

Treasury Committee

Financial Inclusion Strategy

Second Report of Session 2026–27

HC 13

Treasury Committee

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Summary

The Treasury's Financial Inclusion Strategy identifies many of the areas in which people experience financial exclusion, and it is a welcome first step. However, it is not yet a complete plan for reducing financial exclusion across the UK.

The Strategy does not show who is excluded, where exclusion is concentrated, which products and services people are excluded from, and why. Without that analysis, the Government cannot know whether its interventions are the right ones, or whether they are reaching the people who need them most.

In order for the Strategy to be effective, HM Treasury should publish a fuller quantitative analysis of the scale, causes and distribution of financial exclusion. That analysis should be matched by clearer targets, data and accountability for the implementation of the Strategy. HM Treasury should also work with the FCA to develop firm-level metrics focused on the largest providers and markets where exclusion causes the greatest harm.

The use of partnerships, pilots and voluntary action can test what works, but those approaches need clear routes to scale, effective evaluation, and consequences if voluntary action fails. HM Treasury should set triggers for further intervention and publish a pilot-to-scale plan.

The government rightly included consumer and lived-experience voices in the development of the Strategy. However, those voices must have a clear and continuing role in shaping delivery, particularly where industry voices may exert significant influence.

1 Introduction

Background

1. Financial inclusion allows people to manage their money, access essential services and plan for the future. Yet too many people in the UK are financially excluded. Following its Financial Lives Survey in 2024, the Financial Conduct Authority (FCA) reported that 900,000 adults were ‘unbanked’ with no current account, while 13.1 million, or 24% of all UK adults, had low financial resilience, making it more difficult for them to resist, cope with and recover from negative financial shocks. Low financial resilience was particularly concentrated among lone parents, the unemployed, those with household incomes below £15,000 a year and renters. Geographically, low financial resilience was most prevalent in the North-East and North-West.¹
2. Increasing levels of financial inclusion has been a recurring challenge for UK public policy since the late 1990s.² Earlier governments focused on access to banking, affordable credit and money advice, supported by the Financial Inclusion Fund and the original Financial Inclusion Taskforce, which was established in 2004–05 and wound up in 2011.³
3. The Financial Inclusion Strategy, published in November 2025, sets out this government’s approach to improving financial inclusion for underserved groups across the UK. It is structured around six pillars: digital inclusion and access to banking; support for savings; financial resilience through insurance; access to affordable credit; tackling problem debt; and financial education and capability. Accessibility, mental health and economic abuse are included as cross-cutting themes.⁴

1 Financial Conduct Authority, [Financial Lives 2024 survey: key findings from the FCA’s Financial Lives May 2024 survey](#), 16 May 2025. The FCA defines adults as having low financial resilience if they meet one or more of the following criteria: they are in financial difficulty due to missing payments on domestic bills and/or credit commitments in three or more of the past six months; they are heavily burdened by their existing commitments; or they have very limited savings.

2 House of Commons Library, [Financial inclusion](#), 20 May 2022.

3 HM Treasury, [Promoting financial inclusion](#), December 2004.

4 HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025.

4. The Strategy was shaped by a Financial Inclusion Committee of consumer and industry representatives, alongside wider stakeholder engagement.⁵ The committee was established in December 2024 to “examine, coordinate and implement the Financial Inclusion Strategy’s interventions”.⁶ It is chaired by the Economic Secretary to the Treasury, currently, Rachel Blake MP, and includes representatives from the third sector, industry, FCA and Money and Pensions Service (MaPS).⁷⁸ The committee was also supported by sub-committees on digital inclusion and access to banking, access to credit and access to insurance during the Strategy’s development. In its first meeting, the committee noted that proposals for future discussion on savings, problem debt, and financial education and capability would be developed by HM Treasury officials.⁹

Our inquiry

5. We launched this inquiry on 28 November 2025 to examine whether the government’s Financial Inclusion Strategy matched the scale of financial exclusion and was likely to make a meaningful difference to people’s lives.¹⁰ We published 92 written submissions following our call for evidence.¹¹ We held four oral evidence sessions and heard from experts, academics, industry representatives, delivery partners, organisations that support people affected by financial exclusion, the FCA and the government.¹² We are grateful to everyone who contributed to this inquiry.

5 HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025.

6 [Correspondence from Economic Secretary to the Treasury on follow-up to Financial Inclusion session, dated 22 June 2026](#) and HM Treasury, [Financial Inclusion Committee: terms of reference](#), 4 March 2026

7 Since the development of the Financial Inclusion Strategy began, the Economic Secretaries to the Treasury have been: Tulip Siddiq MP, from 9 July 2024 to 14 January 2025; Rt Hon Emma Reynolds MP, from 14 January 2025 to 5 September 2025; Rt Hon Lucy Rigby KC MP, from 6 September 2025 to 14 May 2026; and Rachel Blake MP, since 14 May 2026

8 HM Treasury, [Financial Inclusion Committee: terms of reference](#), 4 March 2026

9 HM Treasury, [Summary of the first meeting of the Financial Inclusion Committee](#), 5 December 2024

10 Treasury Committee, [Financial inclusion ‘must not be box-ticking exercise’: new inquiry launches](#), 28 November 2025

