

# Third party access

## Department for Work and Pensions appointee explained

### What is a Department for Work and Pensions appointee?

A Department of Work and Pensions appointee is a third party given the legal right to manage another person's benefits money. The person receiving state benefits may be unable to manage their own financial affairs because they are mentally incapable or have a severe physical disability. So the appointee would have full responsibility for making claims and managing spending. You'll find more information on becoming an appointee on the Directgov ([www.directgov.uk](http://www.directgov.uk))\*1 and Department for Work and Pensions websites\*1.

### Who can become an appointee?

If you know someone who needs help claiming and managing their benefits because they are mentally incapable or severely disabled, then the Directgov website\*1 <[www.directgov.uk](http://www.directgov.uk)> has information on how to get in touch with the Department for Work and Pensions. Please note, before deciding if an appointment is right for you, you might want to consider seeking legal advice.

You'll find examples of when a Department for Work and Pensions appointment may be suitable in our 'Choosing Third Party Access' table at [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

### What important information do I need to know?

#### Restrictions

As an appointee you can only manage the other party's benefits money. If you want to manage other funds, you may have to apply to the Court of Protection to become a deputy.

#### HSBC Appointee Bank Account

We can open an HSBC Appointee Bank Account even if the person receiving benefits doesn't have an HSBC bank account. Please note, it may take time to open an account for you.

An HSBC Appointee Bank Account is designed for appointees managing benefits for an individual who has lost capacity as long as if the individual's net assets held with HSBC are less than £2,000.

### What access does an appointee have?

To see what powers you have as an appointee, see our 'Managing Third Party Access' table on page 3. You'll find more information on an appointee's responsibilities on the Directgov website. ([www.directgov.uk](http://www.directgov.uk))\*1

### How do I register my appointment with HSBC?

You can find information on how to become an appointee on the webpage of the Department for Work\*1 and Pensions.

#### Register your appointment in branch

You should obtain written confirmation of your appointment from the Department for Work and Pensions. You will also need to write a letter confirming that the assets of the individual who has lost capacity are less than £2,000. You should then bring both letters into an HSBC branch.

There are some important things to know:

- ▶ You must supply suitable documents proving the identity and address of yourself and of the individual who has lost capacity (see examples below)
- ▶ We will open an Appointee Bank Account in your name. The Department for Work and Pensions will pay the benefits due to the incapacitated individual to that account.
- ▶ An Appointee Bank Account has the same features as our Basic Bank Account.

### What ID documents are acceptable?

#### Example identification documents

- ▶ Current passport
- ▶ Current National Identity Card
- ▶ Travel Documents (issued in the UK by the Home Office)

#### Example address documents

- ▶ Council tax bill (valid for current year)
- ▶ Utility bill (dated within last four months)
- ▶ Telephone bill (dated within last four months) – mobile phone bills are not acceptable

For a list of all the documents we accept, please see our proof of ID and address page.

## **When will third party access stop?**

Certain events such as if you or the other party were to die would affect your appointment. For more information on events which may affect your appointment, see our 'Stopping Third Party Access' table on page 4. You can also find more information on the website of the Department for Work and Pensions\*1.

\*1 See our useful links page at [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

\*2 See our Third Party Access pages for explanation of other types of access at [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

\*3 Refer to our Glossary. [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

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## Managing Third Party Access

