

# Levelling the playing field

**Building inclusive access to financial  
services for people from minority  
ethnic groups**

November 2023

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# Foreword



**Sacha Romanovitch OBE,  
CEO of Fair4All Finance**

**People from minority ethnic groups face greater exclusion from the financial system.**

There are multiple issues in the entrenched design and behaviours in the system that contribute to this.

However, since the Runnymede Trust's landmark '[Financial Inclusion and Ethnicity](#)' report in 2008, there has been little research on the experiences of exclusion by ethnicity in the UK, the reasons behind these issues or how to address this exclusion. This research aims to change that.

**It's not a level playing field**

There are many factors contributing to this greater financial exclusion and much for the country to do to create a fairer system.

Acknowledging this, our research is focused on how people from minority ethnic groups experience, engage and view financial services providers and financial products and services – and how providers can best meet their needs now and in the future.

**The results are stark**

From the high levels of discrimination people from minority ethnic groups experience to the

barriers to accessing finance, including a lack of trust, a 'one size fits all' approach and a lack of transparency around decision making.

People from minority ethnic groups also hold fewer financial products, despite experiencing more of the life events that might require them.

And they are less likely to have positive interactions with banks, such as when seeking help, visiting a branch or using mobile banking.

**It doesn't have to be this way**

It's clear that change is needed, and it's needed now. We've set out a series of Calls to Action to address discrimination and improve financial inclusion.

Alongside these, research participants highlighted the key changes they want to see and there is much to learn from the alternative financial solutions people from minority ethnic groups have sought.

**Time for change**

There needs to be commitment across the financial services sector to work individually and in partnership to meet the needs of all communities.

We are encouraged by the positive work financial services providers are already doing in this space and hope our findings help them accelerate this.

There is also an important role for regulation to play, with the guiding principle of delivering and demonstrating good outcomes for customers a key part of the FCA's new Consumer Duty.

### **Designing for the most excluded benefits all**

Many of the solutions highlighted in the research that are seen as fundamental by people from minority ethnic groups were popular with all respondents.

Improving the experiences of people from minority ethnic groups can benefit other groups too and be a win-win for banks and all their customers.

### **Collaboration is key**

We're grateful to everyone collaborating with us on this important work, including our co-funders Esmée Fairbairn Foundation and NatWest Group.

And it's great to have many major retail banks and building societies stepping forward to join our practitioner group and take a lead on turning recommendations from this research into actionable solutions.

We welcome others who want to play their part in achieving equity and inclusion in financial services.

A handwritten signature in black ink that reads "Sacha Pomeroy". The signature is written in a cursive style and is underlined with a single horizontal line.

# Acknowledgements

Fair4All Finance has commissioned this research programme in partnership with **Esmée Fairbairn Foundation, NatWest Group** and **StepChange Debt Charity**.

We are grateful to the teams at **ClearView Research** and **Ipsos** for designing a robust methodology and carrying out the data collection, data analysis and report writing.

We would like to thank and share our gratitude to the **Lived Experience Advisory Group** recruited by ClearView Research. This group provided invaluable insights and steers throughout the research project and supported the validation of the findings and constructing the Calls to Action.

Throughout the research process, a **Steering Committee** convened by Fair4All Finance supported the development of the research and shared insights with the researchers. We thank this group for their support, reviewing iterations of the report and providing guidance and input:

**Maria Booker**, Head of Policy, Fair By Design

**Muna Yassin MBE**, CEO, Rooted Finance

**Fozia Irfan OBE**, Non-Executive Director,  
Fair4All Finance

**Peter Tutton**, Head of Policy, StepChange

**Jerry During MBE**, CEO and Co-Founder,  
Money A+E

**Sacha Romanovitch OBE**, CEO, Fair4All Finance

**Shamraz Begum**, Co-Lead of the Racial Equality  
Taskforce, NatWest Group

In addition to the Steering Committee several other individuals from Fair4All Finance made significant contributions to the report, including:

**Ayesha Begum**, Programme Manager, Strategy  
and Impact, Fair4All Finance

**Niall Alexander**, Markets and Consumer Insights  
Manager, Fair4All Finance

Most importantly, we're incredibly grateful to all the **individuals and organisations who took part in the research** and gave us such a rich data set and **compelling human stories** about their experiences of financial services.

## Practitioner group for change

We've also convened a practitioner group consisting of representatives from mainstream and challenger banks, regulators and money advice services that serve minority ethnic groups to work collaboratively to turn recommendations into actionable solutions.

We are encouraged by the positive work that providers are already delivering on inclusion in this space through employee networks, supporting minority owned businesses in the community and working with clients to ensure fairness in business practices.

We would like to extend our thanks to the inaugural practitioner group below who also supported the validation of the findings and constructing the Calls to Action:

- Barclays
- Lloyds Banking Group
- Metro Bank
- Money A+E
- Nationwide Building Society
- NatWest Group
- Rooted Finance
- Santander
- Tesco Bank
- TSB

We welcome other mainstream banks, challenger banks and building societies to the group. This group will meet regularly to take action on the findings in this report and agree how they can support improvements in current and future propositions.

If you're a financial services organisation not yet involved, do get in touch with Ayesha Begum at [ayesha@fair4allfinance.org.uk](mailto:ayesha@fair4allfinance.org.uk).

# Writing about ethnicity

We recognise that ethnicity is very personal. For some it will relate to background or traditions, for others it may be drawn from shared attributes, geographical, societal, historical or linguistic.

We recognise that how people express ethnicity differs. For this reason we have sought a range of advice to best inform our approach throughout the report.

We recognise that language and terminology will continue to evolve and aim to be as respectful and representative as possible at the point of publication.

We explain below the terminology we have adopted for this report and the rationale:

- We use 'minority ethnic' rather than 'ethnic minority' to avoid emphasis on the word 'ethnic' and reflect that everyone has ethnicity - where we talk about minority ethnic groups, we refer to people who identify with a group that is a minority in the UK, rather than as the global majority
- We use minority ethnic groups to refer to all ethnic groups except white British
- We do not use the term BAME or 'black, Asian and minority ethnic' as this puts certain emphasis on particular minority ethnic groups and excludes others. It can homogenise distinct cultures, experiences and perspectives which is misleading and inaccurate
- Where possible, we seek to be as specific to the ethnicity group as the data allows eg black African - otherwise, we use minority ethnic groups to talk collectively
- In this report, references to white British groups encompasses those also identifying as white English, white Scottish, white Welsh and white Northern Irish
- When talking about people collectively in terms of ethnicity, we use 'group' or 'background' as they are more reflective than 'community' which implies subjective ties rather than sharing of one characteristic
- We follow gov.uk standard practice on capitalisation, which doesn't capitalise ethnic groups (eg 'black' or 'white') unless it includes a geographic reference (eg 'Asian' or 'black Caribbean')



**Our goal is to improve  
understanding of the  
financial lives and needs  
of minority ethnic groups**



# Executive summary

## Introduction

**The current financial services system isn't working for everyone. Millions of people are excluded. We know it doesn't have to be like this.**

At Fair4All Finance we're here to transform the system - through investment, research and partnerships - so that everyone has access to the right products and services, whenever they need them.

That's why we've been working with **NatWest Group**, **Esmée Fairbairn Foundation**, and **StepChange Debt Charity** to:

- improve understanding of the financial lives and needs of minority ethnic groups
- explore how financial service providers can be more inclusive
- gather evidence on what works well

The insights and recommendations featured in this report draw on **an extensive research programme** comprising a review of existing literature, analysis of the long running Ipsos Financial Research Survey, in depth expert interviews, 'Exploration Labs' conducted online and in person in London and in Manchester, and a bespoke quantitative survey of 2,000+ UK adults with interlocking quotas set on ethnicity by age, gender, social grade and working status.

## Time for change

With the FCA's Consumer Duty regulation coming into force in July 2023, delivering and demonstrating good outcomes for customers will be the guiding principle in the FCA handbook.

Through this, firms will be expected to account for different outcomes experienced by different customer groups relating to:

- products and services
- price and value
- consumer understanding
- consumer support

The Consumer Duty requires firms to consider the 'characteristics, needs and objectives of their customers in the relevant target market'. We know that applying an ethnicity lens to the products and services offered is crucial to delivering better outcomes. Developing an inclusive design approach will support this.

**The disparities in access and experience shown in this report** further demonstrate the need for all financial services providers to specifically consider the financial inclusion and outcomes of people from minority ethnic groups.

**We are encouraged by the positive work that providers are already delivering on inclusion** through employee networks, supporting minority owned businesses in the community and working with clients to ensure fairness in business practices.

## Improving financial inclusion can benefit everyone

Alongside this positive work, **we encourage financial service providers to take learnings from this research and Calls to Action** to improve financial inclusion for those that are not currently served well by current products and services.

We believe our Calls to Action can **be win-win for financial service providers and people from minority ethnic groups**. They will drive towards:

- more equitable access to financial products
- better customer experiences
- greater financial capability

Alongside regulation, financial service providers can act now to improve financial inclusion for people from minority ethnic backgrounds.

The **key areas identified as fundamental to improving financial experiences for people from minority ethnic groups** are to:

- address discrimination in the customer experience
- focus on cultural representation
- personalise services for different religions and cultures

**Transparency** in decision making and **simple communication** is popular with all respondents, regardless of ethnic group.

## It's not a level playing field

We know that outcomes for people from minority ethnic groups goes wider than the experience with financial service providers. This is helpful context to acknowledge the role that government, regulators and civil society have to play in improving wider inclusion.

