# Treasury Committee urges government action to protect cash users in the UK



Earlier this year, a visit to Darlington market in County Durham provided firsthand insight into the ongoing concerns surrounding cash acceptance in the UK. The visit was part of the Treasury Committee's inquiry into the current state and future of cash payments. During this visit, market traders and customers shared their experiences, highlighting the crucial role cash still plays in many people's daily lives.

The Treasury Committee’s recently published report emphasises a growing concern: if the Government does not intervene, it will be the poorest and most vulnerable who suffer the greatest consequences. With online banking and digital payments becoming the dominant methods for transactions such as buying petrol or ordering groceries, some demographics face unintended and severe challenges.

Older individuals, in particular, often prefer to avoid digital payment methods due to fears of potential scams. Additionally, research shows that nearly half of disabled people encounter barriers when trying to use online systems. The report also points to evidence that poorer individuals, who rely on cash for budgeting purposes, are facing increased financial hardship. The shift towards non-cash payments in public transport, parking, and leisure services is limiting the places where cash users can spend their money, forcing them to travel further and pay more—what is known as the poverty premium.

A significant and distressing element of the report focuses on women experiencing economic coercion or abuse. For many victims, the ability to access and manage cash is a critical lifeline, offering some measure of independence and safety from their abusers. The report recounts the story of a survivor who was unable to pay for her child’s school lunches because the school had adopted a cashless payment system. The abuser controlled the school's online payment account, and despite informing the school of this situation, her need to pay in cash was not recognised as a safeguarding matter. The school's refusal to accommodate cash payments was highlighted as unacceptable.

The debate over cash versus digital payments includes arguments concerning the cost of maintaining cash infrastructure. Some advocate for a cashless, digital-first society. Sweden’s experience with transitioning to a cashless society is cited as a cautionary tale, as they were forced to reconsider after realising that removing cash entirely would marginalise vulnerable groups.

The current state of cash usage in the UK remains unclear, with a lack of comprehensive data on cash acceptance across the economy. This absence of monitoring leaves the country uncertain about how much longer cash will remain a viable payment option for those who depend on it.

The Treasury Committee is calling on the Government to undertake a thorough review of cash acceptance, with a goal to identify the scale of the issue and potential points at which intervention would be necessary. The committee argues that proactive measures could mitigate higher costs and societal impacts later.

As chair of the Treasury Committee, the representative who led the inquiry stated, "The traders and customers I met at Darlington market, and all those that gave evidence to our inquiry, reminded me how critical it is that, as MPs, we acknowledge that cash is a way of life for a lot of people." The committee warns that failure to act risks creating a divided society where cash users face higher costs, fewer options, and exclusion from community spaces.

The Treasury Committee intends to continue its work on this topic, maintaining pressure on the Government to address cash acceptance and ensure inclusivity for all citizens, regardless of their preferred payment method. The Daily Mail is reporting on this development as part of a wider dialogue on how the UK manages its transition in financial transactions.

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

## Bibliography

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