11 Treasury Committee, [Written evidence](#), February 2026

12 Treasury Committee, [Financial Inclusion Strategy](#), 28 November 2025

2 A welcome first step, but not yet a complete plan

6. Witnesses welcomed the Strategy. Jasjyot Singh, Chief Executive Officer for Consumer Relationships at Lloyds Banking Group, described it as “a coherent framework” and “the right place to start”.¹³ Michelle Highman, Chief Executive of The Money Charity, welcomed financial inclusion receiving greater attention from government and industry.¹⁴
7. Witnesses told us that the Strategy covered the right areas. Dr Karagiannaki, of the Centre for Analysis of Social Exclusion at the London School of Economics and Political Science, described the six pillars of the Strategy as moving in the right direction, while noting that they needed to be better integrated.¹⁵ Michelle Highman stated that she was “delighted” that the Strategy included financial education and financial capability.¹⁶ Banking and insurance witnesses highlighted the importance of access to products such as banking, savings, affordable credit and insurance being included in the six pillars, as well as economic abuse, mental health and accessibility.¹⁷
8. However, witnesses were clear that the Strategy should be seen as a starting point rather than a complete plan.¹⁸ The government also described it in those terms. Rachel Blake MP told us that the Strategy was “not one and done”.¹⁹
9. We also heard that the Strategy was not yet ambitious enough to tackle the scale and persistence of financial exclusion. Mick McAteer, Co-Director, Financial Inclusion and Markets Centre, told us that the Strategy was “nowhere near ambitious enough” and that there was “nothing in the strategy that the industry would not like”.²⁰ Helen Undy, CEO, Money and Mental Health Policy Institute said the Strategy was “lacking in ambition [...]”

13 [Q59](#) [Jasjyot Singh]

14 [Q155](#) [Michelle Highman]

15 [Q4](#) [Dr Karagiannaki]

16 [Q155](#) [Michelle Highman]

17 [Q59](#) [Jasjyot Singh]; [Q75](#) [Jasjyot Singh], [Q88](#) [Stephen Noakes]; [Q98](#); [Q110](#) [Hannah Gurga]; [Qq81–82](#); [Q126](#); [Q61](#); [Q63](#)

18 [Q155](#) [Helen Undy]; [Q6](#) [Mick McAteer]; [Q8](#) [Professor Benamraoui]

19 [Q273](#) [Rachel Blake MP]

20 [Q6](#) [Mick McAteer]

relies too heavily on industry, and [...] does not have the accountability or impact metrics needed to give confidence that it is the step forward that we need for financial inclusion”.²¹

Evidence base

10. Financial exclusion is not experienced evenly. HM Treasury’s 2004 report on Promoting financial inclusion included a dedicated chapter on “Who, where and how many?”, which used survey and geographical data to identify common characteristics of financially excluded people and where exclusion was concentrated. It found, for example, that unbanked households were concentrated among those on low incomes, people in receipt of benefits, social renters and lone parents. It also found that financial exclusion was a localised problem, with some areas of the country particularly affected.²²
11. The Strategy includes data on individual issues and groups, but witnesses questioned whether it represented a full account of who was excluded, where exclusion happened and all the products or services concerned. Witnesses argued that the Strategy was too focused on products, and not enough on the people who were financially excluded. Michelle Highman told us that the Strategy looked at access to products such as credit and insurance, rather than thinking about “the person” and their characteristics such as “gender, ethnicity, disability, employment status and age.”²³
12. Other witnesses and written evidence pointed to the barriers affecting a range of groups, including people with disabilities, people with mental health problems, victim-survivors of economic abuse, people without standard ID, people with low or irregular incomes, people in rural areas, older people and some ethnic minority groups.²⁴
13. Evidence we received also suggested that the lack of access for some people was caused by factors beyond lack of financial awareness, confidence or capability. Some access problems arose because markets did not provide affordable or suitable products for certain consumers. Mick

21 [Q155](#) [Helen Undy]

22 HM Treasury, [Promoting financial inclusion](#), December 2004.

23 [Q155](#) [Michelle Highman];

24 [Q2](#) [Mick McAteer]; [Q155](#) [Michelle Highman]; [Q155](#) [Helen Undy]; HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025; Hleb Buziuk (Independent policy researcher and human-rights advocate at FairGo CIC) ([FIS0001](#)); Dr Alex Hall (Lecturer in the Healthy Ageing Research Group at The University of Manchester); Professor Debora Price (Professor of Social Gerontology at The University of Manchester) ([FIS0010](#)); Money and Mental Health Policy Institute (Martin Lewis’s think tank) ([FIS0071](#)); Citizens Advice Scotland ([FIS0015](#)); The Bread and Butter Thing ([FIS0012](#)); IPTF ([FIS0011](#)); Financial Inclusion for Scotland ([FIS0014](#)); Dr Rajiv Prabhakar (Senior Lecturer in Personal Finance at The Open University) ([FIS0002](#)); The Investing and Saving Alliance (TISA) ([FIS0006](#)).

