



Mr P Lamy  
Scrutiny Office  
States Greffe  
Morier House  
St Helier  
Jersey  
JE1 1DD

Dear Mr Lamy,

27 September 2024

**Economic and International Affairs Scrutiny Panel (“EIASP”)  
Reference: Acceptance of Cash Payments Review**

Thank you for your letter dated 27<sup>th</sup> August 2024 and your request for additional supporting information to our original submission. We have prepared our response in line with your nine areas of question.

We are aware that you have directly approached a number of financial institutions across the Island in support of your review.

**1. Business Banking Tariffs**

These Business Banking Tariffs are publicly available and we have attached for ease along with a link to the four Clearing Bank websites that provide such services. This tariff arrangements would be provided and agreed prior to a Business Account becoming operational (subject to change in line with Terms & Conditions). The provision of a cash handling service is relatively more expensive, versus acceptance of digital payments by a business customer and this pricing differential is outlined in the published tariffs.

[New Business Account Opening \(hsbc.com\)](#)  
[Business Account Charges | NatWest International Islands local businesses | Lloyds Bank International BPC1148.pdf \(barclays.com\)](#)

## **2 Medium Term**

There are no current plans to change the provision of free access to cash for retail customers. For retail customers within the Island, this has been in place for over 30 years. There may be changes in future, however, at present, this is not in scope for review by any of the Clearing Banks in Jersey.

## **3 Privacy of Digital Payments**

All data (personal and transactional activity) is confidential and treated in line with the Data Protection (Jersey) Law 2018. Personal data will be utilised to support a customer request / application for a further product or service, e.g. a mortgage or a personal loan. Transactions are screened to ensure that the Clearing Banks are compliant with their Anti-Money Laundering requirements as laid out in the JFSC AML/CT/CPF Handbook for the prevention and detection of money laundering, the countering of terrorist financing, and the countering of proliferation financing ("Handbook").

## **4 Resilience of Digital Payment Systems**

As an Industry Body we do not hold data relating to "down time" of digital payment systems. However, digital payment systems operate on a 24/7 basis and we believe such "down time" to be negligible. Such digital payment systems are more likely to be subject to external impacts such as a reliance on an electricity supply and access to "wi-fi".

## **5 Increased Digital Inclusion / Education**

All Banks provide Education to support digital inclusion including accessing account information and making payments on-line and via a mobile app 24/7. This training can be provided either face-to-face in a branch environment or through existing tutorials publicly available on-line.

## **6 Additional Enquiries relating to cash deposits / withdrawals / transfers and payments**

The Banks operate in line with the requirements outlined in Section 2.4.1.57 of the Handbook that refers to businesses establishing systems and controls where cash payments will be accepted and Section 3.3.3 & 3.3.4 that refer to a Bank's requirement to understand Source of Funds and undertake an Assessment of Risk. Any "inconvenience" will be kept to a minimum and can be reduced further where the source of funds or reason for withdrawal, can be easily evidenced to enable the Bank to comply with its requirements under Jersey Law. Section 11 of the Handbook refers to "Wire Transfers", the definition of items captured under this description and where additional enquires are required by the Clearing Bank.

## **7 Banking available for everyone**

Community Savings is a charity that helps those who are experiencing financial difficulties, for whatever reason. Their aim is to promote financial inclusion in Jersey by providing free and confidential services, guidance and practical assistance to those most in need. The Community Savings seek to open an account for any local resident, even if they have, in exceptional circumstances, been excluded from having an ordinary bank account. In addition, a customer of the Community Savings can apply for a 3rd party pre-paid card to give added flexibility as they can use it to withdraw cash or pay for goods and services, including over the telephone or online.

## **8 Crypto Currency**

The local Clearing Banks are not currently involved in the central bank digital currency (CBDC) or crypto currency as an exchange within the Island of Jersey.

### **9 a. Role of a Bank "Cashier"**

Adoption of technology across all banking operations and roles has enabled the branch-based banking teams to adapt their day-to-day activities to meet customers' needs. There has also been an introduction of self-service technology to support both local business and retail customers to give choice, ease and convenience. These options have been introduced via ATMs, digital apps. and public websites. This enables the local branch teams to support customers with more complex enquiries and/or larger transactions that require advice or time to work with those customers who are classified as "vulnerable" and where additional expertise, or explanations are welcomed. The traditional "cashier" role remains predominately unchanged and is a key part of any Bank branch.


### **b. Does any Clearing Bank only offer Digital Services**

Each Clearing Bank will adopt its own business model and where the offering is on a Digital Services only basis, then a retail or commercial customer has a choice where and how to Bank.

As outlined in our original submission, the Clearing Banks continue to invest in their local premises, employ a significant number of people in Jersey and are firmly committed to supporting all Islanders to have access to banking services through their various delivery channels, that gives the customer the choice of whether to transact in cash, digital or both, and at their convenience.

Thank you for the opportunity to respond to your follow-up enquiries.

Yours sincerely



Charles Molteno  
**President**



