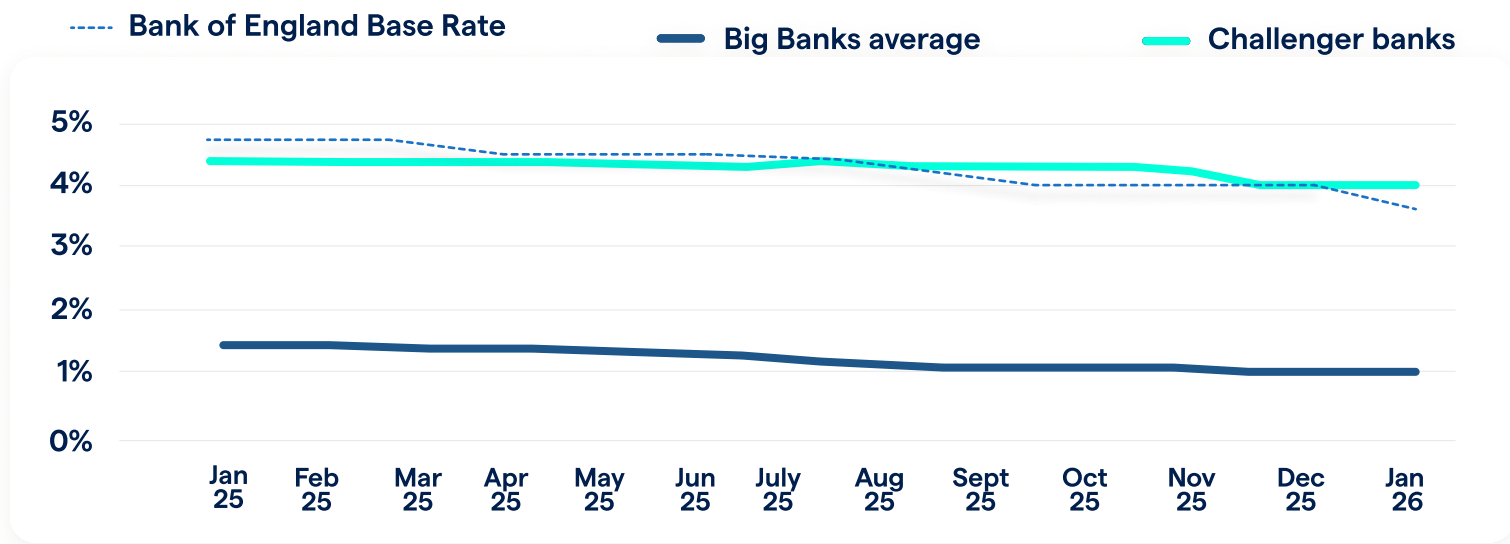


Key takeaways

- SMEs are still receiving an average interest rate of **just 1.00%** from the big banks – no change from December.
- The top challenger bank offered rates of 4.00%, a very slight decline from last month.
- The average UK established business is **missing out on £2,253** per year in interest on a deposit of £75,000.

	Instant access (AER)	Interest earned on £75k deposit
Average offered by the Big Banks	1.00%	£747
Best rate from challenger banks	4.00%	£3,000
Difference	3.00%	£2,253



Analysis

The latest data for January 2026 shows that established businesses continue to face a clear gap in savings rates between the major high street banks and challenger banks. The average rate offered by the big banks has remained low at 1.00%, while challenger banks are currently offering 4.00% on easy-access savings – a difference of 3.00 percentage points.

This comes after the Bank of England reduced the base rate to 3.75% in December, which will begin to filter through to savings products across the market. Despite this, challenger banks are still offering returns above the new base rate, although further adjustments may occur in the months ahead as providers respond to the changed rate environment.

For an established business with £75,000 on deposit, this month's gap translates to a difference of £2,253 in annual interest. However, for a slightly larger established business with £500,000 on deposit, this translates to a much more significant £15,020 in lost interest over the year. The data highlights how much the potential return on surplus funds can vary depending on where businesses choose to hold their savings, especially during periods of shifting base rates – and should serve as a reminder for established businesses to shop around to ensure they're getting the best rates on their cash.

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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