McAteer told us that the market was “unable or unwilling to serve” some consumers, particularly those on low or irregular incomes, and that risk profiling in credit and insurance markets excluded people by segmenting them according to risk and profitability.²⁵ The Centre on Household Assets and Savings Management (CHASM) similarly argued that financial exclusion reflected low or insecure incomes and increasingly granular risk-based pricing, while The Bread and Butter Thing told us that many low-income households had little or no financial slack after meeting essential costs.²⁶

14. On the question on whether the FCA’s Financial Lives Survey gave the government a clear picture of who was excluded and where they lived, the Economic Secretary stated that she had “asked that question but [did] not know the answer about geography”. Dan Rusbridge, Deputy Director at HM Treasury, told us that the Financial Lives Survey did not provide a geographic breakdown, but included other demographic indicators such as age, sex, ethnicity, employment status, housing tenure and income.²⁷ The Economic Secretary added that HM Treasury also drew on MaPS, MoneyView, the ONS Family Resources Survey and pilot evaluations, and accepted that geography and regional impacts were matters “to dig into”.²⁸
15. Following the evidence session, we sought further clarification from HM Treasury and the FCA on the geographic scope of the Financial Lives Survey. In correspondence, the Economic Secretary corrected the record, stating that the Survey disaggregated results by nation and by region in England and that sub-regional analysis was possible, subject to sample size constraints.²⁹ The FCA told us that the Survey collected postcode-level data for all respondents and could support analysis by nation, region, deprivation, town classification and postcode area, with further sub-regional analysis possible where sample sizes permitted. Moreover, it used this information to identify where issues were emerging, for which groups, and in which parts of the UK, and had shared detailed Financial Lives findings with HM Treasury to inform the Strategy.³⁰

25 [Q26](#) [Mick McAteer]; [Q34](#)

26 Centre on Household Assets and Savings Management (CHASM), University of Birmingham ([FIS0056](#)), The Bread and Butter Thing ([FIS0012](#))

27 [Q295](#)

28 [Q297](#)

29 [Correspondence from Economic Secretary to the Treasury on follow-up to Financial Inclusion session, dated 22 June 2026](#)

30 [Correspondence from the FCA to the Treasury on follow-up to Financial Inclusion session, dated 22 June 2026](#)

16.

CONCLUSION

The publication of the Financial Inclusion Strategy is welcome. It identifies many of the areas in which people experience financial exclusion. Informed witnesses broadly supported those areas of focus. Unlike HM Treasury's 2004 publication, however, the Strategy does not yet bring together the evidence needed to show who is excluded, where exclusion is concentrated, which products and services people are excluded from, and why. Without that, the government cannot know whether its interventions are the right ones and whether they are targeted at the people who need them most.

17.

RECOMMENDATION

HM Treasury should, within six months, publish a fuller quantitative analysis of the scale, causes and distribution of financial exclusion in the UK. Drawing on existing sources, including the FCA's Financial Lives Survey, this should identify who is excluded, where exclusion is concentrated geographically, which products and services people are excluded from, and why. It should also set out how HM Treasury will use those data sources to measure progress over time, and where further data is needed.

Targets, data and accountability

18. In the Strategy, HM Treasury stated that the implementation of the Strategy would be reviewed two years after publication, and that it would “consider a series of outcome-based metrics” to support that review. The areas identified for possible metrics included savings, the number of unbanked adults, financial difficulty, debt advice, digital confidence, financial capability and insurance signposting. However, the Strategy did not set baselines, targets, milestones or named delivery owners.³¹
19. Witnesses questioned the strength of the Strategy's evidence base. Abdelhafid Benamraoui, Professor of Finance, University of Westminster, told us that although the Strategy captured the “main areas”, it was “not scientifically backed up” and lacked performance indicators and a clear monitoring framework.³²
20. Consumer and civil society witnesses called for stronger accountability and clearer outcome measures. Fair4All Finance warned that without “firm quantifiable metrics and measurable targets” progress might be measured through activity only, making it harder for Parliament, stakeholders and consumers to assess whether delivery partners were contributing

31 HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025.

32 [Q8](#) [Professor Benamraoui]

effectively.³³ The Money and Mental Health Policy Institute stated that “too much” of the strategy relied on the “goodwill of the financial services sector” and that progress “must be measured, evaluated, and held to account”.³⁴ The leaders of Fair4All Finance, the Money and Mental Health Policy Institute, The Money Charity and Good Things Foundation all agreed that firm-level data would improve accountability.³⁵

21. Banking witnesses also accepted the importance of publishing data to show whether firms were consistently helping to reduce financial exclusion. Nationwide observed that “the Strategy should define baselines, expand outcome-based indicators and collect disaggregated data” and that a comprehensive reporting framework with regular public updates would help to ensure that delivery partners remained accountable for measurable improvements.³⁶ Stephen Noakes, Director of Retail at Nationwide, told us that consistent firm-level publication would show “very quickly if people [were] overplaying or underplaying”.³⁷ Jasjyot Singh said Lloyds Banking Group would be “very happy to publish data” and was “proud of the data” it had.³⁸
22. When we questioned the Economic Secretary about metrics, she replied that the 2024 Financial Lives Survey would provide the baseline and that the two-year review of the Strategy would take place in November 2027.³⁹ She added that there was “a plan” to identify commitment owners.⁴⁰ We asked her whether HM Treasury would publish information to Parliament on baselines, milestones and pilot outcomes, and whether it would work with us on what information should be included.⁴¹
23. After our evidence session, we wrote to the Economic Secretary to ask who was responsible for delivering each commitment in the Strategy. She replied that she was responsible for delivery and that Matt Cornford, HM Treasury’s Director of Financial Services, was the Senior Responsible Officer. She explained that Mr Cornford convened a quarterly Delivery Partners Forum to monitor progress with key delivery partners, including the Money and Pensions Service, Fair4All Finance, the FCA, UK Finance and the Association of British Insurers.⁴² In oral evidence, HM Treasury highlighted the role

33 Fair4All Finance ([FIS0032](#))

34 Money and Mental Health Policy Institute (Martin Lewis’s think tank) ([FIS0071](#))

35 [Q167](#)

36 Nationwide Building Society ([FIS0072](#))

37 [Q79](#) [Stephen Noakes]

