

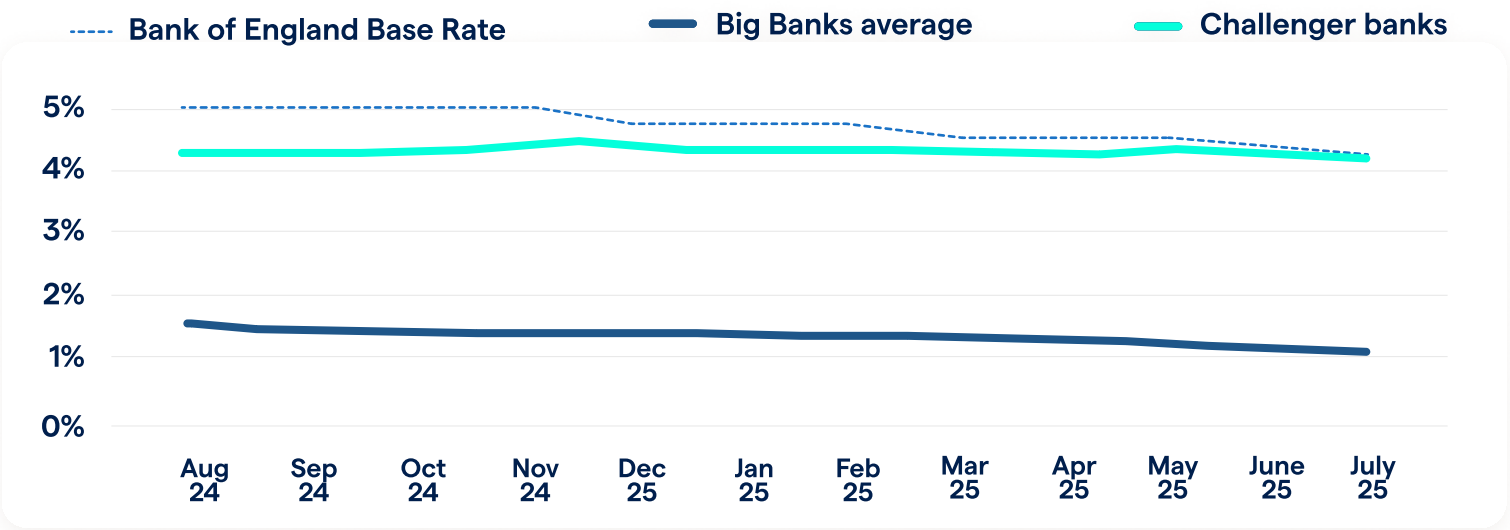
Key takeaways

Businesses are offered up to a **3.05%** higher savings rate by challenger banks

SMEs are receiving an average interest rate of **just 1.13%** from the big banks – further reduced from June.

The average UK SME with savings of £75,000 is **missing out on £2,289** per year in interest from their bank.

	Instant access (AER)	Interest earned on £75k deposit
Average offered by the Big Banks	1.13%	£846
Best rate from challenger banks	4.18%	£3,135
Difference	3.05%	£2,289



Analysis

July’s data shows the continued strength of challenger banks’ interest rates offered to SMEs. The top rate available from challenger banks remains high at 4.18%, whereas the average rate given by big banks has fallen again to 1.13%.

This marks the seventh consecutive month where a UK SME with £75,000 in savings would earn less than £1,000 annually if they banked with a high street provider.

This 3.05% difference in interest rates means that the average UK SME is missing out on £2,289 annually if they bank with the high street rather than a challenger bank.

Given that the UK is home to 5.5 million SMEs, this is a huge waste of potential for British business. These earnings could be reinvested, creating jobs, supporting local economies, and driving innovation. This is why Allica Bank is driving the Great British Savings Squeeze campaign and pushing to increase transparency in the business banking market.

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 2024, Allica revealed there was over £4 billion saved in its savings accounts and it had lent over £3 billion to established UK businesses.

Find out more at savingssqueeze.com

Or reach our team at 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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