# The rise of cashless payments in the UK and its implications



A significant trend in the retail landscape has emerged as several major companies across the UK, including prominent supermarket chains and restaurant groups, have shifted to cashless payment systems. This transition has generated substantial backlash from advocates for cash, who claim that these policies compromise public access to cash payments.

Notable examples of businesses adopting cashless practices include Zizzi, a popular Italian restaurant chain, which has implemented a predominantly cashless model at most of its establishments. Zizzi encourages payment through cards, Apple Pay, or Google Pay, stating on their FAQs: "To provide the smoothest and fastest payment experience, and to keep our teams safe, we are cashless and we encourage card, Apple Pay or Google Pay transactions." The restaurant still allows cash for tipping purposes.

Similarly, Gail's Bakery, which operates over 150 shops nationwide, has adopted a strict cash-only payment policy. The bakery highlights environmental benefits of removing cash transactions, as it reduces the need for cash collection and delivery, which had previously been conducted multiple times per week across its locations. “Additionally, being cashless has had a positive impact on the security of our bakeries by minimising the risk of criminal activity,” they stated.

Itsu has been scaling its cashless transactions since 2019 after trialling the concept in stores with a high percentage of card transactions. Speaking to RTIH, a spokesperson for Itsu indicated, "We now have 12 and have plans to continue as the response so far has been largely positive."

In the supermarket sector, Tesco announced a transformation of 40 of its UK café sites into cashless zones last August, enabling customers to order through digital self-service screens and pay exclusively by card or contactless. Asda has reciprocated by implementing a cashless model at nearly 270 of its petrol stations, citing that over 90 per cent of transactions were already conducted via card or contactless methods. Asda maintains, however, that cash is still accepted at its supermarkets and other outlets.

Sainsbury's has not fully embraced the cashless trend but has indicated that while most of its stores continue to accept cash payments, the retailer has not specified how many locations may now refuse cash.

The move towards cashless payments has been met with criticism from proponents of cash, such as Ron Delnevo, Chairman of the Payment Choice Alliance. Delnevo labelled the trend as "completely unacceptable," asserting, “The vast majority of the public want cash to be honoured as a payment. These businesses are letting down the public.” Advocacy groups are pushing for legislative measures to ensure cash remains a viable option for consumers.

Amidst the debate, it's important to note that, according to Full Fact, it is legal for retailers to refuse cash payments if they choose. The concept of 'legal tender' often misinterpreted, only applies in specific debt repayment situations, and shop owners have the discretion to determine which forms of payment they will accept. The Bank of England further clarifies that "legal tender" has a narrow technical definition that generally does not affect everyday transactions, allowing business owners to select their preferred payment methods.

As the cashless movement gains momentum, the discussion surrounding consumer rights and payment methods is likely to intensify, highlighting a key shift in how consumers engage with the retail market.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.takepayments.com/blog/online-and-tech/retail-payment-trends-small-businesses/> - This article discusses the rise of contactless and digital payments in the UK, highlighting how cash usage has significantly decreased, which supports the trend towards cashless transactions among businesses.
* <https://www.fintechfutures.com/2025/03/uks-fca-considers-raising-or-removing-contactless-payment-limits/> - The FCA's consideration of removing contactless payment limits reflects the growing reliance on digital payment methods, aligning with the shift towards cashless systems in retail.
* <https://www.pymnts.com/news/regulation/2025/uks-fca-seeks-comment-on-removing-contactless-card-payment-limit/> - This article further details the FCA's proposal to remove contactless payment limits, which could enhance the adoption of cashless payment systems by providing greater flexibility for consumers and businesses.
* <https://www.bankofengland.co.uk/knowledgebank/what-is-legal-tender> - The Bank of England clarifies the concept of 'legal tender,' which supports the notion that businesses can choose not to accept cash for everyday transactions, as it only applies in specific debt repayment situations.
* <https://fullfact.org/economy/legal-tender/> - Full Fact provides an explanation of 'legal tender,' confirming that it does not obligate retailers to accept cash in all situations, which aligns with the trend of businesses adopting cashless models.
* <https://www.bbc.co.uk/news/business-62511111> - This BBC article discusses how some UK businesses are moving towards cashless models, which aligns with the examples provided in the original article about companies like Zizzi and Itsu adopting cashless payment systems.