38 [Q79](#) [Jasjyot Singh]

39 [Q294](#)

40 [Q289](#)

41 [Q294](#)

42 [Correspondence from Economic Secretary to the Treasury on follow-up to Financial Inclusion session, dated 22 June 2026](#)

played by the Financial Inclusion Committee, quarterly working groups and roundtables, as well as work by partners such as the Money and Pensions Service and Fair4All Finance, as the institutional structures for delivery.⁴³

24. CONCLUSION

We welcome the government's commitment to review progress against the Strategy at the two-year mark. However, a two-year review without published baselines and milestones will not inform Parliament to judge whether the Strategy is on track. Reporting that working groups have met, pilots have started and stakeholders have been consulted does not show whether financial exclusion has reduced. Without baselines, targets, named owners, firm-level data and regular reporting, the two-year review risks describing activity rather than showing whether the Strategy is working.

25. CONCLUSION

The Economic Secretary told us that she was responsible for delivery of the Strategy and would be happy to discuss its progress with the Treasury Committee. Although we would welcome such updates, they cannot substitute for a published implementation and accountability framework.

26. RECOMMENDATION

HM Treasury must publish within six months an implementation and accountability framework for the Financial Inclusion Strategy. Before publication, HM Treasury must agree with the Treasury Committee the core information to be included. The framework should include baselines, measurable targets, interim milestones, named delivery owners, funding and resource assumptions for each commitment, and annual reporting to Parliament. It should distinguish clearly between administrative activity, frontline delivery and outcome measures showing whether exclusion has reduced.

27. RECOMMENDATION

HM Treasury and the FCA should also develop proportionate firm-level financial inclusion metrics. These should focus on the largest providers and on markets where exclusion causes the greatest consumer harm, such as contents insurance, affordable credit and access to basic banking services. They should be designed to identify whether progress is being delivered consistently across firms and sectors.

3 Voluntary action, pilots and the route to scale

28. The government’s approach to delivering the Strategy is explicitly collaborative. In her foreword to the Strategy, the then Economic Secretary to the Treasury said that government could not “deliver this alone” and that delivery depended on “the financial services sector, civil society, employers and [...] Fair4All Finance and the Money and Pensions Service.”⁴⁴
29. In practice, this collaborative approach means that delivery of many of the Strategy’s commitments depends on voluntary action, industry-led working groups, pilots or exploratory programmes. Examples include:
- an identity and verification pilot for bank accounts;
 - an Inclusive Design Working Group;
 - a contents insurance pilot for social renters;
 - a small-sum lending pilot;
 - a travel insurance and mental health working group; and
 - work to expand payroll savings and debt advice referral routes.

Limitations of voluntary action

30. Witnesses told us that while voluntary action and partnership with industry could produce useful results, there were limits to what they could achieve where firms did not consider some consumers commercially viable to serve. Sarah Pritchard, Deputy Chief Executive of the FCA, told us that the Consumer Duty required firms to deliver good outcomes for consumers, but that the FCA could not require or mandate firms to serve groups of consumers. She said that whether to provide a product or service remained “a commercial decision for firms”, and that if government and Parliament wanted universal access to certain core products, “it would absolutely be necessary” to mandate it.⁴⁵

44 HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025.

45 [Qq217–219](#)

- 31.** Industry evidence illustrated how those limits operate in practice. Banking witnesses pointed to differences in business models and commercial considerations when serving certain groups. Stephen Noakes told us that the business models were “different”, while Jasjyot Singh said that lending to some customers required firms to consider responsible lending and “the prudential implications”.⁴⁶ Nici Audhlam-Gardiner, Board Member of the Association of Financial Mutuals and Chief Executive Officer of Foresters UK, told us that addressing gaps in access to insurance would require “regulation, industry and even government”.⁴⁷
- 32.** We asked the Economic Secretary whether, without stronger government intervention, some consumers would continue to be left without access to basic financial products, because those consumers were not sufficiently profitable for firms to serve. The Economic Secretary told us that the government was “making good progress with a partnership approach”, citing the example of a pilot with Shelter to help people without proof of identity or a stable address, and that it would “need to see where the relevant working groups got to”. Alanna Barber, Deputy Director at HM Treasury, added that the government had given itself a power in the Financial Services and Markets Bill to act on access to face-to-face banking services, if the evidence supported intervention. However, this power was limited to access to banking services and could not be used for other products such as contents insurance.⁴⁸
- 33.** Witnesses highlighted both the value and the limitations of pilots. Money and Mental Health told us that voluntary efforts could deliver “promising “pilots, “but struggle to translate into sustained system-wide change”, and called for independent oversight and clear triggers for regulatory intervention.⁴⁹ Evidence also noted that the Strategy did not set out a clear route from pilot to expanding successful pilots across the market. Kate Pender, Chief Executive of Fair4All Finance, for example, emphasised that the small-sum lending pilot they had supported was only a first step. Success would mean scaling up from one bank to several, and then to wider industry.⁵⁰

46 [Qq86–87;Q102](#)

47 [Q119](#)

48 [Qq300–304](#)

49 Money and Mental Health Policy Institute (Martin Lewis’s think tank) ([FIS0071](#))

50 [Q171](#)

34.

CONCLUSION

Voluntary action and pilots can help test solutions, but they cannot be the main driver of a national financial inclusion strategy unless there are clear routes to scale and clear consequences if voluntary action fails. This is especially important where firms are reluctant to serve consumers who may be higher cost, higher risk or less profitable. The inclusion of a reserve power on access to banking services in the Financial Services and Markets Bill suggests that the government also recognises these limits.