People from minority ethnic groups are **more likely to be in lower paid work and to be living in poverty**. This is down to factors such as age, but also societal influences such as discrimination and a lack of networks. Unemployment appears to be more of a risk; during the pandemic, people from minority ethnic groups were more likely to lose their jobs.

### Home ownership is generally

**lower** among minority ethnic groups compared to white British people, with the exception of people of Indian ethnicity, and is disproportionately affected by poor living conditions.



Households of minority ethnic groups are **more likely to be multi-generational and overcrowded**<sup>1</sup>. This is being further exacerbated by rising costs of living with minority ethnic professionals more likely to be moving in with family members<sup>2</sup>.

Compared to white British homeowners, **black people who are homeowners have homes with lower than average property values, but higher than average monthly mortgage payments**.

People from minority ethnic groups are **more likely to experience low financial resilience**.



They are more likely to report struggling with the cost of living such as energy, rent or mortgage payments.

Findings from the FCA's Financial Lives cost of living (January 2023) recontact survey shows adults from minority ethnic backgrounds are **1.5 times more likely to say they are not coping financially at all or are finding it difficult to cope** compared with adults not in minority ethnic groups (52% vs 33%).

<sup>1</sup> [English Housing Survey 2018-2021, combined data](#)

<sup>2</sup> [People Like Us \(2023\) Non-profit asks government for mandatory ethnicity pay gap reporting, November 2022 research](#)

## Summary of key findings

### Higher levels of discrimination

Around one in five people from minority ethnic groups **have experienced discrimination due to race when dealing with financial providers** (22%) or have friends or family who have done so (24%).

28% agree that the way things work in financial organisations means that people from minority ethnic group backgrounds are treated unfairly.

During our qualitative research, people from minority ethnic groups, and specifically those from black backgrounds, explained **they had been treated with suspicion or accused of lying.**

**Experiences of discrimination, whether rooted in perception or reality, are still very high.** There is a mismatch in perception of the progress mainstream financial institutions believe has been made to the experiences people from minority ethnic groups report.

### Disparities in need versus use

We found 68% of people from minority ethnic groups experienced a financial/general event in the past year, such as moving house or buying a car, compared to 53% of white British people. We see this difference across all age groups. Not all life events are 'financially negative', eg change in jobs could lead to a higher salary, but the majority of life events experienced by people from minority ethnic groups are in categories that would result in a financial cost.

The fact that people from minority ethnic groups are more likely to experience greater financial or general events is compounded by the finding that they are also less likely to hold financial products that can help smooth expenses and build long-term financial security.



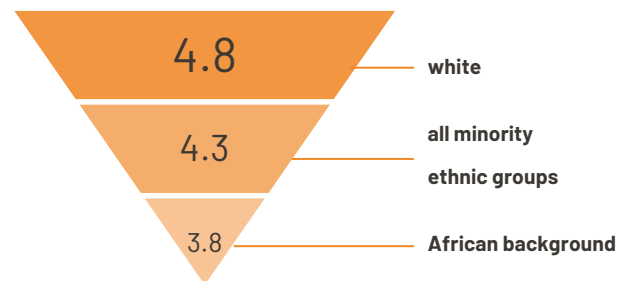
People from minority ethnic groups are **less likely to have current accounts, savings accounts, overdrafts and credit cards.**



People from minority ethnic groups are **less likely to hold any savings or investments** (56%) than white British people (66%).

They are also **less likely to hold** pensions or life insurance, which are financial products that can help build long term financial security.

They also have **fewer financial products.** 4.3 on average, compared to 4.8 for white British people and reducing to 3.8 for people from an African background.



This is not necessarily a negative indicator in itself but should be considered alongside the type of financial products held, with people from minority ethnic groups **more likely to be using basic bank accounts and 'buy now pay later' services.**

**Differences in product holdings are consistent regardless of age or income levels.** This is also consistent regardless of whether people were born outside the UK or are second generation.

These disparities in need versus use lead us on to the barriers to accessing finance people from minority ethnic groups face.

## Barriers to accessing finance

### Lack of trust and discrimination

There is a **lack of trust in financial service providers** amongst minority ethnic groups, **based on previous experiences** or fears of discrimination.

**Fear of discrimination** by staff and customers was a reason for not using some bank channels.

**One in ten people from minority ethnic groups don't use telephone (9%) or video banking (11%)**

because they worry about being discriminated against by staff. **5% don't visit branches for the same reason.**



People from minority ethnic groups are **more likely to use mobile banking**. However, when visiting a branch or using mobile banking they are **less likely to have had a good experience** compared to the white British group.



### 'One size fits all' approach

Many people felt high street banks adopt a uniform approach which is a **barrier for people with specific cultural or religious needs**, such as Sharia banking or sending remittances. 56% of people from minority ethnic groups felt most financial providers offer current accounts that suit their individual needs, compared to 61% of white British people.

Banks for me have a one size fits all approach, everyone gets the same kind of service. It needs to be more personalised, tailored to individuals. Sharia banking for example.'

Asian Bangladeshi man, 35-44, London

### English as a second language

People from minority ethnic groups whose first language is not English are less likely than people from minority ethnic groups in general (68%) and white British people (72%) to agree that the different ways to access banking services are suitable for their needs (59%).

### Additional, lengthy hurdles

When trying to access products such as a credit card or a loan, people from minority ethnic groups recounted **submitting multiple applications and receiving contradictory information**, or only being able to access **high interest rates** despite a good credit score.

It was therefore unsurprising to find people from minority ethnic groups are more likely to prioritise easy sign up versus white British people (30% versus 22%) and quicker banking (22% versus 13%).

## Credit scores and rejections

Similar to white applicants (39%), a third (34%) of people from minority ethnic groups who have applied for a loan product have been rejected in the past year.

The most common cause across all groups was low credit score (39%), but **27% of people from minority ethnic groups never found out the reason compared to 16% for white British people.**

We heard multiple examples in the focus groups of people having their **applications rejected**, despite being advised they had a good credit score.



'I was **forced to jump to conclusions, because everyone was getting through except me** - is it because I'm of colour? **You're not even sure what you've done wrong because they don't tell you** [why you've been rejected].'

Mixed Caribbean man, 25-34, Scotland

People want more clarity on banks' processes and practices and for communications to be simple and transparent. Considering **over one in four people never find out the reason for their rejection**, there is a lack of communication around declines that needs to be addressed. Under new Consumer Duty regulation, 'firms should communicate and engage with customers so that they can make effective, timely and properly informed decisions about financial products and services and can take responsibility for their actions and decisions' and can support customers by 'tailoring their communications accordingly so that they are likely to be understood' to support customers to pursue their financial objectives.

Some experts highlighted that **characteristics of minority ethnic groups can mean they are more likely to have 'thin files' with little credit history**, so difficult to make a credit judgement to produce a credible credit score. Positive behaviours such as regular remittances or taking part in informal savings circles do not contribute, and we even found fears these could count against people.

## Information, support, and financial literacy

### Seeking help

People from minority ethnic groups are **more likely to have looked for help from a financial provider** (eg to set up an account or transfer money) than white British people (45% vs 25%).

However, 71% of people from minority ethnic groups did not have a 'very positive' experience when seeking help, compared to 55% of white British people.



### Sources of information

Around half of people from all ethnic groups seek information about different financial products through **search engines and financial providers' websites**. However, people from minority ethnic groups are notably less likely than white British people to use MoneySavingExpert.com or similar (43% vs 60%).

People from minority ethnic groups are more likely than white British people to turn to **friends or family and social media advertising**.

## Culturally appropriate advice

People felt it important to **build financial literacy** among minority ethnic groups, and **in a culturally appropriate way** - understanding cultural attitudes to credit or debt and to building wealth.

'How different communities work, what their stories are, what they might need, what kind of subcultures there might be, where they have confidence, how they can have access and build knowledge and understanding of financial decisions and products. Service providers need to think more holistically.

**There is the opportunity for services to be much more 'whole person.'**

Member of Parliament

Some people felt they haven't been provided with adequate information from banks and services to make informed decisions, with poor credit scores arising due to a lack of knowledge.

People from minority ethnic groups want greater sensitivity to cultural differences. In focus groups they spoke about the importance of cultural representation of staff in branches and at management levels in banks.

People believed this would improve their overall customer experience and help address any unconscious bias in the design and provision of financial services.

## Clarity of communications

**Fewer than half of all people find language used by financial providers easy to understand** (44% of people from minority ethnic groups and 43% of white British people). People whose first language is not English are even less likely to say language used is easy to understand (38%).

While a majority of all people regardless of their ethnic group think that financial providers use language **full of jargon**, this is particularly so for those who have experienced discrimination due to race when dealing with a financial services provider (61%).

Similarly, around three in ten people of all people regardless of their ethnic group feel that the **language used for taking out a current account is confusing**, rising to 57% of those who have experienced discrimination due to race.

53% of those who experienced discrimination feel they **have not had adequate opportunity to give feedback** to financial providers on their experiences.

People recounted feeling uncertain of the information they had received from banks, frustrations about a **lack of transparency**, and receiving **conflicting advice**, particularly in how to build credit.

## It doesn't have to be this way

Because of barriers to accessing mainstream finance, people from minority ethnic groups have **sought alternatives**. These offer important lessons and show there is **nothing inevitable about the barriers** that currently exist.

### Fintechs

People believe that better personalisation of customer service and products would help address the barriers highlighted, with banks working closely with customers to ensure they understand what is available to them.



Experts argue that innovation should be harnessed to provide products and services which better meet the needs of people from minority ethnic groups.

