

pay **your** way

Difficulty making payments?

A consumer guide



Introduction

When it comes to paying for shopping and bills, there are more ways to choose from than ever. But if your circumstances change – whether due to illness, accident, short or long term disability – it's important to understand your options.

If you have mobility problems or an illness which means you cannot get to your bank, modern banking methods can help. Telephone banking, internet banking and mobile banking all make it possible to monitor your account and to make payments remotely without giving anyone else access to your account.

However, if you do need to give someone else access to your account, there are also flexible options, either on a temporary or a longer term basis. Your choices will depend on your exact circumstances. For example, you might want short term support after an accident or brief illness, or perhaps to put longer term plans in place if you have mobility problems or a long term illness.

Ultimately, it's up to you to decide how much access to your account you give to others. It's worth taking time to choose the option that is right for you, and the trusted person you want to help you, and then working with your bank to set up your chosen arrangement securely. This guide reminds you of some of the options for making payments when you can't physically access a branch. It also outlines your options if you wish to ask someone else to make payments, or to take out cash on your behalf.

There is no single solution – so it's best to speak to your bank or building society to see what they offer and to find out if any of the products or services offered (including their terms and conditions) are suitable for your needs.

Where services cause significant challenges for someone with a disability, illness or impairment, banks will look at making 'reasonable adjustments' or changes which might include:

- the way they provide a service;
- physical access to the service; and
- providing special equipment or other extra help.



I need...

To make a payment but don't want anyone else accessing my account (See p5-8)

Cheque payments

Many companies and individuals accept cheques to pay for a bill or service.

Card payments

If you have a credit or debit card, many UK businesses now accept payment over the phone or online.

Telephone banking

You can pay bills, get account balances and transfer funds over the phone with most banks.

Internet or mobile banking

You can check your balance, securely transfer money or pay bills 24 hours a day on a computer, laptop or smartphone. Some banks can also text your account balance to your mobile phone. 'Paym' makes it possible to send money to another account using a mobile phone number.

Direct Debit

If you have regular bills (such as utilities, council tax and telephone) you might consider setting up a Direct Debit. This is a regular payment debited from your account, that you have previously authorised.

Post Office and PayPoint

You can pay regular household bills, top up your mobile phone and even re-load pre-paid cards at the Post Office or at local stores that offer PayPoint.

Faster Payments

If you have access to internet or telephone banking, you can send money straight to someone else's account, enabling them to withdraw money on your behalf. Most Faster Payments are processed almost immediately.

Someone to get cash for me as a one-off (See p9)

At the bank counter

You can instruct your bank in writing to allow a one-off cash withdrawal over the counter at the bank. The person you ask will need official ID and a letter of consent. Check your bank's requirements first.

At a cash machine

Some banks now have the facility to issue a one-off code that allows a certain amount of cash to be withdrawn at a cash machine without a card. It's also worth knowing that a lot of banks offer enhanced facilities such as Talking ATMs and ATMs with Braille, helping people with sight loss to withdraw cash independently.

Someone to make payments and get cash for me from my main account for a limited time (See p10)

Third party delegation mandate

You can contact your bank to specify a trusted individual who you want to have access to your main account, pay bills for you and get money out. Most banks and building societies offer this service.

Post Office Card Account (POCA)

POCA holders can get a second card for someone else to collect their money for them. Your local Post Office will be able to tell you what to do to set this up.

Someone to make payments and get cash for me on a regular basis, without access to my account (See p11-12)

A second account

You can ask your bank to open a second account for you and a person you trust, which only holds the funds that you want someone else to access. Some banks can link this to your main current account without giving the other account holder main account access.

Prepaid card

You can buy a prepaid card (sometimes called “pre-loaded”) and give it to someone else to use to shop and pay bills on your behalf. Some cards can be used wherever debit and credit cards are accepted; others can only be used in specific stores.

Someone to have longer term access or to manage my accounts (See p13)

A joint account

You could open a bank account with a family member, or someone you trust, where you both have full access to the account. This type of account means you are both responsible for the funds in the account.

Lasting Power of Attorney

This is a legal and binding way of handing over management of your finances completely to someone you trust. You will need to contact the Office of the Public Guardian or a solicitor to obtain further details and to set this up. If you do, be sure to inform your bank.

The accounts and services offered will be different between banks. If you're interested in any of these options, it is a good idea to ask your bank what they offer. It is important that you, and anybody you may authorise to make payments on your behalf, check the specific account or service's terms and conditions.