35.

CONCLUSION

The government may be right to begin with partnerships pilots and working groups, but it should be clear from the outset what would count as insufficient progress and what further action it would then take. It should not wait until the two-year review to decide what happens next if pilots succeed or if voluntary action is insufficient.

36.

RECOMMENDATION

Where delivery depends on voluntary industry action, HM Treasury should set out clear triggers for further intervention. It should also explain what evidence or level of consumer harm would be needed before existing reserve powers, including those on access to banking services, would be used. Given that the Financial Services and Markets Bill is currently before Parliament, and the length of time it could take to pass any future legislation, HM Treasury should consider now whether the Bill should include further targeted powers to intervene if voluntary action fails to secure reasonable access to essential financial services.

37.

RECOMMENDATION

HM Treasury should publish a pilot-to-scale plan for the Financial Inclusion Strategy in the next six months. For each pilot, working group or exploratory programme, this should set out success criteria, evaluation methods, funding routes, decision points and the action government will take if the intervention works, if it does not work, or if voluntary industry participation is insufficient.

Consumer voice and the design of the Strategy

38. The Strategy is clear in its intent for the voices and lived experience of underserved groups to be at its heart.⁵¹ However, witnesses questioned whether those voices had sufficient weight in practice. Sian Williams, Chair of the independent Financial Inclusion Commission, criticised the balance between firm and consumer representatives:

There are seven representatives from industry or Government and seven from the consumer world and yet, when I thought about what power really looks like, that is incredibly disjointed and unequal in a power imbalance.

Why? Because once you have the big banks, the big insurance companies, the big credit companies sitting around a table with the government, it is going to be much harder for the government to hear from the consumer voices.⁵²

Ms Williams also noted that there had been no written call for evidence, which would have allowed organisations supporting underserved consumers, and people affected by financial exclusion, to draw out more detail.⁵³

39. Witnesses also raised concerns about how the Financial Inclusion Committee and its sub-committee operated. Michelle Highman told us that the main Committee did not have “a huge amount of time” and that, as a result, the business of the Strategy had probably been moved to the sub-committees. She also questioned why there were sub-committees for three areas but not for financial education, financial capability, savings and debt.⁵⁴ Helen Undy explained how the process reduced the weight of consumer voices:

The membership of the committee was evenly weighted, yet, [...] we had three meetings of one hour each before the Strategy was written and one afterwards, with three different Economic Secretaries to the Treasury. The work of informing the Strategy took place outside those meetings, and the imbalance in resources and influence between the consumer organisations and the industry has played out in that.⁵⁵

51 HM Treasury, [Financial Inclusion Strategy](#), 5 November 2025.

52 [Q1](#)

53 Ibid

54 [Q155](#) [Michelle Highman]

55 [Q155](#) [Helen Undy]. The Economic Secretary to the Treasury has since changed once again.

40. The government did not accept that criticism. The Economic Secretary told us that “a range of partners had been involved in preparing the Strategy” and that the Financial Inclusion Committee included consumer representatives. She also noted that the Committee was now “eight and five” in favour of consumer representatives.⁵⁶
41. After the evidence session, we wrote to the Economic Secretary to ask what steps HM Treasury would take to ensure that it was properly informed by consumer voices when developing and implementing the Strategy. The minister told us that HM Treasury had engaged with more than 100 organisations during the Strategy’s development, including organisations representing or supporting consumers, and that the Financial Inclusion Committee had held a dedicated session with people with direct experience of financial exclusion. She also said that, as the Strategy moved into implementation, she would ensure that consumer voices were “built into delivery”.⁵⁷
42. We also heard wider concerns about missing or under-represented voices. These included, among others:
- academic expertise;
 - devolved nations and regions;
 - fintech;
 - grassroots and community-led organisations;
 - local advice charities; and
 - people who had experienced financial exclusion.
43. The concern was not only whether consumer voices were present on the main Committee, but whether the process was sufficiently transparent, structured and broad to draw on the experiences of people most affected by financial exclusion.⁵⁸

56 [Q279](#); [Q283](#)

57 [Correspondence from Economic Secretary to the Treasury on follow-up to Financial Inclusion session, dated 22 June 2026](#)

58 [Innovate Finance \(FIS0043\)](#); [Rooted Finance \(FIS0093\)](#); [Gateway M40, Greater Manchester Combined Authority \(FIS0028\)](#); [Irish League of Credit Unions \(FIS0024\)](#); [Department of Finance \(FIS0019\)](#); [Financial Inclusion for Scotland \(FIS0014\)](#); [Centre on Household Assets and Savings Management \(CHASM\), University of Birmingham \(FIS0056\)](#); [Dr Rajiv Prabhakar \(Senior Lecturer in Personal Finance at The Open University\) \(FIS0002\)](#).

44. The current Economic Secretary acknowledged concerns about ministerial continuity during the Strategy's development, accepting that it was not "ideal". She pointed to the Financial Inclusion Committee, quarterly official-level working groups and roundtables as the institutional structure for delivery.⁵⁹

45. **CONCLUSION**

The government rightly included consumer and lived-experience voices in the development of the Strategy. However, the process did not sufficiently guard against industry voices carrying greater influence, particularly in sub-committees and implementation discussions. Evidence that the main Committee met only briefly before publication, and that detailed work took place outside it, raises questions about whether consumer representatives had sufficient opportunity to shape the Strategy. We welcome increases in the number of consumer representatives on the Financial Inclusion Committee, but numbers alone do not answer the concerns raised by witnesses, particularly where detailed work took place in sub-committees or outside the main Committee. Consumer, civil society and lived-experience voices must have a clear and continuing role in shaping delivery.