People from minority ethnic groups have more trust and positive sentiment towards **fintech banks**. This finding is consistent regardless of age group.

They are more likely to bank with fintechs (15% vs 7% of white British people) and for a fintech bank to be their main account (6% vs 2%). People from minority ethnic groups felt fintechs better catered to their needs and offered more accessible information. This difference is consistent regardless of age group.

Fintech banks are being chosen by people from minority ethnic groups for:

- their easy sign up process (47%)
- remote sign up (45%)
- making banking easier (44%)
- feeling more in control of your money (36%)

### Pardner Schemes

5% of people from minority ethnic groups said they have used a **Pardner scheme**. This is a type of money pooling where people in a community or place of interest save and borrow together.



The appeal is that they are:

- rooted in community and culturally relevant
- accessible
- easy to use
- easy to understand



## Calls to Action

This research evidences the need for **more meaningful change** to address discrimination and improve financial inclusion. There needs to be **ongoing commitment** across the financial services sector, underpinned by regulatory support, to work individually and in partnership to **meet the needs of all people**. Our findings can help accelerate existing work to increase financial inclusion for minority ethnic groups.

These Calls to Action recommend next steps across the diverse range of stakeholders who have an important part to play in addressing the barriers identified and **breaking the cycle of financial exclusion**.



We encourage financial institutions, fintech innovators, policymakers, community & voluntary groups and charitable organisations supporting this mission, to progress these actions together, learning from each other to **reshape the future of financial services**.

It is **unfair** and unjustifiable that there are clear disparities between ethnic groups in terms of what financial products people hold - the paradox of more life events, but fewer financial products that support financial resilience, cannot be explained away by factors such as age or income.

It is **unacceptable** that people from minority ethnic groups are less likely to have positive interactions with banks.

It is **inexcusable** that some people have experienced discrimination because of their ethnicity.

# Calls to action

1

## Be inclusive by design

Financial services providers need to bake inclusivity into their processes, policies, and products. This will ensure that these meet people's needs and do not discriminate in any way because of ethnicity.

This is not optional. Firms have existing legal requirements under the Equality Act 2010, or equivalent legislation, to **avoid direct and indirect discrimination**. Under the Consumer Duty requirements, firms are expected to 'carry out monitoring to identify where distinct groups of customers...who share protected characteristics get worse outcomes than other customers'<sup>3</sup>. The Consumer Duty requirements expect 'firms to have processes in place to investigate the cause(s) and address any problems'. **Firms are expected to monitor, identify, and act.**

We call on financial services providers to:

- Understand and address how experiences and perceptions of discrimination impact customer journeys
- Ensure harder to reach voices are heard in product development, testing and distribution and there is no unconscious bias
- Make assessments on how representative the customer base is compared to the population of the country or local community, and use this to set targets to improve access
- Listen to and understand individuals' needs, instead of a 'one size fits all' approach
- Provide culturally relevant training for all customer facing staff
- Be culturally sensitive to, but not presumptuous about, people's needs and preferences, eg although Sharia-compliant products cater for those of Muslim faith, do not assume that someone who is Muslim will definitely want Sharia-compliant products
- Ensure communications and branding are inclusive of different minority ethnic groups

Guides looking at how inclusive design can be embedded into product design are a good reference point. [Inclusive Design in Financial Services: A practical guide for firms and suppliers](#) by Fair By Design and Money Advice Trust provides practical steps from the start of the design process through to launching the end product for firms working in the credit, energy and insurance sectors.

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<sup>3</sup> Financial Conduct Authority (2022) [Final non-handbook guidance for firms on Consumer Duty](#)

## 2

**Be transparent in decision making**

This is **essential to improving access** to services and building financial resilience. It will also help build trust with financial services providers.

It also requires financial services providers and credit reference agencies who provide credit files to **work together to be more transparent**. We recognise that lenders' individual risk models are proprietary and tailored to their specific needs but there needs to be a **sector-wide commitment to eliminate bias in decision making**.

We call on financial services providers to:

- Work together to identify robust steps to eliminate bias in decision making
- Be more transparent and clearer to people on how decisions on applications for products are made, why they were rejected and what their pathway is to improve future applications
- Help people understand what they need to do to improve their credit scores
- Work with credit reference agencies and minority ethnic groups to understand how additional financial behaviours can be used as indicators of repayment reliability. (Some examples of good financial behaviour, which are often more associated with people from minority ethnic groups, are not currently being used)

## 3

**Break down barriers**

Financial services providers need to **make it easier**, both for existing customers and people who do not bank with them **to access their products**. There is a legacy of poor experiences to overcome with people from minority ethnic groups.

We call on financial services providers to:

- Measure the type of products that minority ethnic groups are using and develop pathways to move towards products that better support financial resilience eg basic bank account to current account
- Simplify processes for opening accounts and accessing products
- Accept non-standard forms of identification, publicise the different forms of documentation which are acceptable, and work with trusted partners and organisations that work with people from minority ethnic backgrounds to facilitate this
- Use clear vocabulary - jargon is a problem for **all** customer groups. Use processes to identify language that people don't understand and effective ways to demystify financial products

- Make information more accessible by focusing more on benefits than features – eg ‘buy a house’ rather than ‘a mortgage’
- Translate information into different languages that are easily accessible and facilitate different language options across different channels. This should go beyond workshops and financial education and extend to different channel communications and legal paperwork. For instance, give people the option to switch language in financial apps
- Test customer experience journeys with different minority ethnic groups to understand pain points and barriers, and potential solutions to these
- While technology can help improve access to financial products, financial services providers must also meet the needs of people from minority ethnic groups who do not bank digitally, particularly those who do not live near a local branch

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## Improve cultural representation

Minority ethnic groups should be **fairly represented within financial services** organisations. There is both a business case and a moral case for this. Diverse voices, experiences and thinking will **help financial services providers better serve all their customers.**

We call on financial services providers to:

- Increase representation of minority ethnic groups at all levels. We know many organisations will have ethnicity targets at board and senior leadership level, but this needs to extend through the entire business eg customer facing roles
- Review recruitment practices and people policies to eliminate potential bias and discrimination
- Report on pay by ethnicity

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## Engage with communities

Financial services providers should work with communities to **improve access to products and financial understanding.** This will also help build trust.

We call on financial services providers to:

- Work with culturally trusted figures. We heard from our Lived Experience Group that there should be ‘Martin Lewis equivalents’ that can speak to a range of people from minority ethnic groups. Financial institutions can support the delivery and scaling up of this
- Have lived experience at the heart of inclusive design to shape new and existing propositions. Financial institutions should explore how they use the Voluntary, Community & Social Enterprise (VCSE) sector to do this

- Learn from informal community savings circles to understand what factors matter to people
- Partner with grassroots organisations to create pathways to improve people's access and take up of financial products. An example is providing help in opening bank accounts
- Bridge the gap between branch/bank presence. Use trusted community spaces like schools and local community organisations to build trust and improve access

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## Strengthen financial resilience

People from minority ethnic groups **suffer systematic economic disadvantages**. Financial services providers, alongside civil society and minority led group organisations, have a role to play in tackling this. Wrap around activities, alongside core business offerings, will allow for improved financial resilience and better outcomes for customers.

We call on financial services providers to:

- Explore the interplay between debt vulnerability and discrimination. Financial service providers and support organisations should explore what help they can provide for minority ethnic groups to address and overcome problem debt. This could include forbearance methods and how they are applied, cultural understanding of financial commitments, current debt recovery and default processes to support overcoming problem debt
- Support and resource community groups which help build financial literacy and resilience. Fund scale ups where appropriate
- Work with a range of financial education partners, minority led groups and civil society to improve the reach of existing educational programmes
- Build knowledge and capability among people from minority ethnic groups using methods such as online courses and in-person workshops - these could cover subjects such as how to migrate from a basic bank account, ways to improve your credit score, and how to build long-term financial security
- Provide programmes specifically for young people from minority ethnic groups - to start them on the right financial path, but also so that they can share this knowledge with their families and friends accurately and comprehensively

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## Regulate for financial inclusion

Improving financial inclusion is **not a job for banks alone**. There are many things that financial services providers can do right now to improve financial inclusion for people from minority ethnic backgrounds. There is also an **important role for the regulator to provide leadership, support and a framework for**

**firms** to tackle this issue. By building on its existing workstreams on Diversity and Inclusion and the Consumer Duty and applying an ‘ethnicity lens’ across its work, the FCA can continue to drive better outcomes for customers from minority ethnic groups. We call on the FCA to:

- Build on its important work to improve diversity and inclusion in financial services, which has focused on representation among staff and internal processes. This should include diversity and representation at all levels of the business, including customer facing staff and those involved in design and propositions. We encourage firms and the FCA to consider how improving customer outcomes can support improving diversity and inclusion in hiring talent
- Investigate the exclusion of customers from minority ethnic groups, including looking at reported discrimination and bias, in order to improve diversity and inclusion within firms’ customer groups. [The Regulators Guide to support inclusive design in essential services](#) by Fair by Design and Money Advice Trust explores how inclusive design can help regulators achieve their objectives
- Through the ongoing Credit Information Market Study, seek to improve how credit reporting works for people from minority ethnic groups. Market remedies should aim to make credit information clearer and more accessible to consumers, and to ensure that firms are transparent about why credit decisions have been taken. Proposed remedies to improve data quality and granularity of credit reporting should be designed to support access to financial services among excluded groups
- Investigate the findings and recommendations of the Financial Services Consumer Panel which finds evidence that suggests consumers with protected characteristics, including ethnicity, are experiencing bias due to how personal data and algorithms are used
- Further use the Consumer Duty to improve outcomes for people from minority ethnic groups. Under the Consumer Duty, firms will be expected to account for different outcomes experienced by different customer groups. The FCA can use this to drive better outcomes for people from minority ethnic groups. We encourage firms to apply an ‘ethnicity lens’ to all elements of their customer journey and Consumer Duty rules and ask the FCA to support the financial services sector as they develop approaches to improve outcomes for minority ethnic customers.

