

STATES OF JERSEY



CASH PAYMENT AT GOVERNMENT SPORTS FACILITIES

**Lodged au Greffe on 26th February 2024
by Deputy L.K.F. Stephenson of St. Mary, St. Ouen and St. Peter
Earliest date for debate: 19th March 2024**

STATES GREFFE

PROPOSITION

THE STATES are asked to decide whether they are of opinion –

- (a) to request the Minister for Infrastructure to reintroduce the ability for members of the public to pay in cash at Government run sport facilities by June 2024; and
- (b) to request the Council of Ministers to review current and planned Government policies regarding cash payments across all departments and facilities by June 2024, to ensure that Islanders are not being unfairly disadvantaged or prevented from accessing services.

DEPUTY L.K.F. STEPHENSON OF ST. MARY, ST. OUEN AND ST.
PETER

REPORT

In December 2023 a case in which a vulnerable Islander visiting Les Quennevais Sports Centre was prevented from paying by cash due to the Government's 'cashless policy' was brought to public attention, via the media and social media. It highlighted questions around accessibility and led to calls from members of the public and States Members to reverse the decision in 2020 to go cashless. Steps were being taken by the previous government to address the matter.

Given we now have a new government, this proposition calls on the new Minister for Infrastructure to implement, without delay, a solution which allows Islanders who need, or wish, to use cash at Jersey's public sports centres to do so.

Government needs to take a pragmatic, but compassionate approach to this issue. This proposition acknowledges that such cases have not been reported in high numbers and that in the increasingly digital world the vast majority of people have no problem with paying by card or on their phones. There are, however, still those in our community who need or want to use cash.

This proposition does not seek to reintroduce layers of costly bureaucracy unnecessarily, but it does seek to ensure that no Islanders are prevented, or discouraged, from accessing important public services because of cashless policies introduced during a pandemic which has long since passed.

In addition, making efficiencies, as this policy originally sought to do (around £30,000 a year in the case of sport facilities), should not be at the expense of fairness and accessibility, especially for vulnerable members of our community.

Public sports facilities should have accessibility at the heart of their business model, particularly for sectors of the community who may otherwise feel marginalised or excluded from using the private sector whether because of cost or other reasons. We should be encouraging and enabling as many people as possible to use our government facilities, for their mental and physical health. Similarly, other government services should be accessible for all Islanders who need or want to access them.

A local Facebook group, Jersey CI – Cash is King, has more than 3,500 members and includes a list of places in Jersey which do not accept cash. Islanders also regularly post examples of where they have been prevented from using cash and the impact or challenges of it.

On the use of cash, the Public Finances Manual states –

'The use of cash to settle transactions is expensive compared to other methods, such as standing orders, bank transfers or direct debits, and poses a greater risk of losses due to fraud, theft or error. Cash handling should, therefore, be kept to a minimum as a method of payment accepted by the States of Jersey. Debit or credit cards should be the preferred option for one off payments, with cheques and cash only to be used where there is no feasible alternative.'

It adds –

'In the event that cash is used as a method of payment, such payments should be restricted to a maximum sum to be specified by the States Treasurer. For recurring receipts, Accountable Officers should encourage customers to use bank transfers, direct debits and standing orders to reduce the need for cash handling and encourage timely remittance.

2. Cash balances should only be held for petty cash and float purposes, and should be limited to the lowest practicable amount (as agreed with Treasury and Exchequer) to reduce risk of loss or theft. These limits should be periodically reviewed to ensure that they remain as low as feasibly possible. Treasury and Exchequer must be made aware of these balances and any changes to limits. Any proposed changes to these limits should be communicated in advance and agreed with Treasury and Exchequer.'

There are a number of reasons why cashless policies are potentially problematic, these are detailed below.

Accessibility

Cashless policies are more likely to negatively impact the more vulnerable in society, potentially alienating the elderly and impacting on children who do not yet use bank cards or digital banking themselves. Members of the community with special needs have also been impacted, as was the situation with the case at Les Quennevais.

Cost of living

Data from the UK last year showed that payments using coins and cash had increased by 7% following a decade of decline. Banking body UK Finance put the rise down to the cost-of-living crisis and people feeling like cash payments made it easier to monitor their spending when times are tough. Given that the Jersey Opinions and Lifestyle Survey showed that 1 in 3 households had difficulty coping financial during 2023 – up from a quarter the year before – excluding people from using cash risks alienating those trying to budget in this way.

Financial exclusion

There are some members of society who are unable to open bank accounts, perhaps because of a poor credit rating or because a bank has turned them down for other reasons. The Jersey charity Community Savings exists in part to provide basic accounts for this very reason, to meet this gap in our community. The charity lists various case studies on its website, including Tina, who got divorced but found herself unable to open a bank account in her own name because of a poor credit rating. People like Tina should not be excluded from being able to access government services.

It should also be noted that there will be very legitimate occasions when some members of our community may not want to leave the digital trails which card payments create, for example if they are suffering domestic abuse, featuring financial control or otherwise.

Resilience

Increasing reliance on the internet while leading to positive developments in the digital world is not without its potential downsides. Among them is resilience of services should systems, local or wider, be disrupted. Cases do occur locally where establishments have been unable to take payments for periods of time because of network issues.

Financial and staffing implications

Figures provided by government show that the 2020 decision to go cashless at Government sport facilities was designed to deliver around £30,000 in efficiencies. All of the infrastructure around cash was removed, including the accounts and arrangements for daily banking. There would therefore be some cost associated with its reintroduction and, as the public finances manual clearly states, the ongoing processing of cash.

However, this proposition does not seek a return to the previous arrangements at the same level and anticipates that a much cheaper and reasonable solution can be found which balances the likely limited demand but respects Islanders' rights and ensures that public services are accessible.

The wider review of government policies can be completed within existing resources, however there could be potential costs associated with any changes which may be made following that work.

Children's Rights Impact Assessment

A Children's Rights Impact Assessment has been prepared in relation to this proposition and will be accessible for review on the [States Assembly website](#).