

## **Covid-19 Briefing on Getting access to money and how to pay if someone else is doing your shopping – 2 April 2020**

### **Introduction**

Age UK has heard from people who normally access their pension or benefits by withdrawing cash from their bank or Post Office account. Because of coronavirus and due to them being in a high risk group and isolating themselves at home, they have had problems accessing money.

This briefing note details what measures you might take to get access to your money and how to pay for shopping if someone else is doing this for you. When paying for goods, cards and cash could transfer the virus between hands so it is important to consider the safest payment method available. For more on this issue, see the Age UK guide [Avoiding scams](#).

Age UK advises older people to never hand over money, bank details or bank cards to someone they do not know who is offering to help them, or at least until a receipt has been given to them itemising what has been spent.

For anyone receiving deliveries such as shopping, you can ask that these be left on the doorstep and for whoever is delivering them to stay at least two metres away.

### **Vulnerability**

Anyone identified by the NHS as being extremely vulnerable will be told where they can access support, through a website and telephone number provided. If you think you fall into this category but have not been contacted, you should get in touch with your GP or hospital specialist. We encourage everyone who has received a letter to register even if they are able to be supported by friends and family for essential supplies.

You can also register online at <https://www.gov.uk/coronavirus-extremely-vulnerable>

### **Getting cash and/or shopping**

If you need someone to help you to withdraw cash or do your shopping, it might seem the most convenient way is to give them your bank card and PIN number to use. But **your PIN should always be kept secret**, and by giving it to somebody else, you risk losing your fraud protection and becoming a victim of financial abuse.

Overleaf are some alternatives to giving someone your bank card which may be appropriate in your circumstances.

If these alternatives are not possible, there is also information about giving someone your bank card and minimising the risks associated with this.

## **Alternatives to giving someone else your bank card**

There are a number of ways you may be able to pay someone or allow them to withdraw money for you without giving them your own bank card:

### **Nominating someone to withdraw money for you**

Banks, building societies and Post Offices have been listed as essential services and so are not required to close under the latest directive from the Government. Where a branch closure is necessary due to coronavirus, there should be information on the nearest open branch on posters put up in the window or on their website, such as an online branch finder.

If you are using the post office branch finder [www.postoffice.co.uk/branch-finder](http://www.postoffice.co.uk/branch-finder) to find out if your local post office is open, after entering your postcode or location, you should select your post office from the map. When you click on the icon on the map it will tell you if the branch is currently open.

**Post Office Card Account (POCA)** – you can request a second card with a separate PIN to allow one other named person, called a Permanent Agent, to withdraw money from your account. To nominate someone, fill in a '*Permanent Agent Form*' (form P6163), which you can get from your local Post Office or call the helpline on 03457 22 33 44. Once you have nominated someone, they'll have full access to your account through their own card and PIN so make sure you choose someone you trust completely.

### **Post Office cheque encashment service**

To support vulnerable customers who have a bank account, the Post Office is expanding its cheque encashment service which allows such a person to ask a nominated friend or family member to cash a cheque at a Post Office on their behalf.

You must first ask your bank about this service and if approved, your bank will notify the Post Office and tell you how to use the service.

**Bank accounts** – you can request a '*third-party mandate*' which allows someone you trust to access your account. Some banks and building societies will only permit temporary third-party mandates to be put in place on rare occasions, while others may allow you to put in place a permanent arrangement. You may be able to limit what the third party can do, for example, only having the ability to access information, withdraw restricted funds, or check balances. To find out more, ask your bank or building society.

Note, if you need someone to be able to operate more than one account for you, or you need someone to manage your financial affairs on a more long-term basis, see factsheet 22 [Arranging for someone to make decisions on your behalf](#), such as setting up a Power of Attorney or a benefit appointee.

## **Transferring money to another account**

Transferring money from your account to another person is relatively easy and allows you to move lump sums without giving anyone access to your account. You are in control of how much money you hand over. This can either be done via online banking, at your local branch or by phoning your bank to ask them to transfer money.

For either route, you must:

- identify yourself, and your account, using the security system that has been set up.
- give the account holder's name you will transfer money to, the name of their bank, their six-digit sort code and eight-digit account number.
- give the exact amount of money you want to move to the other account.

## **Paying someone by cheque**

You could reimburse someone who has paid for goods or services on your behalf by writing them a cheque. This allows you to give money to another person without giving them access to your bank details.

However, there will be a delay between when the cheque is banked and when the money clears into the other person's account – so this may not be suitable if the person needs the money before they shop or very soon afterwards.

If you are reimbursing somebody by cheque, ask to see the receipts first. You should never sign a blank cheque, even to a close family member or friend.