I need...

...to make a payment but don't want anyone else accessing my account

It's now possible for you to keep control of your account and to pay for goods and services over the phone and online using a debit or credit card.

Almost all banks and building societies now offer telephone and internet banking as well, which make it possible to pay bills by Direct Debit and to transfer money, without having to go to a bank or a cash machine.

The following options offer secure ways to pay and manage money, whilst maintaining control over your account.

Paying by cheque

A cheque is a convenient way to pay for a bill or service and many companies and individuals accept cheques.

Card payments

More businesses than ever accept payment by debit or credit card over the phone or online. If you want to use your card in person but have difficulty using a PIN, alternatives such as 'chip and signature' are available. Contact your bank or card issuer for more details.

Direct Debit

If you have regular bills (such as utilities, council tax and telephone) you might consider setting up a Direct Debit.

You must agree to set up a Direct Debit with the organisation concerned – which you can do in writing, over the phone or online. Many organisations offer a discount for using this method of payment.

The Direct Debit Guarantee is offered by all banks and building societies that accept instructions to pay Direct Debits. It means that if an error is made in the payment of your Direct Debit, you are entitled to a full and immediate refund of the amount paid from your bank or building society – even if the error was made by the organisation collecting the payment. So in the unlikely event that something does go wrong, you are completely covered by the Guarantee.

Telephone banking

Telephone banking could be a good option if you don't have access to, or prefer not to use, a computer. It allows you to check your balance, pay bills and transfer money over the phone.

Most banks offer telephone banking and the service is usually available for longer hours than branch banking.

Speak to your bank to set up telephone banking, as they will need to establish some security details. It could take a few days to arrange – your bank or building society can advise you of their process.

Internet banking, mobile banking and Paym

Almost all banks and building societies now offer banking services over the internet 24 hours a day, to securely pay bills and transfer money.

The range of ways to access the internet is increasing all the time too – many banks now offer a mobile 'app', in addition to website access through a PC, laptop or tablet device. Some banks offer web demonstrations or other useful training to help you use their internet banking services.

You can also register to send payments directly to friends and family's accounts using just a mobile number, through a service called Paym. Visit www.Paym.co.uk to see if your bank is participating.

Faster Payments

With internet or telephone banking, you can send money straight to someone else's account enabling them to withdraw money on your behalf. Most Faster Payments are processed almost immediately.

Post Office and PayPoint

You can pay regular household bills, top up your mobile phone and even re-load pre-paid cards at the Post Office or at local stores that offer PayPoint.

I need...

...someone to get cash for me as a one-off

If you want someone to make a payment for you or withdraw some cash without having access to your account, some banks provide one-off or short term options. As each bank's requirements can differ, you should speak to your bank to understand what they will need before attempting to use any of the following services.

At the bank counter

You can instruct your bank in writing to allow a one-off payment over the counter at the branch. The person you ask to make the payment on your behalf will need a letter of consent to withdraw cash for you and official ID.

At a cash machine

Some banks have developed a service where they can issue you with a code which can be used at a cash machine (sometimes known as an ATM) on a one-off basis, and without a card.

- You give the code to someone you trust who has access to a one-time only payment of a fixed amount.
- The trusted person can only use the code once, and only within three hours from when the code is issued.

It's also worth knowing that in addition to the standard accessibility features on an ATM keypad, which include a raised dot on the number '5' key and the use of key colours to identify the main ATM functions (red to cancel; yellow to clear and green to enter), a lot of banks offer enhanced facilities such as Talking ATMs and ATMs with Braille, helping people with sight loss to withdraw cash independently.

...someone to make payments and withdraw cash, for a limited time

If you need to ask someone to pay for shopping or bills on your behalf by either using money from your own bank account; using a card, or internet or telephone banking, you can arrange this by giving your bank a formal instruction that you would like to authorise 'third party delegation' or 'third party access'.

To set this up you will need to ask your bank for what is usually called a 'third party mandate' form, which you and the person you want to access your account complete, and give to your bank. Not all banks offer the same third party services, so you will need to find out what is available and how to go about setting it up.

This option means:

- Someone else you trust can access your bank account.
- You know exactly who has access to your money, when they have access and how much they withdraw.
- You can remove this access any time you like in writing.
- In some instances you can set a time limit at the outset.