46. **RECOMMENDATION**

HM Treasury should strengthen the governance of the Financial Inclusion Committee, its sub-committees and any implementation groups. For sub-committees and implementation groups, HM Treasury should publish membership, terms of reference and meeting frequency. It should ensure that consumer, civil society and representatives with lived experience of financial exclusion have sufficient weight and voice in the process, including by recording where they disagree with industry-led proposals and explaining how those disagreements have been considered.

Conclusions and recommendations

A welcome first step, but not yet a complete plan

1. The publication of the Financial Inclusion Strategy is welcome. It identifies many of the areas in which people experience financial exclusion. Informed witnesses broadly supported those areas of focus. Unlike HM Treasury's 2004 publication, however, the Strategy does not yet bring together the evidence needed to show who is excluded, where exclusion is concentrated, which products and services people are excluded from, and why. Without that, the government cannot know whether its interventions are the right ones and whether they are targeted at the people who need them most. (Conclusion, Paragraph 16)
2. HM Treasury should, within six months, publish a fuller quantitative analysis of the scale, causes and distribution of financial exclusion in the UK. Drawing on existing sources, including the FCA's Financial Lives Survey, this should identify who is excluded, where exclusion is concentrated geographically, which products and services people are excluded from, and why. It should also set out how HM Treasury will use those data sources to measure progress over time, and where further data is needed. (Recommendation, Paragraph 17)
3. We welcome the government's commitment to review progress against the Strategy at the two-year mark. However, a two-year review without published baselines and milestones will not inform Parliament to judge whether the Strategy is on track. Reporting that working groups have met, pilots have started and stakeholders have been consulted does not show whether financial exclusion has reduced. Without baselines, targets, named owners, firm-level data and regular reporting, the two-year review risks describing activity rather than showing whether the Strategy is working. (Conclusion, Paragraph 24)

4. The Economic Secretary told us that she was responsible for delivery of the Strategy and would be happy to discuss its progress with the Treasury Committee. Although we would welcome such updates, they cannot substitute for a published implementation and accountability framework. (Conclusion, Paragraph 25)
5. HM Treasury must publish within six months an implementation and accountability framework for the Financial Inclusion Strategy. Before publication, HM Treasury must agree with the Treasury Committee the core information to be included. The framework should include baselines, measurable targets, interim milestones, named delivery owners, funding and resource assumptions for each commitment, and annual reporting to Parliament. It should distinguish clearly between administrative activity, frontline delivery and outcome measures showing whether exclusion has reduced. (Recommendation, Paragraph 26)
6. HM Treasury and the FCA should also develop proportionate firm-level financial inclusion metrics. These should focus on the largest providers and on markets where exclusion causes the greatest consumer harm, such as contents insurance, affordable credit and access to basic banking services. They should be designed to identify whether progress is being delivered consistently across firms and sectors. (Recommendation, Paragraph 27)

Voluntary action, pilots and the route to scale

7. Voluntary action and pilots can help test solutions, but they cannot be the main driver of a national financial inclusion strategy unless there are clear routes to scale and clear consequences if voluntary action fails. This is especially important where firms are reluctant to serve consumers who may be higher cost, higher risk or less profitable. The inclusion of a reserve power on access to banking services in the Financial Services and Markets Bill suggests that the government also recognises these limits. (Conclusion, Paragraph 34)
8. The government may be right to begin with partnerships pilots and working groups, but it should be clear from the outset what would count as insufficient progress and what further action it would then take. It should not wait until the two-year review to decide what happens next if pilots succeed or if voluntary action is insufficient. (Conclusion, Paragraph 35)
9. Where delivery depends on voluntary industry action, HM Treasury should set out clear triggers for further intervention. It should also explain what evidence or level of consumer harm would be needed before existing reserve powers, including those on access to banking services, would be used. Given

that the Financial Services and Markets Bill is currently before Parliament, and the length of time it could take to pass any future legislation, HM Treasury should consider now whether the Bill should include further targeted powers to intervene if voluntary action fails to secure reasonable access to essential financial services. (Recommendation, Paragraph 36)

10. HM Treasury should publish a pilot-to-scale plan for the Financial Inclusion Strategy in the next six months. For each pilot, working group or exploratory programme, this should set out success criteria, evaluation methods, funding routes, decision points and the action government will take if the intervention works, if it does not work, or if voluntary industry participation is insufficient. (Recommendation, Paragraph 37)
11. The government rightly included consumer and lived-experience voices in the development of the Strategy. However, the process did not sufficiently guard against industry voices carrying greater influence, particularly in sub-committees and implementation discussions. Evidence that the main Committee met only briefly before publication, and that detailed work took place outside it, raises questions about whether consumer representatives had sufficient opportunity to shape the Strategy. We welcome increases in the number of consumer representatives on the Financial Inclusion Committee, but numbers alone do not answer the concerns raised by witnesses, particularly where detailed work took place in sub-committees or outside the main Committee. Consumer, civil society and lived-experience voices must have a clear and continuing role in shaping delivery. (Conclusion, Paragraph 45)
12. HM Treasury should strengthen the governance of the Financial Inclusion Committee, its sub-committees and any implementation groups. For sub-committees and implementation groups, HM Treasury should publish membership, terms of reference and meeting frequency. It should ensure that consumer, civil society and representatives with lived experience of financial exclusion have sufficient weight and voice in the process, including by recording where they disagree with industry-led proposals and explaining how those disagreements have been considered. (Recommendation, Paragraph 46)

Formal Minutes

Tuesday 7 July 2026

Members present

Dame Meg Hillier, in the Chair

Dame Harriett Baldwin

Jim Dickson

John Glen

John Grady

Dame Siobhain McDonagh

Ms Julie Minns

Catherine West

Financial Inclusion Strategy

Draft Report (*Financial Inclusion Strategy*), proposed by the Chair, brought up and read.

