

NEWS RELEASE

Powerful industry alliance to lead fight against a cashless society

London, 25 October 2021: A new not-for-profit organisation, the UK Cash Supply Alliance (CSA), is officially launching this week and vows to lead a “cash fight back”.

Despite 40 million UK adults (75% of the population)¹ regularly using cash and a total of 1.33 billion ATM withdrawals in 2020², businesses nationwide are increasingly refusing to accept cash. This worrying trend has been exacerbated by the pandemic and an ongoing reluctance to handle cash.

The CSA’s steering group includes representatives from the Post Office, Loomis and Cennox, plus several other key industry players, and it will engage a wide range of stakeholders in a debate over the future of cash. Conversations are planned with UK government, regulators, trade associations, the retail sector and the public more widely.

While the government has legislated in the Financial Services Act 2021 to aid greater adoption of cashback without a purchase, it only launched its consultation this summer to set out proposals for further legislation. The CSA will promote the widespread acceptance and availability of cash, so it remains a valid payment option for UK consumers of all demographics and anywhere in the UK.

Says Nigel Constable, Chair, the CSA: “The future of cash is at a crossroads – many organisations publicly support its continued existence but are not driving the new solutions needed to make this a reality. Through the CSA, we want to secure the future of cash. To sustain cash into the future, it is critical that both deposit and withdrawal facilities are maintained and developed. There are huge opportunities to make better use of existing infrastructure as well as introducing new and innovative solutions.

“It’s time for a cash fight back. We’re currently awaiting a response from the Government Access to Cash consultation and it’s vital that it now gets to grips with the positive solutions needed to protect cash for all.

“We know that low income, rather than age, is the most accurate indicator for cash dependency. Yet for many, it is also about the freedom to use cash, for personal budgeting, or as a desire to avoid card data being captured and monetarised. Those who speak glibly about a cashless society need to be aware that for some, access to legal tender can be the difference between whether they eat, or pay for their electricity.”

The UK remains behind countries such as the US where the Payment Choice Act of 2021 bill has just been introduced, which would make it illegal for retailers across the USA to refuse to accept cash for in person consumer transactions.

Constable continues: “We know that much more can be done to reduce the ‘cost of cash’ within the current £5 billion annual bill for the UK cash infrastructure³. This includes new cash withdrawal channels in stores to support ‘exact amount’ dispensing, especially for those customers who need to access all the funds in their account and digital alternatives to coins.

“We are also concerned that the ability for consumers and small businesses to pay in funds is diminishing as bank branches close, even though there is an underutilised network of deposit taking machines in the branches that remain open.”

For more information about the UK Cash Supply Alliance or for organisations interested in joining the alliance visit www.cashsupplyalliance.co.uk

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Sources

1. Sonect
2. Link - in network and out network withdrawals
3. Access to Cash report

Notes to Editors

About the CSA

Focusing on access, availability, authenticity and acceptability, the Cash Supply Alliance (CSA) is a not-for-profit organisation that aims to engage with and connect organisations across the cash supply chain with UK government, regulators, trade associations, the retail sector and the public. Its steering group comprises representatives from the Post Office, Cennox, Loomis, Clyde & Co, Shrap, and Cash and Card World. The steering group is chaired by Nigel Constable, a banking automation expert with over 25 years’ experience of providing solutions in the field.

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