**By working in partnership  
we can reshape the  
future of financial  
services**

# Why now?

Fair4All Finance has commissioned this research programme in partnership with the NatWest Group, Esmée Fairbairn Foundation, and StepChange Debt Charity.

Its goal is to **improve understanding of the financial lives and needs of minority ethnic groups**. A key objective is to explore how financial service providers can be more inclusive of people from minority ethnic backgrounds.

## Research objectives

- 1 Improve understanding of the financial lives of minority ethnic groups including the many factors that contribute to race-based gaps in economic indicators
- 2 Identify and understand formal and informal products and services used by minority ethnic groups and the opportunities or challenges they present
- 3 Gain insight into the root causes of financial exclusion of minority ethnic groups that come from shortcomings in financial service design
- 4 Inform financial service providers on how to design products and services to be more inclusive of minority ethnic groups

In May 2020, the murder of George Floyd that led to global protests by the Black Lives Matter (BLM) movement forced mainstream media and organisations to shine a light on the racial inequalities that exist and the systemic racism experienced by minority ethnic groups.

The Covid-19 pandemic provided further evidence – as if any was needed – of the longstanding structural disadvantages endured by minority ethnic groups who were disproportionately more likely to be economically impacted and to die as a result of the pandemic.

Now with the new Consumer Duty coming into force to help set higher standards for customer protection, financial service providers can help ensure customer needs are met, provide fair value and avoid foreseeable harm.

The focus for this research was to investigate **why minority ethnic groups are systematically financially disadvantaged** and, crucially, **what the financial services sector can do about this**.





## Research programme

Our programme of research consists of five separate strands:

- **Literature review:** We conducted a rapid literature review to better understand financial exclusion of minority ethnic groups in the UK.
- **Knowledge audit drawing upon Ipsos' Financial Research Survey (FRS):** The FRS is one of the longest-running continuous surveys tracking personal financial holdings, acquisitions, usage and behaviour. Fieldwork is conducted monthly among a nationally representative sample of 5,000 GB adults aged 16+ (60,000 in total per annum). Fieldwork is a blend of online and telephone interview methods post Covid-19 (April 2020) but was online and face to face prior to this.
- **Exploration Labs:** ClearView Research held seven exploration labs, five online and two face to face, one in London and another in Manchester between March-April 2022. 63 people took part. Participants were from a variety of ethnic groups and socio-economic backgrounds and were a range of ages, genders, religions or beliefs, and geographical locations. This research was conducted using co-creation and participatory methods. A lived experience advisory group informed each phase of the work and provided accountability and insight throughout the project.
- **Expert interviews:** 10 depth interviews among community leaders, service providers or experts in their field conducted by Ipsos between May-November 2022 and 2 interviews conducted by Fair4AllFinance between November 2022 – January 2023.
- **Quantitative survey:** conducted by Ipsos. This was both an online and face-to-face survey lasting 20 minutes which took place 23rd September-20th October 2022. Interlocking quotas were set on ethnicity by age, gender, social grade and working status. 1,005 interviews were achieved with UK adults aged 18+ from minority ethnic groups (including people from white Eastern European backgrounds) and 1,182 with white British adults aged 18+. Data were weighted to ONS UK profiles for each group.



## Literature review

Our literature review found that research on the financial exclusion of minority ethnic groups in the UK since the Runnymede Trust's landmark 2008 report 'Financial Inclusion and Ethnicity'<sup>4</sup> is sparse. Much remains unresolved since:



**Black African and black Caribbean groups are 4x and 3.5x more likely to be denied a loan** respectively compared to white British groups.



**60% of Asian and 63% of black households have no savings**, compared to 33% of white households.



**Minority ethnic groups are disproportionately affected by debt and poverty** and overrepresented in low income households.

Albeit sparse, what further evidence there is indicates that people from minority ethnic groups are specifically disadvantaged.



Citizens Advice found **people living in areas where there is a high proportion of 'people of colour' paid at least £280 more for car insurance.**

Common risk factors of crime rate, deprivation, road traffic accidents and population density could not account for the difference in price.<sup>5</sup>



There is an **ethnicity pension gap of £3,350<sup>6</sup>** and **most minority ethnic groups expect to rely on other sources of income** other than their pension for retirement.<sup>7</sup>



**'Buy now pay later' (BNPL) users are more likely to be from minority ethnic groups<sup>8</sup>** in particular 25% black adults compared to 17% white adults.<sup>9</sup> Black people are more likely have had difficulties repaying BNPL loans.<sup>10</sup>



**Black households with low incomes are less likely to access mortgages** compared to white households with similar characteristics.<sup>11</sup>



Controlling for age and income, **Asian people are more likely to be unbanked** than other people, in particular 23% of Pakistani people and 29% of Bangladeshi people.<sup>12</sup>



76% of people from minority ethnic groups **stopped saving/investing, reduced the amount they saved/invested, or used their savings/investments to cover day to day living expenses** due to the cost of living (compared to 53% not from minority ethnic groups).<sup>13</sup>

<sup>4</sup> Khan, O. (2008) [Financial Inclusion and Ethnicity](#) Runnymede Trust

<sup>5</sup> Citizens Advice (2022) [Citizens Advice sounds the alarm on £280 car insurance ethnicity penalty](#)

<sup>6</sup> The People's Pension [Measuring the ethnicity pensions gap](#)

<sup>7</sup> Scottish Widows (2022) [Retirement report 2022](#)

<sup>8</sup> StepChange (2022) [Response to HM Treasury consultation on Regulation of Buy-Now Pay-Later](#)

<sup>9</sup> FCA, [Financial Lives 2022 Survey](#), p53, Spotlight 2.1. The FCA reports specifically on deferred payment credit

<sup>10</sup> Poll, H. and Byrne, G. (2021) [Buy Now...Pain Later?](#)

<sup>11</sup> Kara, A. & Molyneux, P. (2017) [Household Access to Mortgages in the UK](#) *Journal of Financial Services Research*, 52(3), 253-275

<sup>12</sup> Social Market Foundation (2023) [Squeezed out or opting out? Understanding ethnic differences in use of financial products](#)

<sup>13</sup> FCA, [Financial Lives 2022 survey report](#), p170, Figure 4.37

## Research framing

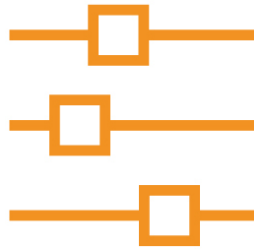
The **financial exclusion of minority ethnic groups in Britain** can potentially be explained by a number of factors that can be split into two strands:

- 1 The disadvantage of these minority groups based on **low education attainment, leading to low employment outcomes** and therefore, financial exclusion
- 2 **Discrimination or bias practised by financial institutions** reflected in the products and services offered which led to financial exclusion of these minority groups

This project sets out to explore the second strand, with the **ultimate goal of improving understanding of the financial lives and needs of minority ethnic groups.**

It is concerned, in particular, with how people from minority ethnic groups experience, engage and view suppliers, products and services – and how financial service providers can best meet their needs now and in the future.

First of all though, we focus on the first strand – how level is the playing field for people from minority ethnic groups?



# It's not a level playing field

We know from previous research that **minority ethnic groups face systemic economic disadvantage**. There are ethnicity-based differentials in terms of employment and education at play, but these factors do not explain everything. There are also systemic issues, such as postcode risk scoring, which can lead to financial exclusion.

Poverty can affect everyone, but we know that people from **minority ethnic groups experience poverty differently to their white counterparts**. We also know it can be harder to get out of poverty if you are from a minority ethnic background.

As the IFS Deaton Review of Inequalities put it, 'ethnic inequalities are complex and characterised simultaneously by continuity rooted in historical origins and conditions, and rapid change fuelled by new and changing populations and opportunities'.<sup>14</sup>

We will use this section to spotlight existing research to showcase the **multi-layered disadvantages** already faced by minority ethnic groups which help frame the findings of our research.

## Higher poverty and unemployment

**People from minority ethnic groups are more likely to be in lower paid work and to be living in poverty.**

A recent report by the Runnymede Trust 'The Colour of Money' highlighted that this is down to a number of factors – lower wages, higher unemployment rates, higher participation in the 'gig' economy, higher rates of part-time working, higher housing costs and slightly larger household size.<sup>15</sup>

**Age is another factor in lower incomes.** The minority ethnic population is on average younger than the white British population – black and Asian populations see greater proportions of students, workers and fewer retirees.



<sup>14</sup> IFS Deaton Review (2022) [Inequalities in the twenty first century: race and ethnicity](#)

<sup>15</sup> Khan, O. (2020) [The Colour of Money](#) Runnymede Trust

We interviewed a Member of Parliament actively focusing on issues related to debt, personal finance and financial inclusion. They highlighted that the **gap in earnings is also down to societal factors at play**, notably discrimination (research has found that people with Asian or African-sounding surnames had to send in nearly twice as many curriculum vitae (CVs) just to get an interview)<sup>16</sup> and a lack of networks.

Lack of career progression is also a factor in the gap in earnings.