Ordered, That the draft Report be read a second time, paragraph by paragraph.

Paragraphs 1 to 46 read and agreed to.

Summary agreed to.

Resolved, That the Report be the Second Report of the Committee to the House.

Ordered, That the Chair make the Report to the House.

Ordered, That embargoed copies of the Report be made available (Standing Order No. 134).

Adjournment

Adjourned till Wednesday 8 July 2026 at 12.45pm.

Witnesses

The following witnesses gave evidence. Transcripts can be viewed on the [inquiry publications page](#) of the Committee's website.

Tuesday 3 February 2026

Sian Williams, Chair, Financial Inclusion Commission; **Mick McAteer**, Co-director, Financial Inclusion and Markets Centre; **Dr Eleni Karagiannaki**, Research Fellow, Centre for Analysis and Social Exclusion, London School of Economics and Political Science; **Professor Abdelhafid Benamraoui**, Professor of Finance, University of Westminster [Q1–58](#)

Wednesday 4 March 2026

Jasjot Singh OBE, CEO, Consumer Relationships, Lloyds Banking Group; **Stephen Noakes**, Director of Retail, Nationwide [Q59–105](#)

Hannah Gurga, Director General, The Association of British Insurers (ABI); **Alison Rayner**, Chief Compliance & Corporate Affairs Officer, Allianz UK; **Nici Audhlam-Gardiner**, Board Member Association of Financial Mutuals & CEO, Foresters Financial [Q106–154](#)

Wednesday 25 March 2026

Helen Undy, CEO, Money and Mental Health Policy Institute; **Michelle Highman**, CEO, The Money Charity; **Dr Emma Stone**, Director, Good Things Foundation; **Kate Pender**, CEO, Fair4All Finance [Q155–198](#)

Tuesday 9 June 2026

Sarah Pritchard, Deputy Chief Executive, Financial Conduct Authority [Q199–245](#)

Rachel Blake MP, Economic Secretary to the Treasury, HM Treasury; **Dan Rusbridge**, Deputy Director for the Personal Finances and Funds Team, HM Treasury; **Alanna Barber**, Deputy Director for the Banking and Credit Team, HM Treasury [Q246–311](#)

Published written evidence

The following written evidence was received and can be viewed on the [inquiry publications page](#) of the Committee's website.

FIS numbers are generated by the evidence processing system and so may not be complete.

1	AAT	FIS0065
2	Aberdeen Group plc	FIS0075
3	Agunsoye, Dr Ariane (Senior Lecturer in Economics, Goldsmiths, University of London)	FIS0058
4	Association of British Credit Unions Limited (ABCUL)	FIS0046
5	BlackRock	FIS0097
6	Block	FIS0052
7	British Standards Institution (BSI)	FIS0096
8	Buziuk, Hleb (Independent policy researcher and human-rights advocate, FairGo CIC)	FIS0001
9	Cash Access UK	FIS0020
10	Centre for Responsible Credit	FIS0080
11	Centre on Household Assets and Savings Management (CHASM), University of Birmingham	FIS0056
12	Cheetham, Dr Mandy (Assistant Professor in Health and Social Care Research, Northumbria University)	FIS0021
13	Chowbey, Dr Punita (Senior Research Fellow , Sheffield Hallam University); and Dr Clare Wiper (Assistant Professor, Northumbria University)	FIS0060
14	Christians Against Poverty (CAP)	FIS0037
15	Citizens Advice Scotland	FIS0015
16	Co-op Group	FIS0013
17	Commsave Credit Union	FIS0009
18	Consumer Credit Trade Association	FIS0034
19	Crypto Council for Innovation	FIS0069
20	Department of Finance	FIS0019

21	EdenTree Investment Management Ltd	FIS0101
22	Fair By Design	FIS0102
23	Fair By Design	FIS0059
24	Fair for You	FIS0066
25	Fair4All Finance	FIS0032
26	Fairer Finance	FIS0085
27	Feeding Britain	FIS0081
28	Fejos, Dr Andrea (Senior Lecturer, University of Essex)	FIS0077
29	Finance & Leasing Association	FIS0044
30	Financial Conduct Authority	FIS0095
31	Financial Inclusion Commission	FIS0070
32	Financial Inclusion for Scotland	FIS0014
33	Fitzhugh, Dr Helen (Research Fellow, University of East Anglia); Professor Sara Connolly (Professor of Work and Employment , University of Leicester); and Dr Bryony Davies	FIS0083
34	Gateway M40; and Greater Manchester Combined Authority	FIS0028
35	Ghafran, Professor Chaudhry (Professor of Accounting, Durham University); and Dr Sofia Yasmin (Associate Professor of Accounting, University of Manchester)	FIS0018
36	GoHenry	FIS0017
37	Greater Manchester Combined Authority; Trafford Council; Bolton Money Skills Service; HOOT; and GM Ageing Hub	FIS0016
38	Hall, Dr Alex (Lecturer in the Healthy Ageing Research Group, The University of Manchester); and Professor Debora Price (Professor of Social Gerontology, The University of Manchester)	FIS0010
39	IFoA	FIS0036
40	IPTF	FIS0011
41	Innovate Finance	FIS0043
42	Institute of Money Advisers	FIS0023
43	Irish League of Credit Unions	FIS0024
44	Karagiannaki, Dr Eleni (Assistant Professorial Research Fellow, Centre for Analysis of Social Exclusion (CASE), London School of Economics)	FIS0022
45	LINK Consumer Council	FIS0074

