



Sanctuary Trust

"Supporting homeless men in the community"

5 July 2024

Deputy Montfort Tadier
Chair
Economic and International Affairs Scrutiny Panel

Dear Deputy Tadier

Acceptance of Cash Payments Review

With reference to your letter 13 June. Please find our responses to your questions:

1. Are there individuals more likely to use cash or digital payments more often, or only use one method of payment and for what reason?

Cash Users:

- **Older adults:** Often prefer cash due to familiarity and a lack of trust in digital methods.
- **People with limited digital skills:** May lack the technical knowledge to use digital payments.
- **Low-Income Individuals:** Sometimes do not have access to banking services or the technology needed for digital payments.
- **People being released from prison:** May not be able to use a 'normal' bank, they may have access to Community Savings, but even then this limits their ability to bank 'normally', making using cash important to them.
- **Individuals without stable housing:** May not have access to a bank account or secure internet.
- **Distrust in Financial Institutions:** Some individuals with mental health conditions, such as paranoia or anxiety disorders, may experience heightened distrust towards banks and financial institutions. This can lead to a preference for using cash as it feels safer and more tangible to them.

2. Are there instances in which businesses would:

- a. ***Not accept cash payments?***

We would not accept cash which would put us in breach of regulatory requirements or anti money laundering controls.

- b. ***Not accept digital payment methods?***

If it did not come from a reliable source, we would not accept payment.

3. Are there examples in which this has been evidenced?

We have no examples of where we have refused acceptance of payment either of cash or via digital means.

4. What is the potential impact of the non-acceptance of either cash or digital payments?

The non-acceptance of cash or digital payments would severely damage the charity sector's ability to manage cash flow. Both cash and digital payments are crucial for the continuing health of the charity.

Exclusion:

- Cash-only policies would exclude those without access to physical currency.
- Digital-only policies would exclude those without bank accounts or digital skills. For those who are already vulnerable and isolated, this could have a detrimental impact on their lives.

Operational Inefficiencies:

- Refusal of digital payments can slow down transactions and limit customer base.
- Refusal of cash can alienate certain demographics and lose business from those who prefer to only use cash.

5. What are the implications of cash or digital payments on:

a. Security of payments e.g. fraud protection? No implications.

b. Resilience of payments e.g. always work? No implications.

c. Infection control? No implications.

d. Privacy of payments? No implications

e. Budgeting? No implications.

f. Ease of payments? Cash makes ad-hoc donations easier.

g. Speed of payments? No implications.

6. Does access to cash, through ATMs/banks, or digital payments, through cards/smartphones, influence people's ability to make payments?

The reduction in cash usage is affecting donations. A variety of digital payment methods are required to allow donations to be made quickly and simply.

7. Should the Government of Jersey:

a. introduce legislation or safeguarding measures regarding acceptance of cash payments, and if so what would this entail, for example would this vary for sector or size of payment?

Government guidance may be a more effective way of safeguarding.

b. introduce measures to enable more digital payment methods, and if so what would these entail, for example would this vary for sector or size of payment?

For the charity sector it's important that there are no extra admin charges when making donations.

I hope these answers are helpful.

With warm regards,

A handwritten signature in black ink, appearing to read 'Tim Ringsdore', with a large, stylized flourish above the name.

Tim Ringsdore
Chair
Sanctuary Trust