‘That’s **very multi-faceted**. I think **some of it is discrimination**, whether it’s conscious or unconscious. Some of it is **how confident people are** at getting on in the workplace.

You might be very good, but you might feel actually ‘it doesn’t really include me fully’ so you **don’t speak up, your voice is not as strong** and therefore **you’re not seen as much** and noticed as much.

A lot of people who go forward very quickly, are often those who have support of others, they’ve kind of got their arms out and people are walking along with them. People who have **networks and godparents** and things like that **do really well because someone’s walking them through.**

Member of Parliament

‘What we have often found is that **many black and Asian people at a certain point in their lives are not progressing in their careers as their white peers.**<sup>17</sup> We tend to find that greater numbers of black and minority professionals **end up leaving the workforce to set up their own business as freelancers**. But then, as a freelancer, it’s harder to operate as a sole trader, and they are dependent on their individual ‘credibility’ to access finance and loans, and it becomes harder to go through more hoops.’

Halima Begum, former CEO,  
Runnymede Trust

**Unemployment and lack of career progression appears to be more of a risk for people from minority ethnic groups**, regardless of educational attainment. Research has found that black people who are Russell Group graduates are more likely to be unemployed two and a half years after completing their degree.<sup>18</sup>

The rate of entry into high skilled jobs within a year of graduation is 74% for white graduates compared with 72% and 69% for Asian and black graduates respectively, but there is no difference in the rates for graduates of all ethnicities within the same degree classification<sup>19</sup>.

There is some evidence that **the pandemic has exacerbated these disadvantages**. House of Commons analysis found unemployment rates for minority ethnic groups, already higher than average pre- pandemic, saw a larger increase.

<sup>16</sup> Nuffield College (2019) [CSI Report on Ethnic Minority Job Discrimination](#), reported by [The Guardian](#)

<sup>17</sup> Runnymede Trust (2022) [Broken Ladders: The myth of meritocracy for women of colour in the workplace](#)

<sup>18</sup> Khan, O. (2020) [The Colour of Money](#) Runnymede Trust

<sup>19</sup> Millward, C. (2022) [Tackling race and ethnic disparities in Higher Education](#) Bright Blue - British Future. For further exploration of inequalities across education and employment in the UK see also: IFS Deaton Review (2022) [Inequalities in the twenty first century](#)

January–March 2020 and January–March 2022. They were also more likely to experience loss of income at the start of the pandemic.<sup>20</sup>

## Lower home ownership

There is a lack of UK-wide data on housing tenure by ethnicity. However, recent analysis of UK Census 2021 data for England and Wales by Positive Money<sup>21</sup> shows that overall **significantly fewer minority ethnic group households own their homes than the national average. All minority ethnic groups are a third less likely to own their own home than white British households.**

**Arab and black African households are the least likely to own their own home**, at 25% and 22% respectively. There is some variation within black households, with ownership rates at 22% for black Africans, 42% for black Caribbeans, and 33% ‘other black’ groups.

**Indian, Chinese and Pakistani households are most likely to own their own home** at 69%, 61% and 60%. This is close to or above the national average (63%) and the figure for white British people (67%).



Positive Money’s analysis also shows **higher levels of overcrowding and disproportionate levels of poor living conditions**, with minority ethnic groups three times more likely (14%) to be overcrowded than the national average (4%).

Experiencing the worst overcrowding were: 28% of Bangladeshi households, 21% of black African households, and 31% of Pakistani households.

### Percentage of households that own their own home, by ethnicity

|                             | %  |
|-----------------------------|----|
| All England and Wales       | 63 |
| All minority ethnic groups  | 45 |
| <b>Asian</b>                |    |
| Bangladeshi                 | 40 |
| Chinese                     | 61 |
| Indian                      | 69 |
| Pakistani                   | 60 |
| Asian other                 | 45 |
| <b>Black</b>                |    |
| Black African               | 22 |
| Black Caribbean             | 42 |
| Black other                 | 33 |
| <b>Mixed</b>                |    |
| Mixed white/Asian           | 54 |
| Mixed white/black African   | 31 |
| Mixed white/black Caribbean | 32 |
| Mixed other                 | 42 |
| <b>Other</b>                |    |
| Arab                        | 25 |
| Any other ethnic group      | 40 |
| <b>White</b>                |    |
| White British               | 67 |
| White Irish                 | 64 |
| White other                 | 37 |

Figure 1: Home ownership  
Source: Positive Money  
Methodology: see footnote<sup>22</sup>

<sup>20</sup> Powell, A., Francis-Devine, B., & Clark, H. (2022) [Coronavirus: Impact on the labour market. Research Briefing](#)

<sup>21</sup> Positive Money (2023) [The impacts of the housing crisis on people of different ethnicities](#)

<sup>22</sup> Analysis by Positive Money based on UK Census 2021 data

Analysis of the Ipsos Financial Research Survey, one of the longest-running surveys tracking personal financial product holdings, usage and behaviour, echoes findings that home ownership (either owned outright, or with a mortgage) can be particularly low among black people, as well as Eastern European minorities. This is the case even when looking at those aged 35 and above.

**Home bought on a mortgage/  
owned outright by household  
(GB adults aged 35+)**

|                  | %  |
|------------------|----|
| White British    | 78 |
| Eastern European | 34 |
| Black            | 41 |
| Asian            | 66 |

Figure 2: Mortgage holders  
Source: IPSOS Financial Research Survey  
Methodology: see footnote<sup>23</sup>

**Black people who are homeowners have homes with lower than average property value, but higher than average monthly mortgage payments.** Values are low despite almost half of black homeowners living in Inner London, where property is on average is more expensive than the rest of the UK.

Lower home ownership also has an impact on intergenerational wealth<sup>24</sup>.

**Among all mortgage holders**

|                  | Property value at mortgage purchase (mean average)<br>£ | Average monthly mortgage payments (mean average)<br>£ |
|------------------|---|---|
| White British    | 239,865   | 678   |
| Eastern European | 251,325   | 721   |
| Black            | 228,092   | 736   |
| Asian            | 242,530   | 734   |

Figure 3: Property value and mortgage payments  
Source: IPSOS Financial Research Survey  
Methodology: see footnote<sup>25</sup>

**‘Property prices increasing has a detrimental and disproportionate impact on black and minority families** who often pay a high premium because of where they live in a city. We are also seeing the impact of **gentrification in inner cities**. In the East End of London for example, **many families are being priced out from their neighbourhoods**. Bangladeshi families are taking their children to Dagenham, Barking where the schools are not as good as the schools in Tower Hamlets. I don’t think these families are really getting ahead and are **having to play catch up again** – that’s not usually how social mobility works.’

Halima Begum, former CEO,  
Runnymede Trust

<sup>23</sup> Base: GB adults aged 35+ Time period: 12 months ending December 2022. white British (n=31,913), Eastern European (n=444), Black (n=668), Asian (n=1,168). For further breakdown of ethnicities please see Methodology in Appendix.

<sup>24</sup> Centre for Economic Performance (2021) [Trends in intergenerational home ownership and wealth transmission](#)

<sup>25</sup> Base: GB adults aged 18+. Time period: 12 months ending December 2022. All mortgage holders white British (n=10,573), Eastern European (n=216), Black (n=401), Asian (n=939). For further breakdown of ethnicities please see Methodology in Appendix.

'People talk about home ownership, they understand that if you can own your home you are able to get ahead with life, that much I think people do understand. But I don't think they have equated the inability to buy a house to a lack of intergenerational wealth transfer as a community.'

Halima Begum, former CEO,  
Runnymede Trust

## Low financial resilience

People from **minority ethnic groups are more likely to have low financial resilience** than white British people.<sup>26</sup>

The Financial Conduct Authority defines people with low financial resilience as vulnerable customers, who should be treated fairly and with an appropriate level of care.<sup>27</sup> They are more likely to be in financial difficulties or to be at risk of falling into financial difficulties if they suffer a financial shock.

Insights from the FCA Financial Lives 2022 Survey show that **black people are twice as likely to have low financial resilience compared to the UK average** (44% vs. 24%).<sup>28</sup>

## Potential vulnerability

### GB adults age 16+

| Low financial resilience |    |
|--------------------------|----|
|                          | %  |
| White British            | 27 |
| Eastern European         | 36 |
| Black                    | 45 |
| Asian                    | 37 |

Figure 4: Low financial resilience  
Source: IPSOS Financial Research Survey  
Methodology: see footnote<sup>29</sup>

According to the Financial Research Survey, a **quarter of black people (25%) say they are regularly missing payments** – this may be bills or debt payments.

Research by the IPPR found that households from minority ethnic groups are at greater risk of 'problem debt' after Covid-19.<sup>30</sup>

Data from Debt Free Advice<sup>31</sup> highlights the disproportionate level of problem debt on black clients across London, even in comparison to other minority ethnic groups.

Black clients with problem debt are more likely to be living in social housing whether it be local authority housing (31% vs. 26% of all with

<sup>26</sup> Low financial resilience defined as: a consumer who due to personal circumstances is susceptible to detriment. Low financial resilience covers the inability to withstand financial or emotional shocks, examples include missing payments, regularly in overdraft or would struggle to pay slightly increased mortgage/rent.

