

CAJ submission to a Scrutiny Review about the acceptance of cash payments in Jersey by the Economic and International Affairs Scrutiny Panel.

We understand that this review has been instigated following the recent States debate on restoring cash payments at government sports facilities and the aim of the review “is to explore wider consumer choice in buying goods and services and paying bills in Jersey.”

At CAJ we have considered this issue from the standpoint of our own clients and islanders generally.

It does appear to be the case that more and more businesses in the island now wish their customers to pay by card for goods and services rather than by cash. Some businesses likely find it a more convenient way to do business rather than handling cash as digital transactions result in lower bank charges compared to cash transactions. This stance does mean that the customer who prefers to use cash only for payment cannot deal with this business. On the flip side, there is evidence that some businesses, especially smaller ones and some charities prefer to accept cash especially for smaller value transactions which otherwise become uneconomical due to the costs levied for electronic transactions.

From research within our own database at CAJ and with another charitable organisation, it does not appear to be the case that a barrier exists in terms of individuals being able to access a basic bank account locally with a card facility if they wish to have one. However, new bank account applications for individuals having criminal convictions are likely to be rejected. Such individuals have the option of approaching Community Savings Ltd, where it is normally possible to run an account with a pre-loaded card subject to satisfying KYC requirements,

There are some individuals in the community who are completely reliant on cash as a form of payment. For example, people who have certain disabilities, those who are illiterate and homeless people who are unable to supply an address and therefore fall foul of Banks’ KYC procedures. Furthermore, it is acknowledged that it is often easier for people on limited incomes to budget with cash whether they have access to a bank account or not.

Overall, we feel that it is important to maintain an element of choice for the public and for businesses. Whilst most islanders appear to have the facility to pay for goods & services by card, some prefer to use cash or are entirely reliant on it and are simply being refused, therefore this group of individuals is being denied rights to access goods and services compared to those paying by card. We also acknowledge that businesses should have some choice to decide on their criteria for acceptance of card payment, for example, where punitive costs apply for small value electronic payments.