Post Office Card Account (POCA)

POCA holders can get a second card for someone else to collect their money for them. Your local Post Office will be able to tell you what to do to set this up.



I need...

...someone to make payments and get cash for me on a regular basis, without having access to my account

Prepaid card

If you want to give someone a card to make payments on your behalf but don't want them to have access to your account, many high street shops, the Post Office, some supermarkets and credit card companies offer stand-alone payment cards which you 'pre-pay'. These cards can be topped-up in the same way you would a pay-as-you-go phone. They are an alternative to cash or cheques – enabling someone to enjoy the benefits of using a card without having to open a current account or take out a credit card.

Prepaid cards can be reloadable or only loaded once. The stored value is reduced as payments are made. The cards can be topped-up from your bank account, or by using cash to do it in certain shops, the Post Office and at a 'PayPoint' as and when you choose.

Some prepaid cards can be used in all the same places as debit or credit cards, others can only be used in a specific store or shopping centre. They all share the advantage of only being able to debit funds already on the card. Many people like the flexibility, security and control this type of payment offers.

You will need to decide which type of card or cards is best for your needs and then go ahead and purchase and load them.

You should make sure you understand in advance any fees you are charged for using your prepaid card. Some cards have a monthly fee (but don't charge for purchases), while other cards charge for cash withdrawals and purchases, but have no monthly fee. Comparison sites provide information about different types of cards and their costs.

Second account

You can speak to your bank about setting up a 'second account' for you and a person you trust. This can be completely separate from your main account, limiting their access purely to funds in the second account.

This option means:

- Your privacy is protected as the second account holder does not have access to your main account.
- It can help with budgeting – you can set up a monthly payment to the second account, so you know when and where the money is being spent.
- You can close it down at any time.
- Only you and the person you nominate will have access to the second account.

You will need to check with your bank what you and the second account holder will need to do to set up this account, and the associated terms and conditions.

I need...

...someone to have longer term access or to manage my accounts

Joint accounts

You can also open a bank account with a family member or your partner where you both have full access to the account, letting you pay money in and take it out. This account makes it easier for someone you trust to make payments on your behalf. As joint account holders you will both have bank cards, chequebooks and access to all of the features offered by the account.

Remember: With a joint account you are both responsible for the funds in the account and debts associated with this account become shared too. The other person's finances may also affect your credit rating as credit reference agencies often create a financial link or 'association' between two people who have a joint account.

Lasting Power of Attorney (LPA)

If you (or the person you are caring for), need a more permanent option, either now or in the future, for others to manage your day-to-day banking needs, you might consider setting up an LPA. If you think this option is appropriate, then once you've decided who your attorney will be, you will need to fill in an LPA form.

You can do this yourself, online at [gov.uk/lasting-power-of-attorney](https://www.gov.uk/lasting-power-of-attorney). Or, you can ask the Office of the Public Guardian to post the form to you. If you feel you need professional advice then it may be a good idea to speak to a solicitor.



Remember

It has now become easier than ever to make payments safely, and to arrange for others to do it for you.

Choosing an informal approach to allow someone to make payments on your behalf (such as sharing your PIN and bank card, or security details) could potentially make you vulnerable to theft or fraud by the person who has your card. You will also be acting outside the terms and conditions of your account.

Take your time when deciding who to share any account or payment details with, and make sure you use a secure option which gives you, and the person who will help you, protection. You should only ever give someone you trust access to your account.



More information

- The British Bankers' Association (BBA) has produced guidance on managing a bank or building society account on someone else's behalf: 'Guidance for people wanting to manage a bank account for someone else'.
- Citizens Advice also provide information on managing financial affairs for someone else on their website. www.citizensadvice.org.uk.
- The Office of the Public Guardian (for England and Wales). Phone number: 0300 456 0300. Textphone: 0115 934 2778. Address: PO Box 16185 Birmingham B2 2WH.

There are different rules for other parts of the United Kingdom. In Scotland, you can find out more at www.publicguardianscotland.gov.uk.

If you live in Northern Ireland, please go to www.courtsni.gov.uk/en-GB/Services/OCP/EPA/Pages/default.aspx.

If you have difficulty reading this leaflet or know someone else who would benefit from this information in an alternative format,

please call us on **020 3217 8259**
or email **press@paymentsuk.org.uk**

If you would like more information about your payment options, including anything in this leaflet, visit www.payyourway.org.uk, ask in your bank, or contact us – we'll be more than happy to help you.

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