<sup>27</sup> Financial Conduct Authority (2021) [Guidance for firms on fair treatment of vulnerable customers](#)

<sup>28</sup> Financial Conduct Authority (2022) [Financial Lives 2022 Survey](#)

<sup>29</sup> Base: Financial Research Survey, GB adults aged 16+

White British (n=40,862), Eastern European (n=1,008), Black (n=1,349), Asian (n=2,813) Time period: 12 months ending December 2022

<sup>30</sup> Parkes, H., Nanda, S. & Round, A. (2020) [Black, Asian and minority ethnic groups at greater risk of problem debt since Covid-19](#)

The Institute for Public Policy Research (IPPR)

<sup>31</sup>

| Data source                     | Asian  | Black  | Mixed  | White British | White other | Other |
|---------------------------------|--------|--------|--------|---------------|-------------|-------|
| Census 2021 - London            | 20.70% | 13.50% | 5.70%  | 36.80%        | 17%         | 6.30% |
| Debt Free Advice Data - 2022/23 | 13.6%  | 32.0%  | 4.9%   | 24.3%         | 10.2%       | 15.0% |
| Variance from census data       | -7.10% | 18.52% | -0.85% | -12.50%       | -6.79%      | 8.71% |



problem debt) or via a housing association (28% vs 24% of all with problem debt), be lone parents with dependent children (29% vs 23% of all with problem debt), and significantly more likely to have rent arrears debt (51% vs 44% of all with problem debt) and council tax debts (48% vs 43% of all with problem debt).

Money A+E, a money and advice service that specialises in supporting disadvantaged groups, support clients where over 80% do not identify as white British, with 77% of service users suffering from physical and mental health issues and housing debt and mortgage difficulties being the most prevalent debt.

‘At Rooted Finance we see **the lack of cultural understanding from creditors** when negotiating debt repayments on behalf of minority ethnic clients.

Clients who have financial commitments supporting family through remittances **are encouraged to either hide these payments – by the well-meaning mainstream debt advice sector– or are pressurised to abandon them.**

We fight for these payments to be acknowledged, accepted, and need the wider debt recovery sector to be more inclusive in their processes. But for this to happen, **the needs of minority ethnic people must be visible so they can be designed for** rather than hidden within existing systems or denied altogether.’

Muna Yassin MBE, Rooted Finance

Research from the Financial Conduct Authority found that **minority ethnic groups have been more likely to use credit or rent deferral, or to cash in savings and reduce pension contributions** in response to the pandemic – and this may be significant in terms of longer term financial security.<sup>32</sup>

ONS data shows that **minority ethnic groups have also been harder hit by the cost of living crisis**, with more saying they are struggling with energy and rent or mortgage payments.

**Half of black or black British adults (52%) are finding it difficult to afford their rent or mortgage** payments compared to 28% of white adults. Just under one in ten black or black British (9%), Mixed or Multiple ethnic group (9%) and Asian or Asian British (8%) adults report being behind on their rent or mortgage payments compared to 2% of white adults.<sup>33</sup>

**Nearly 70% of black British adults and 59% of Asian and Asian British people reported difficulties in meeting energy bills.** Among white adults, the figure was much lower at 44%.<sup>34</sup>

Only 4% of white adults reported being behind on their energy payments, but the share rose to 21% among black or black British adults.<sup>35</sup>

This shows that people from minority ethnic groups can be hit harder by crises and have less of an ability to bounce back, making them more vulnerable to new challenges such as the cost of living crisis.

<sup>32</sup> Cross, R. & Burrell, T. (2021) [Ethnicity, personal finances and Coronavirus](#) Financial Conduct Authority

<sup>33</sup> Office of National Statistics (2022) [Impact of increased cost of living on adults across Great Britain: June to September 2022](#)

<sup>34</sup> Financial Times (2022) [Price of bowl of tomato pasta rises 58% in UK as living standards suffer squeeze](#)

<sup>35</sup> Office of National Statistics (2022) [Impact of increased cost of living on adults across Great Britain: June to September 2022](#)

The Runnymede Trust concluded that **people from minority ethnic backgrounds are 2.5x more likely to be in poverty than white British people**, and more likely to be in 'deep poverty' and beneath the poverty line than white British people. Average incomes for minority ethnic people have fallen faster and deeper than they have for white British people over the last decade and become more pronounced since the start of Covid-19.<sup>36</sup>

'It's heart breaking to see the devastating effect the cost of living crisis is having on people from all over the UK. But **it isn't affecting everyone equally. In these tough moments, it is important not to let equity fall off the priority list**, particularly when research shows that this crisis is affecting those from minority backgrounds significantly more.'

Sheeraz Gulsher  
Co-founder, People Like Us

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<sup>36</sup> Edmiston, D., Begum, S. and Kataria, M. (2022) [Falling faster amidst a cost of living crisis](#) Runnymede Trust

# Experiences of discrimination

We heard about people's experiences of discrimination in the qualitative research. One man went to the high street bank he had been with for many years to request a routine transfer. The branch staff called the police.

'Last week I had to transfer money out of the bank...**The police came and I was in the bank for two hours and they wanted to know where the money came from,** where did you get it from originally? I've explained them through everything...It was my own money. Wow.'

Black Caribbean man, 55-64  
Northwest England

People linked experiences such as **being treated with overt suspicion for very minor transactions or requests** (eg withdrawing/moving money) with discrimination.

Other examples relayed by people included personal stories or stories of relatives or people close to them being **accused of lying when they sought help for a defrauded card.**

People who had more recently migrated to the UK or were first generation migrants recalled their **first interactions with UK banks as 'intimidating'.**

'**It took me months to have access to a bank account,** I had to manage with cash...**you feel you're being looked down upon** [at banks], this attitude of go away and be someone else's problem.'

Black African woman, 35-44, Wales

**Many of these stories of discrimination were specific to people from black backgrounds.**

In contrast, a majority of **people from Asian-Indian and Asian-Chinese backgrounds spoke of the financial system quite positively.** They would typically describe the financial system as 'convenient' or 'useful', relaying very few experiences of discrimination.



The quantitative research demonstrates that these are **not isolated stories, but instead reflect systemic issues.**

**One in ten people from minority ethnic groups who do not use telephone or video banking say it is because they worry about being discriminated against.** The quantitative research showed 5% do not visit branches as they worry about being discriminated against by staff in the branch.



We found that around **one in five of people from minority ethnic groups have experienced discrimination due to race when dealing with financial providers**<sup>37</sup>, or have friends or family who have done so. The figures for both are higher for people from African backgrounds (32% and 34% respectively).

It is concerning to see that half (49%) of those who have faced discrimination hold debt, vs 38% who have not. This suggests that **people who are more financially disadvantaged are more likely to experience discrimination.** We consider the importance of information and financial literacy later on in the report.

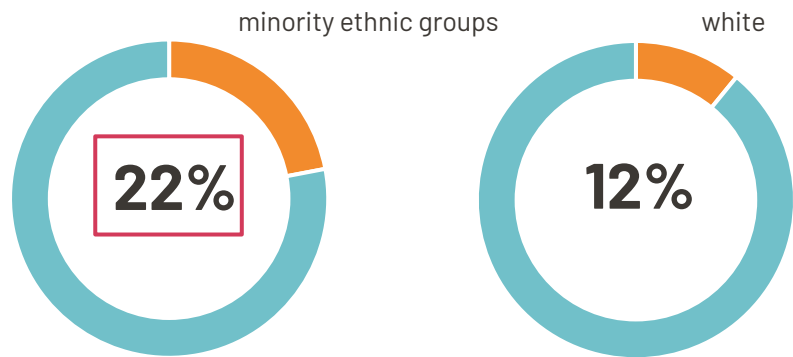
In the next section, we look at barriers to accessing finance – and discrimination can be a significant barrier. In the qualitative research, it was clear that **people’s views of the financial system were shaped by the fear or expectation they would face high levels of discrimination** when engaging with financial providers.

<sup>37</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182.

Question: I have faced discrimination due to my race when dealing with financial service providers. Please say to what extent you agree or disagree with each statement.

Time period: September - October 2022

People from minority ethnic groups have **faced discrimination due to race** when dealing with financial providers before



Friends and/or family of people from minority ethnic groups have **faced discrimination due to race** when dealing with financial providers before

People from minority ethnic groups agree that the way things work in financial organisations means that **people from minority ethnic backgrounds are treated unfairly**

Figure 5: **discrimination due to race**  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>38</sup>

Significantly **higher** / **lower** than white British group (95%)

<sup>38</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182  
Question: We're now going to show you a series of statements relating to financial providers (ie building societies, credit unions, insurance companies, lenders etc). Please say to what extent you agree or disagree with each. Time period: September - October 2022

# Accessing financial services

There are **clear disparities between ethnic groups** in terms of what financial products people hold and their **experiences** in accessing them. While some of this difference may be attributable to demographic factors such as age and income, our research shows that there are **other dynamics at play**.

One notable finding, illustrated below looking at channel behaviours, is that people from minority ethnic groups are **less likely to have had a good experience** last time they went to a branch.



## Product holdings

There are some striking differences in terms of the types of products held. **People from minority ethnic groups are less likely to have current accounts, savings accounts and credit cards.**

In later sections, we go on to explore the different barriers that can stand in the way of people from minority ethnic groups accessing financial products.