Actions to be done on behalf of the account holder	Third Party Mandate* <sup>2</sup>	Ordinary Power of Attorney* <sup>2</sup>	Lasting / Enduring Power of Attorney* <sup>2</sup>	Court of Protection Order (Deputyship)* <sup>2</sup>	Department for Work and Pensions (DWP) Appointee* <sup>2</sup> (Please note, the below applies only for the benefits received by the individual who has lost mental capacity)
Hold a debit card	—	✓	✓	✓	✓ <sup>2</sup>
Obtain information about account holder's account(s) from bank	✓	✓	✓	✓	✓
Open/close accounts in the account holder's name	—	—	✓	✓	—
Issue cheques	✓	✓	✓	✓	—
Make payments (i.e. bills)	✓	✓	✓	✓	✓
Withdraw cash	✓ <sup>1</sup>	✓	✓	✓	✓ <sup>2</sup>
Deposit cash/ cheques	✓	✓	✓	✓	✓
Retrieve items from safekeeping	✓	✓	✓	✓	—
Apply for ISAs	—	—	✓	✓	—
Access Internet banking	—	—	✓ <sup>4</sup>	✓ <sup>4</sup>	✓
Access Telephone banking	✓ <sup>3</sup>	✓ <sup>3</sup>	✓ <sup>3</sup>	✓	✓
Hold a cheque/pay-in book	—	✓	✓	✓	✓ <sup>2</sup>
Manage the account if account holder becomes mentally incapacitated	—	—	✓	✓	✓
Sign a mortgage loan agreement	—	✓	✓	✓	—
Arrange an overdraft	—	—	—	—	—

**The information in the table above is for your guidance only. The powers we grant a third party over a customer's account may change from those listed above depending on the particular circumstances or changes to our procedures (and are subject always to our obligations under applicable laws and regulations). In particular, the power of attorney, court of protection order or third party mandate itself may contain restrictions on the third party's access to and powers over a customer's account(s). We will need to comply with any such restrictions which will override our general position set out in the table.**

1 Third parties acting under a Third Party Mandate cannot hold a debit card. They can withdraw cash, provided that the third party mandate or power of attorney do not contain any relevant restrictions, by writing out a cheque to themselves. In an emergency, the third party may be able to visit a branch with suitable identification documents and request a withdrawal slip from the counter.

2 Appointees can have a Debit Card for the other person's account and use it to withdraw money from an ATM. Appointees can also hold a paying-in book.

3 Some third parties can have Telephone Banking access to the accounts of the individual they are acting for.

Irrespective of the type of third party authority held (third party mandate or power of attorney), we are only able to provide telephone access if both of the following are true:

- The third party access is unrestricted. This means that the third party has full authority to operate a sole account or has the same signing authority on a joint account as the individual they are acting for and there is no clause limiting their authority.

- There is only one named third party OR There are multiple third parties acting jointly and severally\*<sup>3</sup>.

Deputies under a Court of Protection order and Department of Work and Pensions appointees can have Telephone Banking access as they will have their own accounts opened instead of being added as signatories to the account of the individual they are acting for.

4 Only certain types of third party access allow the third party to use Personal Internet Banking (PIB) to access the accounts of the individual they are acting for. Third party mandate holders and holders of ordinary powers of attorney cannot be set up for Internet Banking.

Some holders of lasting or enduring powers of attorney may be set up for Internet Banking access, provided that all of the following are true:

- The individual they are acting for has lost capacity OR if the individual retains capacity, he or she understands and agrees that only the attorney will have access to PIB. This is because only one person can access a sole account via PIB at a time; therefore, either the attorney or the individual they are acting for can have PIB access, not both.

- The Power is unrestricted. A power of attorney is unrestricted if the attorney has authority to operate a sole account or has the same signing authority on a joint account as the individual they are acting for and there is no clause limiting their authority.

- There is only one named attorney OR there are multiple attorneys acting jointly and severally\*<sup>3</sup> – in the latter case only one of the attorneys will have Internet access.

Deputies under a Court of Protection order and Department for Work and Pensions appointees can have Internet Banking access as they will have their own accounts opened instead of being added as signatories to the account of the individual they are acting for.

