

## Payments in retirement

Each of us chooses a variety of payment methods and strategies for managing our finances, opting for the system we think works best for us.

However, we also tend to settle into old habits, which means we might be missing out on other options.

APACS statistics show that the over 65s are likely to be more responsible than others when managing their finances. 67 per cent pay off their full credit card bill each month, and 80 per cent check statements as soon as they arrive. Yet many are not taking advantage of repayment options that could make life easier and that most importantly would ensure they never incur any late payment charges. Almost half of all over 65s do not know that they are able to set up a direct debit to

pay either the minimum repayment or the full balance on a credit card each month.

Similarly, when it comes to fraud protection, over 65s are responsible about shredding personal information – 80 per cent shred all their bank or credit card information before they throw it away – but not so cautious about PINs, with 48 per cent having the same number for some or all of their cards.



### Paying bills by direct debit

Fewer over 65s use direct debits than almost any other age group. By allowing you to arrange for bills to be paid automatically each month direct debits can provide peace of mind, help with budgeting and ensure bills never get overlooked. As an added bonus companies often give discounts to customers who pay in this way. They are a simple arrangement to make and, backed up by the Direct Debit Guarantee, give second-to-none consumer protection. This means you can set them up with peace of mind that in the unlikely event of anything going wrong your rights are clearly set out.

You will be able to set up a direct debit to pay most of your bills, for example your utility or telephone bills. This is easy to do and may also help you to save money, as so many suppliers offer a discount on bills paid this way.

Direct debits can also be set up to pay your credit card bill automatically each month. You can arrange these by speaking to your card company. The card company will always tell you each month when the debit will be made so that you can ensure there are funds in your account.

You may be able to choose the date when your direct debit payments will leave your account enabling you to pick a date that best suits you. Nowadays you can also set a direct debit up over the phone. Although the Direct Debit Guarantee gives you excellent consumer protection it is important to continue to check bills as they come in, to ensure that you haven't been charged incorrectly. You will still be able to challenge a bill, and money can be credited onto your account if any charge is found to be incorrect.

# Keeping track of your money

These days, you can keep up to date with your money more easily than ever before. In between receiving bank statements you can use phone or internet banking to check your balance, arrange to make one-off payments, or set up standing orders.

This allows you to manage your finances from the comfort of your own home. Telephone and internet banking options vary but typically you will be given – or choose – a secure password by your bank, and you may also be asked to provide some other memorable pieces of information as a further security measure.

You should always be wary of any unexpected emails you receive, even if they appear to be from a trusted source. Your bank will never request confirmation of your log-in details by email, and if you think they are doing so, you should get in touch with them directly by phone or in person. Even if the 'From' email address of the sender seems genuine, do not trust it – this, along with other seemingly genuine details, is easy to fake. Be particularly wary if the email does not use your full name and addresses you with vague terms like 'Dear Valued Customer'. Further advice on banking safely online can be found on [www.banksafeonline.org.uk](http://www.banksafeonline.org.uk)

Cash is still important for people aged 65 and over. APACS research shows that more than half of all over 65s think cash is the most or second most important means of paying and ensure they have it with them when they go out. However, a smaller percentage of over 65s than any other age group withdraw their cash from cash machines, at just 51 per cent.

People may avoid cash machines because they are concerned about being charged for withdrawing cash. However, in the UK you can expect not just to get cash for free from your own bank's cash machines but also you will not be charged for using the vast majority of other bank and building society machines. In all cases if you are going to be charged you will always be told upfront on the screen, and the actual amount of the charge, so that you can decide if you wish to pay for the convenience. By and large, it is only independently owned cash machine providers who charge.

## Protection from fraud

Fraudsters are always a concern, but there are a number of steps you can take to protect yourself. Above all, if you think you have been a victim, speak to your bank or credit card company as soon as possible so that they can assist you and don't be afraid to question any transaction you are unsure about.

### At the cash machine

- Take care at the cash machine to ensure no-one is looking over your shoulder. Stand as close to the machine as possible.
- When entering your PIN, try to shield the PIN pad with your free hand.
- Do not accept help from seemingly well-meaning strangers or allow yourself to be distracted.
- If you have reason to be concerned, cancel the transaction and go to a different cash machine; you may wish to use a cash machine inside the premises of a bank.
- Never tell anyone your PIN, and do not write it down and keep it with your card. If you're having problems remembering the number, consider changing it to a number that means something to you (but only you).

### On the high street

- Be careful when using cheques; make sure that you enter the details correctly and don't leave any unused space to prevent the cheque being fraudulently altered.
- If paying by card, enter your PIN carefully and shield the PIN pad with your free hand, making sure that you do not have anyone looking over your shoulder.
- Check the details before you pay and make sure you keep receipts and check them against your statement.

### At home

- If you are paying a tradesman, you may need to pay by cash or cheque. Try not to keep too much cash in the house and make sure you get a receipt for any work.
- With a cheque, make sure you don't leave any unused space so that the cheque cannot be altered, and make a careful note of the cheque details on the stub in your chequebook.
- Keep your cheque book in a safe place.
- Be wary of emails purporting to be from your bank and asking for your password. Delete the email

immediately and check with you bank directly. Similarly, be careful of any phone call claiming to be from your bank and don't be afraid to hang up and check with your bank. You can get further simple advice on banking safely online from [www.banksafeonline.org.uk](http://www.banksafeonline.org.uk)

- If you bank or shop online you should make sure that the PC you use is adequately protected. You can get simple advice on what this means from [www.getsafeonline.org](http://www.getsafeonline.org).
- When shopping online, look out for signs that the website is secure. A locked padlock symbol at the bottom of your screen or an unbroken key means that no-one else is able to view the details you are entering.
- Sign up to *Verified by Visa* or *MasterCard SecureCode* whenever you are given the option whilst shopping online. This involves you registering a password with your card company. By signing up you will help prevent fraudsters from using your card details on participating sites.

If you're worried about fraud or would like any further information, contact APACS on 020 7711 6259.