

The Great British Savings Squeeze

GREAT BRITISH SAVINGS SQUEEZE
Supported by Allica Bank

Monthly Savings Tracker | 1st December 2024

 **Allica Bank**

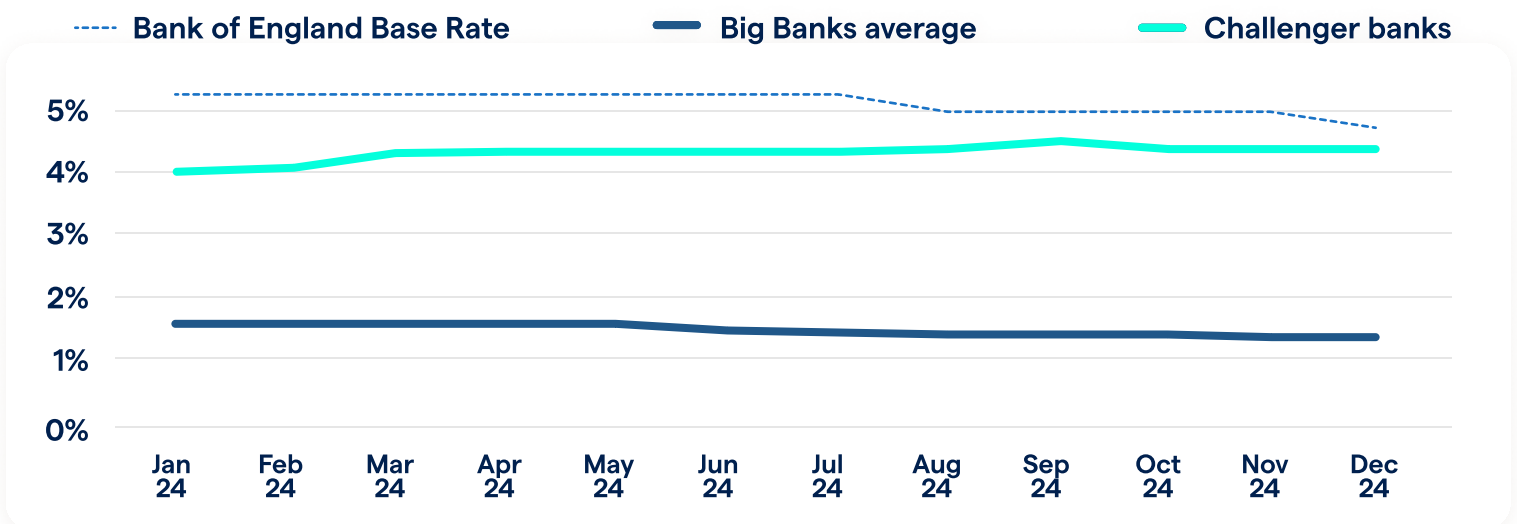
Key takeaways

The savings gap **remains at 3.02%**, the second-highest figure we've seen all year.

The average interest rate available from the Big Banks is **just 1.35%**

The average SME with £75,000 of savings is **missing out on £2,268 a year** in interest from their bank.

	Instant access (AER)	Interest earned on £75k deposit
Average offered by the Big Banks	1.35%	£1,009
Best rate from challenger banks	4.37%	£3,277
Difference	3.02% (bps)	£2,268



Analysis

The gap in savings rates offered to SMEs by Big Banks and challenger banks remains unchanged from last month, which saw it rise to 3.02%. The pitiful rate being offered to SMEs by the Big Banks – which was just 1.35% this month on average – pales in comparison to the top challenger rate of 4.37%.

This disparity means that the average UK SME with £75,000 in savings would have lost out on £189 this November if they banked with one of the big six. That's £2,268 in missing interest over the course of the year.

If this effect is multiplied across all the SMEs in the UK, then we can see that Big Banks are withholding a staggering sum from not just small businesses, but also from wider local economies.

About The Great British Savings Squeeze petition

Small businesses lose out on £9 billion a year in savings interest because big banks aren't offering them the rates their hard work deserves.

The Great British Savings Squeeze petition wants to fix that and get small businesses the money they deserve.

With support from the Federation of Small Businesses and Institute of Directors, we're calling for change in the business savings market.

About Allica Bank

Business banking isn't working. Allica Bank is on a mission to change that.

Built especially for businesses with between 5 and 250 employees, Allica Bank provides no-nonsense business banking for established businesses.

Allica was named as Britain's fastest-growing company in 2024's The Sunday Times 100. In 2023, it achieved its first full-year profit and it has lent over £2.6 billion to established UK businesses.

[Find out more at savingssqueeze.com](https://www.savingssqueeze.com)

[Or reach our team at savingssqueeze@allica.bank](mailto:savingssqueeze@allica.bank)

Methodology: The 'Average rate offered by the Big Banks' is determined by taking the average rate offered to a business with £75,000 of savings at the time of publication by the six major big banks in the UK by market share: Barclays, Nationwide, HSBC, Lloyds, NatWest and Santander. Historic data is taken from the first of each month.

The 'Best rate from challenger banks' is sourced from Moneyfacts.

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