## Stopping Third Party Access

	Third Party Mandate* <sup>2</sup>	Ordinary Power of Attorney* <sup>2</sup>	Lasting Power of Attorney* <sup>2</sup>	Enduring Power of Attorney* <sup>2</sup> (only valid if written and signed before 1 October 2007)	Court of Protection Order (Deputyship)* <sup>2</sup> See note 5	Department for Work and Pensions Appointee Account* <sup>2</sup>
<b>Account holder dies</b>	The Mandate is automatically revoked and the balance of the account will form part of the deceased's estate.	The power is automatically revoked and the balance of the account will form part of the deceased's estate.	The power is automatically revoked and the balance of the account will form part of the deceased's estate. See note 3	The power is automatically revoked and the balance of the account will form part of the deceased's estate. See note 3	The order is automatically revoked and the balance of the account will form part of the deceased's estate. See note 4	Authority of the appointee is cancelled and the balance of the account will form part of the deceased's estate.
<b>Account holder loses mental capacity</b>	The mandate is automatically revoked.	The power is automatically revoked.	No change – the power remains valid and the attorney retains full authority.	If the power is unregistered, it is temporarily suspended until registration is completed. A registered power will remain valid and the attorney regains full authority.	The Court of Protection order would only be used in case of mental incapacity.	The Appointee account would only be used in case of mental incapacity or severe physical disability.
<b>Account holder wants to cancel</b>	The mandate is revoked upon receipt of account holder's instruction.	The power is cancelled by Deed of Revocation* <sup>3</sup> .	Written evidence by either the Court of Protection confirming Deed of Revocation* <sup>3</sup> or by the Office of the Public Guardian advising cancellation of the power. See note 3	Written evidence by either the Court of Protection confirming Deed of Revocation* <sup>3</sup> or by the Office of the Public Guardian advising cancellation of the power. See note 3	Written evidence by Court of Protection needed to confirm Deed of Revocation* <sup>3</sup> . See note 4	See note 2
<b>Third party dies</b>	The mandate is automatically revoked.	The power is automatically revoked. See note 1	The power is automatically revoked. See note 1 and 3	The power is automatically revoked. See note 1 and 3	The order is automatically revoked. The Court needs to appoint new deputy. See note 4	The appointment is revoked and the appointee's authority is cancelled immediately.
<b>Third party loses mental capacity</b>	The mandate is automatically revoked.	The power is automatically revoked. See note 1	See note 3	See note 3	The order is automatically revoked. The Court needs to appoint new deputy. See note 4	See note 2
<b>Third party wants to cancel</b>	The mandate has to be revoked by the account holder.	The power is automatically revoked.	See note 3	See note 3	The order may be revoked upon application by deputy. The Court needs to appoint new deputy. See note 4	See note 2

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**1** All powers of attorney (General, Lasting, and Enduring\*<sup>2</sup>): These legal documents allow the individual granting a power of attorney to name multiple or replacement attorneys.

Subject to the text of the power of attorney, a replacement attorney may be able to take over in the event of bankruptcy, loss of capacity or death of an existing attorney.

If there are multiple attorneys appointed jointly and severally\*<sup>3</sup> and one of them cannot continue to act for some reason, the other attorney(s) may continue to act on behalf of the individual who granted the power of attorney.

**2** See the Guide for Agents, Appointees and Attorneys on the webpage of the Department for Work and Pensions at <http://www.dwp.gov.uk>\*<sup>1</sup>

**3** Find out more information under "Cancelling or ending a Lasting or Enduring Power of Attorney" on the DirectGov page at [www.direct.gov.uk](http://www.direct.gov.uk)\*<sup>1</sup>

**4** Find out more information under "Cancelling or ending a deputy's responsibilities" on the DirectGov page at [www.direct.gov.uk](http://www.direct.gov.uk)\*<sup>1</sup>

**5** A deputy's appointment can be revoked at any time by the Court of Protection.

\*<sup>1</sup> See our useful links page at [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

\*<sup>2</sup> See our Third Party Access pages for explanation of other types of access at [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

\*<sup>3</sup> Refer to our Glossary. [www.hsbc.co.uk/thirdparty](http://www.hsbc.co.uk/thirdparty)

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