## **Make your bank account a joint account**

All banks give you the option to add another account holder to your account. The second account holder is given access to the whole account and receives their own card and PIN number. Although joint accounts can be useful, there are a number of risks you should consider.

Each person can access all of the funds in the account, write cheques, or apply for an overdraft. It is not possible to set limits on what each holder of a joint account can do.

Both you and the additional account holder are liable for paying back debts on the joint account, such as an overdraft.

Credit reference agencies may create a financial association between you and the other account holder. If either one of you has debts, it could affect the other's ability to take out a loan or make a big purchase in the future.

## **Use a pre-paid card**

Pre-paid cards are similar to a mobile phone top-up card – you can put money on the card using PayPoint (look for the PayPoint sign in shops), at Post Offices, by cheque, over the telephone, online, or, less commonly, by bank transfer. Some cards are scheme-badged, which means they can be used anywhere that accepts a particular brand of card, such as Visa or MasterCard, so they can be as convenient as having a debit or credit card. Be aware that some cards do not allow withdrawals at cash points.

Some pre-paid cards let you ask for a second card to give to a friend, family member or someone else. The second card will be issued with its own PIN number, so you can monitor who has used it. However, there are a number of drawbacks (see over).

Pre-paid cards can be expensive to maintain. Charges vary but may include transaction fees for depositing and withdrawing money, monthly management fees, penalty charges for not using the card on a regular basis and high charges for calling the call centre. No interest is paid on money held on the card.

Many pre-paid cards will have a minimum refund amount, so if you decide that you want to close the card and get the value refunded, you may be unable to if you have less than a certain amount (for example, £10) remaining on the card.

For more information about pre-paid cards and the best currently available, see [www.moneysavingexpert.com/credit-cards/prepaid-cards](http://www.moneysavingexpert.com/credit-cards/prepaid-cards)

## **Use gift vouchers**

You could buy gift vouchers for the stores where you shop most frequently, for example, major supermarkets or other high-street chains. These can usually be purchased over the telephone or online and can then be handed to carers, friends or family to make purchases on your behalf.

However, remember your gift vouchers may have an expiry date, meaning the voucher becomes valueless after a certain date. Some retailers may not allow you to spend small balances that remain on the gift voucher, so the person using it would need to spend the full amount displayed on the voucher.

## **Giving someone your bank card**

If these alternatives are not possible you may wish to give your bank card and PIN number to someone so they can withdraw money for you or to buy shopping for you.

Make sure you know the process for cancelling your card if anything goes wrong or it gets lost. There should be a phone number on the back of the card to call in case your card is lost or stolen. If you are asking someone to withdraw cash for you, ask them to get you a printed-out receipt from the cash point as evidence of how much they withdrew.

If you are giving your card to someone to buy food for you, Age UK recommends writing a shopping list and estimating how much you would expect it to cost, so that both you and the person who is doing the shopping understand how much it is expected to cost. Ask the person doing your shopping to get a receipt, so that you can see how much they have spent.

When they return your card to you, check recent transactions either on-line or by telephoning your bank to ensure they match what the person has told you. It may take a day or two for some transactions to show up but any cash withdrawals should be apparent immediately.

Sometimes it is easier to check your balance than the full transaction history for your account, so you could check your balance before giving your card to someone and then after. If the difference is more than you are expecting, you could then query this with your bank. With some cards (particularly pre-payment cards) you can view transactions as they happen via an app on your phone.

Note that just because a card has been returned to you, it doesn't mean someone can no longer use your account. If they have copied the details from your card, these can be used at most on-line retailers without your PIN number so you should be checking your account for a period after and contact your bank to cancel the card immediately if you identify any unexpected payments.

For more information about security and fraud, see [www.citizensadvice.org.uk/debt-and-money/banking/banking-security-and-fraud](http://www.citizensadvice.org.uk/debt-and-money/banking/banking-security-and-fraud) and also Age UK information guide [Looking after your money](#).

If you just need someone to buy shopping for you, they could do this by using the 'contactless' payment service. This is done by tapping your bank card on a payment machine when purchasing something, without the need to enter your PIN number.

### **Using 'contactless' to pay for goods**

If you give someone your card to pay for goods, they may be able to use the 'contactless' service so there is no need to give them your PIN. For more information about this and to check if your card can make contactless payments, see [here](#).

Note, since 1 April 2020, the maximum amount for contactless payments is £45. If the total payment is more than this, you could split the payment into two smaller amounts (for example, £60 could be paid in two £30 contactless transactions).

### **Other resources**

See the Age UK [Coronavirus](#) information guide for more information about the virus and how to stay safe.