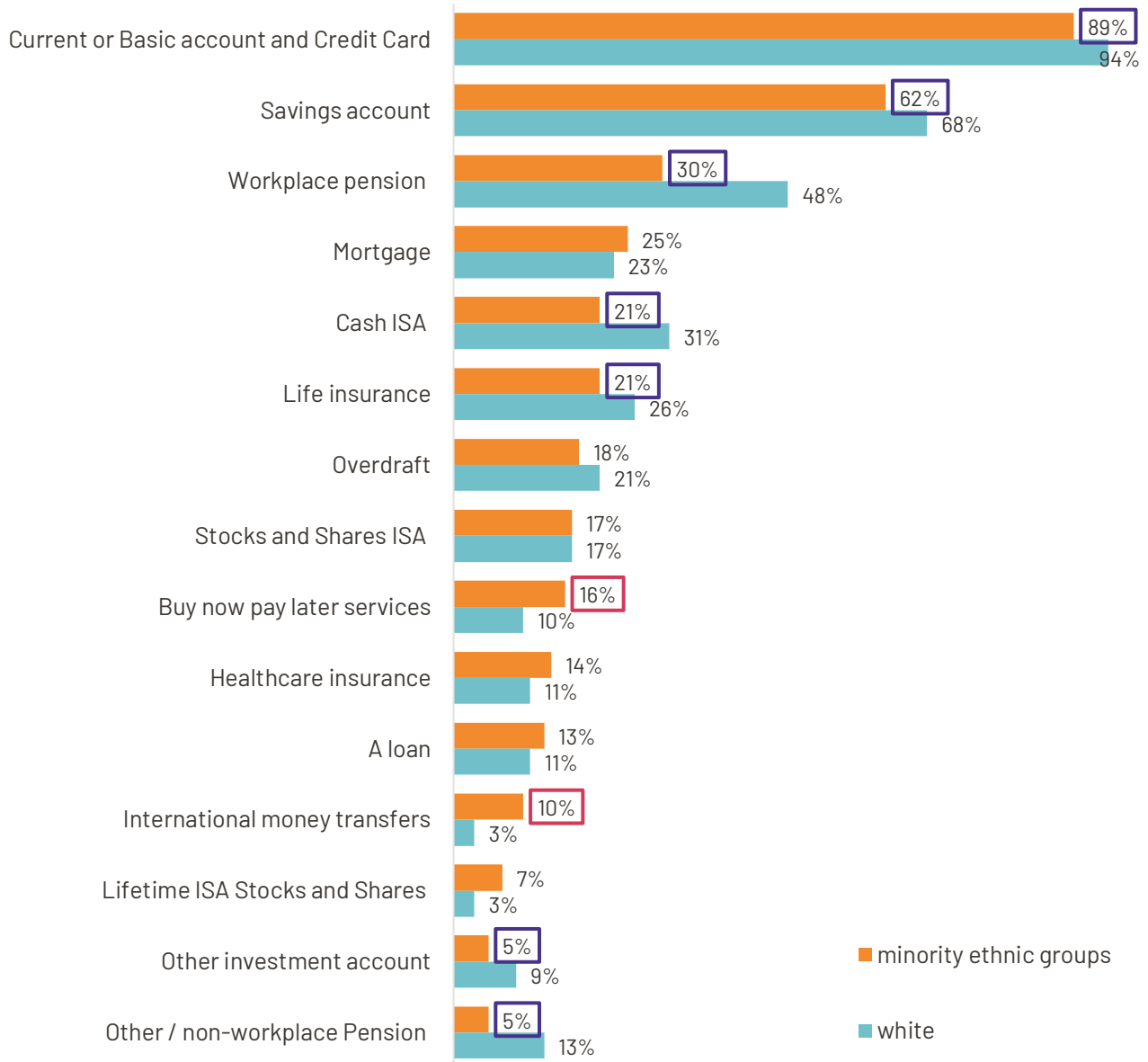


Figure 6: product holdings

Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>39</sup>

Significantly higher / lower than white British group (95%)

<sup>39</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182

Question: Which, if any, of these financial products / services do you currently have / use? Time period: September - October 2022

People from minority ethnic groups are also **less likely to hold financial products that can help build long-term financial security** such as pensions or life insurance.

People from minority ethnic groups are less likely to hold any savings or investments than white British people are. Fewer people (56%) from minority ethnic groups had savings or investments compared to 66% of white British people surveyed.



Figure 7: holdings of savings and investments  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>40</sup>

Significantly higher / lower than white British group (95%)

<sup>40</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182  
Question: Do you hold (either solely or jointly) any savings/investments?  
Which, if any, of these financial products/services do you currently have /use?  
Time period: September - October 2022



Ipsos' Financial Research Survey shows the **incidence of home insurance is lower than we might expect among renters from minority ethnic groups**. Ownership of contents insurance is -28, -22 and -26 percentage points lower respectively among renters in Eastern European, black and Asian minority ethnic groups than white British people.

People can be priced out through higher premiums based on postcode risk profiling. Research by Citizens Advice concluded there is discriminatory pricing with people paying an 'ethnicity penalty'.

Social Market Foundation found that **people from minority ethnic groups can pay area-based and poverty premiums when accessing insurance and credit products**, and that many felt insurance does not provide good value for money.<sup>41</sup>

Conversely, people from **minority ethnic groups are more likely to be using products that can have drawbacks** such as basic bank accounts - which lack some of the features of current

accounts - and Buy Now Pay Later (BNPL) services. The higher levels of usage of BNPL illustrates that more mainstream products may be less accessible to people from minority ethnic groups<sup>42</sup>. We also know that many customers don't recognise that BNPL is a debt that can come with significant risks. It needs regulation to prevent possible harm while preserving any identified benefits.

People from minority ethnic groups are **also more likely to be using international money transfers**. As we go on to discuss in the section on barriers to accessing finance, sending regular remittances is a sign of positive financial behaviour which is not accounted for in credit ratings.

They also, on average, have fewer financial products. People from an African background hold a particularly low number of products (3.8 on average).

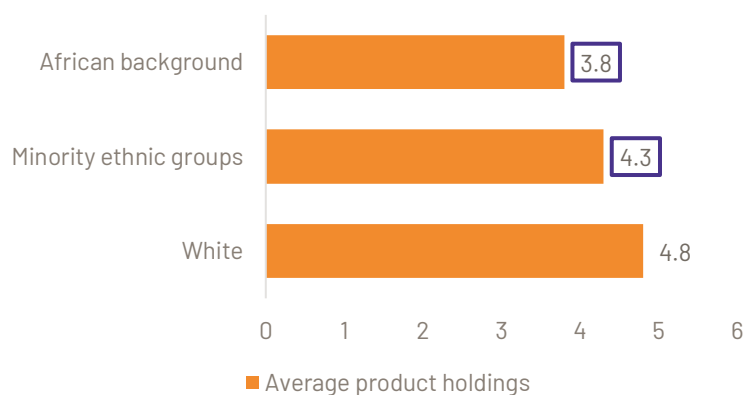


Figure 8: average product holdings  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>26</sup>

Significantly **higher** / **lower** than white British group (95%)

<sup>41</sup> Social Market Foundation (2023) [Squeezed out or opting out?](#)

<sup>42</sup> HM Treasury (2023) [Regulation of Buy-Now-Pay-Later, Consultation on draft legislation](#)

This is despite the fact that 68% of people from minority ethnic groups have experienced a financial/general event in the past year (rising to 75% among people from an African background), compared to only 51% of white British people. The number of financial products held should also be considered alongside the types of products held. A higher level of need does not translate into more usage of financial products – quite the opposite in fact.

This is not just because people from minority ethnic groups tend to be younger as **we see this difference across all age groups**. For instance, people from minority ethnic groups aged 35-54 are significantly more likely to have experienced a life event than white British people aged 35-54 (59% and 48% respectively).



Figure 9: financial event occurrence in the past year  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>43</sup>

Significantly higher/lower than white British group (95%)

<sup>43</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182  
Question: Here is a list of financial and more general events that happen in people's lives. Which, if any, have you done or experienced in the last year? Time period: September – October 2022

## Does age matter?

Age is not a reason that can explain away differences by ethnicity. Minority ethnic groups do have a younger profile than white British people in the UK<sup>44</sup>, but the **main differences are consistent regardless of age.**

Younger people from minority ethnic groups do hold fewer financial products. However, **all minority ethnic age groups hold fewer products** than the same age groups of white British people.

**White age groups over 35 are significantly more likely to hold savings** than minority ethnic age groups over 35.

**All white age groups are also more likely to hold a workplace pension** than the relevant minority ethnic age groups.

**Mobile banking is used more by all minority ethnic age groups** than the same white age groups.

## The impact of income

On income, the pattern in our survey data is different. **There are clear disparities in product holdings at lower and mid income levels between white British people and minority ethnic groups.**

For instance, 60% of white British people earning under £20,000 a year have a savings account compared to 49% of people from minority ethnic groups.

For people earning £20,000-£35,000, the figures are 70% and 60% respectively. There are no differences for people earning £35,000-£55,000 (74% versus 75%) or for people earning over £55,000 (77% and 73%).

**Income alone does not explain financial exclusion, but it is a more acute issue among people from minority ethnic groups on lower incomes.**

<sup>44</sup> UK government (2023) [UK census 2021: ethnicity facts and figures](#)

## Channel behaviours

In the quantitative research, we found that **fear of discrimination by both staff and customers is a reason for not using some channels**. The quantitative research showed one in ten people from minority ethnic groups who do not use telephone or video banking say it is because they worry about being discriminated against.

5% do not visit branches as they worry about being discriminated against by staff in the branch.

People we spoke to in the qualitative research who identified as being digitally excluded and preferred to engage in-person often reflected that in-person interactions laid themselves open to greater risk of discrimination. This could **deter them from seeking help from staff at a bank**.

People from **minority ethnic groups are more likely to use mobile banking** but are less likely to have had a good experience last time they did so.

People from **minority ethnic groups visit branches significantly less** than the white British group, are also less likely to have had a good experience the last time they visited a branch.

In the qualitative research<sup>45</sup>, many shared negative encounters they or people they knew had had with branch staff or call centre representatives.

