefits> to check that your Help to Save account won't affect your benefits.

Application

Once you've checked you meet the criteria, and it won't affect your credits, you can apply for the scheme at this link: <https://www.gov.uk/get-help-savings-low-income/how-to-apply>

Start Saving

Once your application has been approved, you can start paying more in. You can make as many payments as you are able each calendar month, so long as you don't pay in more than £50 in any given month.

Second Year Bonus

At the end of your second year, you'll receive a bonus which will be 50% of the highest balance you've saved.

Fourth Year Bonus

After 4 years, you'll get a final bonus which will be 50% of the difference between 2 amounts:

- 1.The highest balance saved in years 1 and 2
- 2.The highest balance saved in the last 2 years

Example: If you saved the maximum of £50 every month (equivalent to about £12.50 a week). You'd have saved £2,400 across 4 years! You would earn £600 in bonus at both the second year and the fourth-year bonus (£1,200 earning in total).