

Cash gives way to flexible friend

Spending on credit and debit cards has overtaken cash spending in the UK for the first time.

The moment that plastic finally toppled cash happened at 10.38am on Wednesday, according to the Association for Payment Clearing Services (Apacs). Apacs chose school teacher Helen Carroll, from Portsmouth, to make the historic transaction. The switch over took place as she paid for her groceries in the supermarket chain Tesco's Cromwell Road branch.

Mrs Carroll was born in the same year that plastic cards first appeared in the UK. "I pay for most things with my debit card, with occasional purchases on one of my credit cards," said Mrs Carroll, who teaches at Peel Common Infants School in Gosport.

Spending patterns for the year and estimates for December led Apacs to conclude that 10.38am was the time that plastic would finally rule the roost. Shoppers in the UK are expected to put £269bn on plastic cards during the whole of 2004, compared with £268bn paid with cash, Apacs said. When the first plastic cards appeared in the UK in June 1966, issued by Barclaycard, but only a handful of retailers accepted them and very few customers held them. "But in less than 40 years, plastic has become our most popular way to pay, due to the added security and flexibility it offers," said Apacs spokeswoman Jemma Smith. "The key driver has been the introduction of debit cards, which now account for two-thirds of plastic card transactions and are used by millions of us every day."