

# Post Office card accounts closure extended until November 2022



The Post Office Card Accounts (POca) scheme was previously set to end in November this year. Following the disruption caused by the pandemic, it has now been extended for 12 months to ensure everyone has the time to make alternative arrangements.

The Department for Work and Pensions is writing to all customers who currently receive payment into a POca, telling them the service is ending and encouraging those who are able to open a bank account to do so.

Those who remain unable to access such services will be migrated onto a new Payment Exception Service, which allows them to choose how they receive their payments.

Minister for Pensions, Guy Opperman, said:

Whilst the vast majority of pensions and benefits are paid directly into peoples' bank accounts, some people prefer to collect their payments over the counter at their local Post Office.

This extra time means we can support our most vulnerable customers to move to the payment method that will suit them best – even if that means making sure they can still get cash via the Post Office using a card from the new Payment Exception Service.

Under the new Payment Exception Service, pensioners and benefit claimants are able to choose how they receive their payments. These methods include the delivery of digital vouchers via:

- a SMS
- an email
- a unique barcode displayed on a mobile phone

In addition, all customers who are migrated from POca to the new service will

receive a reusable mag stripe plastic card, which can be used to receive their benefits in cash from more than 28,000 PayPoint retail outlets or 11,500 Post Office branches.

Extensive work has been undertaken to identify those most at risk in order to provide vulnerable claimants with additional support before the move to the new system.

## Further information

- For more information about the Payment Exception Service: [Payment Exception Service – GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/payment-exception-service)
- For more information on the closure of POCas: [How and when your benefits are paid – GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/how-and-when-your-benefits-are-paid)
- From January 2021 to July 2021, the number of active POCas has reduced from 590,000 to 382,000.
- DWP are encouraging customers who can open a bank account to open a bank account, but vulnerable claimants who cannot open a bank account will need to move over to the new Payment Exception Service.
- DWP are writing to all customers who currently receive payment into a POCa. They will receive two letters telling them that the POCa is coming to an end and advising them that if they are unable to provide a bank account we will move their payments to the Payment Exception Service.
- For customers who we believe could be at risk of harm we will attempt to ring them to support them through the change.
- All customers who are migrated to the Payment Exception Service from POCa will receive a payment card which they can take to their Post Office branch (or PayPoint retailer) for encashment.
- Checks will be made when customers are moved to the Payment Exception Service to ensure vouchers are being cashed.
- For HMRC Customers: The extension to POCa and the alternative Payment Exception Service voucher product only apply to payments from DWP.
- Should you be in receipt of tax credits, Child Benefit or Guardians Allowance you will need to provide HMRC with alternative bank details by 5 April 2022

- HMRC is encouraging their customers to act now so they do not miss any payments once their Post Office card account closes.
- You can contact HMRC's helplines (0345 300 3900 for tax credits or 0300 200 3100 for Child Benefit) or use your Personal Tax Account to provide alternative account details. To find out how to open a bank account visit Citizens Advice.

Media enquiries for this press release – 0115 965 8781

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1. 29 November 2021

The deadline for closing POCAs for HMRC payments has changed

2. 9 September 2021

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