46	LINK Scheme Ltd	FIS0073
47	Leeds City Council; and Leeds Financial Inclusion Steering Group	FIS0053
48	Lowell UK	FIS0038
49	Mastercard	FIS0054
50	Mencap	FIS0061
51	Mission Remission	FIS0008
52	Money Advice Scotland	FIS0047
53	Money Advice Trust	FIS0084
54	Money Ready	FIS0089
55	Money Saving Expert	FIS0098
56	Money and Mental Health Policy Institute (Martin Lewis's think tank)	FIS0071
57	Moussa, Dr Tantawy (Senior Lecturer in Accounting, University of Westminster); Professor Abdelhafid Benamraoui (Professor of Finance, University of Westminster); Dr Amira Hawas (Assistant Professor of Finance, University of Sussex); and Professor Alaa Zalata (Professor of Accounting, University of Southampton)	FIS0040
58	Nationwide Building Society	FIS0072
59	Nest Insight	FIS0063
60	OneFamily	FIS0055
61	Onojobi, Erel (Programme Director, Power to Prosper)	FIS0049
62	Open Banking Limited	FIS0004
63	Post Office Limited	FIS0078
64	Prabhakar, Dr Rajiv (Senior Lecturer in Personal Finance, The Open University)	FIS0002
65	Progress Together	FIS0076
66	Project Nemo	FIS0067
67	Purple Shoots Business Lending Ltd	FIS0005
68	Registry Trust Ltd.	FIS0045
69	Responsible Finance	FIS0057
70	Riaz, Dr Yasir (Lecturer in Finance, Ulster University); and Dr Iqra Abdullah (Lecturer in Human Resources & Organisational Behaviour, University of Greenwich)	FIS0064

71	Rooted Finance	FIS0093
72	Royal National Institute of Blind People	FIS0030
73	StepChange Debt Charity	FIS0090
74	Stream	FIS0088
75	Surviving Economic Abuse	FIS0035
76	The ABI	FIS0041
77	The Bread and Butter Thing	FIS0012
78	The Finance Innovation Lab	FIS0092
79	The Finance Innovation Lab	FIS0062
80	The Financial Inclusion and Markets Centre	FIS0027
81	The Investing and Saving Alliance (TISA)	FIS0006
82	The Payments Association	FIS0051
83	Thomas Pocklington Trust	FIS0086
84	Trust for London	FIS0079
85	UCL Gender + Tech Research Lab	FIS0029
86	UK Finance	FIS0094
87	Wiper, Dr Clare (Assistant Professor in Criminology, Northumbria University); and Dr Belen Barros Pena (Lecturer in Human-Computer Interaction , City St George's University of London)	FIS0025
88	Women's Budget Group	FIS0039
89	Xero	FIS0068
90	Yaspa	FIS0031
91	ZIYX	FIS0042
92	incuto Limited	FIS0048

List of Reports from the Committee during the current Parliament

All publications from the Committee are available on the [publications page](#) of the Committee's website.

Session 2026–27

Number	Title	Reference
1st	Student loans: Broken and unfair?	HC 14

Session 2024–26

Number	Title	Reference
16th	Appointment of Katharine Braddick as Deputy Governor for Prudential Regulation at the Bank of England and Chief Executive of the Prudential Regulation Authority	HC 1821
15th	Artificial intelligence in financial services	HC 684
14th	Taxation of gambling	HC 1451
13th	Appointment of Professor Stephen Blyth to the Financial Policy Committee	HC 1396
12th	National Wealth Fund	HC 806
11th	Cash Individual Savings Account	HC 1422
10th	Re-appointment of Richard Hughes as Chair of the Office for Budget Responsibility	HC 1214
9th	Financial Ombudsman Service: Accountability to the House of Commons	HC 1184
8th	Lifetime Individual Savings Account	HC 607
7th	Re-appointment of Nikhil Rathi as Chief Executive of the Financial Conduct Authority	HC 912
6th	Acceptance of cash	HC 324

Number	Title	Reference
5th	Appointment of Ric Lewis as Chair of the Crown Estate	HC 683
4th	Appointment of Niamh Moloney to the Prudential Regulation Committee	HC 783
3rd	Appointment of David Soanes to the Prudential Regulation Committee	HC 776
2nd	Appointment of Andrea Enria to the Prudential Regulation Committee	HC 775
1st	The Office for Value for Money	HC 521
7th Special	AI in financial services: Responses to the Committee's Fifteenth Report	HC 1791
6th Special	Taxation of gambling: Government Response	HC 1625
5th Special	National Wealth Fund: Government Response	HC 1607
4th Special	Cash Individual Savings Account: Government Response	HC 1606
3rd Special	Lifetime Individual Savings Account: Government Response	HC 1311
2nd Special	Acceptance of Cash: Government Response	HC 1128
1st Special	SME Finance: Government Response	HC 517