Positive experiences across all ethnic groups and channels don't score highly, but some channels are showing a significantly lower positive experience scoring for minority ethnic groups.

**'Going into banks can seem quite daunting...when I was setting up my bank account as a student, I remember the lady just being really rude, really impatient...for someone who has never banked with X, I don't think that represents [them] as a bank very well.'**

Black African woman, 18-24, West Midlands



<sup>45</sup> For a summary of the qualitative research design, please see 'Why now?' section. For full details, please see Appendix.

**Income influences channel preference**, with 77% of people from minority ethnic groups earning over £55,000 a year using mobile banking compared to only 53% of those earning under

£20,000. People from minority ethnic groups on higher incomes are less likely than those on lower incomes to use online banking (41% vs 52%) or branches (35% vs 41%).

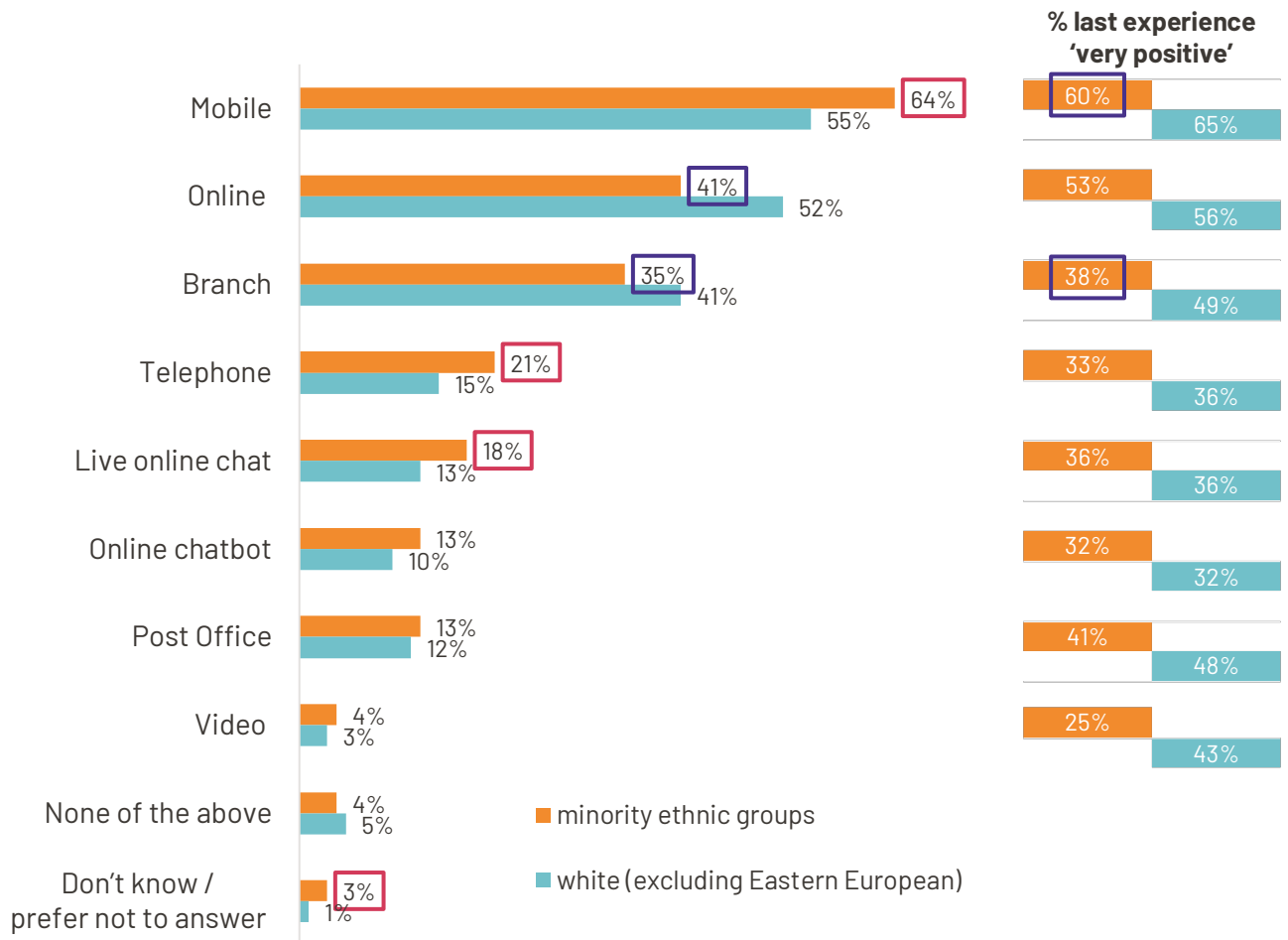


Figure 10: banking channel used in the last year / experience of banking channel  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>46</sup>

Significantly higher / lower than white British group (95%)

<sup>46</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182 Age:18+  
Base sizes for users of each channel at least n=100 or more  
Question: Which, if any, of the following have you used in the past 12 months for accessing banking services (excluding taking out cash)?  
To users of each channel: Thinking about the last time you used the following ways to access banking services, how would you describe your experience? 5-point scale: Very positive, Fairly positive, Neither positive or negative, very negative, do not know  
Time period: September - October 2022  
Base: Users of Mobile: minority ethnic groups (N=647), white British (N=634)  
[Continued from p43]

**People from minority ethnic groups on lower incomes are less likely to have favourable views that banking channels meet their needs.** 69% of people from minority ethnic groups think that banking services allow them to do what they need

easily and 68% think they are suitable for their needs. Only 56% of people think that financial service providers offer current accounts that suit their needs (dropping to 43% for those with incomes below £20k).

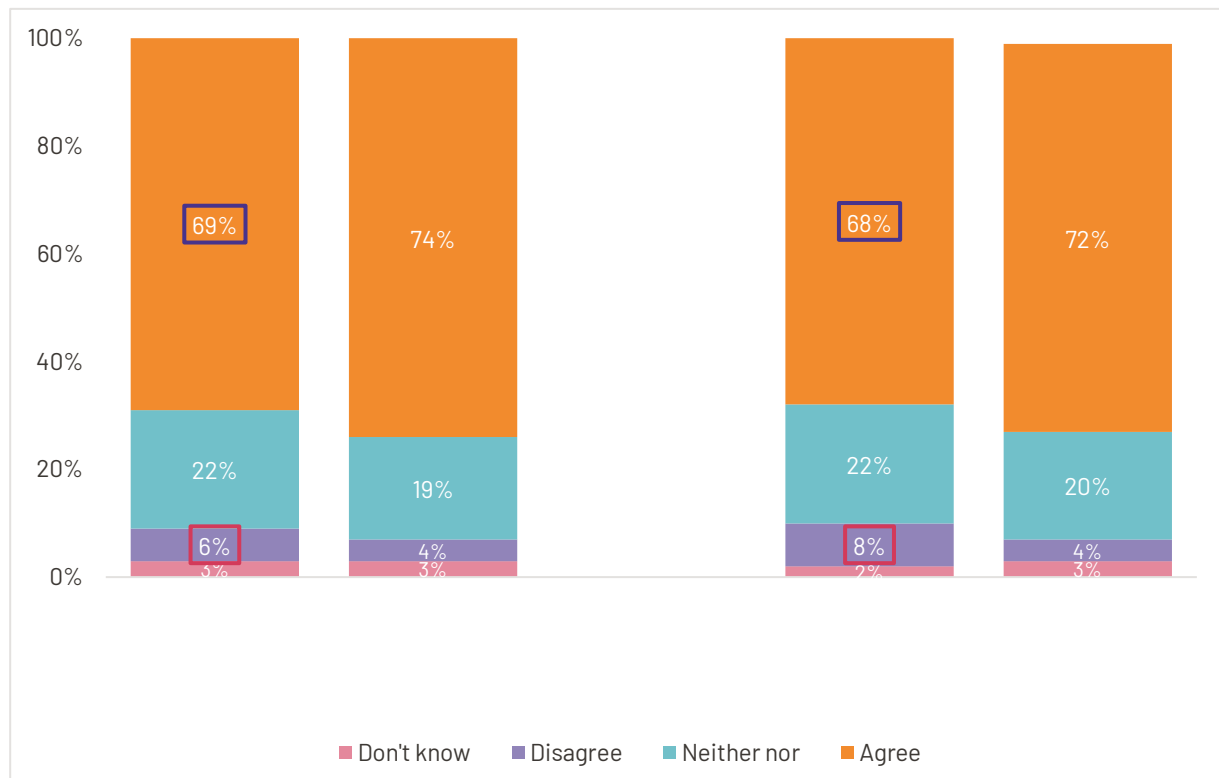


Figure 11: views on accessing banking services  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>47</sup>

Significantly higher/lower than white British group (95%)

Users of online: minority ethnic groups (N=429), white British (N=658)  
Users of branch: minority ethnic groups (N=359), white British (N=495)  
Users of telephone: minority ethnic groups (N=222), white British (N=175)  
Users of online chat: minority ethnic groups (N=182), white British (N=142)  
Users of chatbot: minority ethnic groups (N=120), white British (N=104)  
Users of Post Office: minority ethnic groups (N=129), white British (N=148)  
<sup>47</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182

Question: We're now going to show you a series of statements relating to using different ways to access banking services. Please say to what extent you agree/disagree with each. Time period: September - October 2022

In the qualitative research, people were generally positive about online services, describing them as an 'easy' and 'accessible' way to manage their money.

**However, we found this positive sentiment towards online services was driven in part because people wanted to avoid or feared discrimination in person at the bank.**

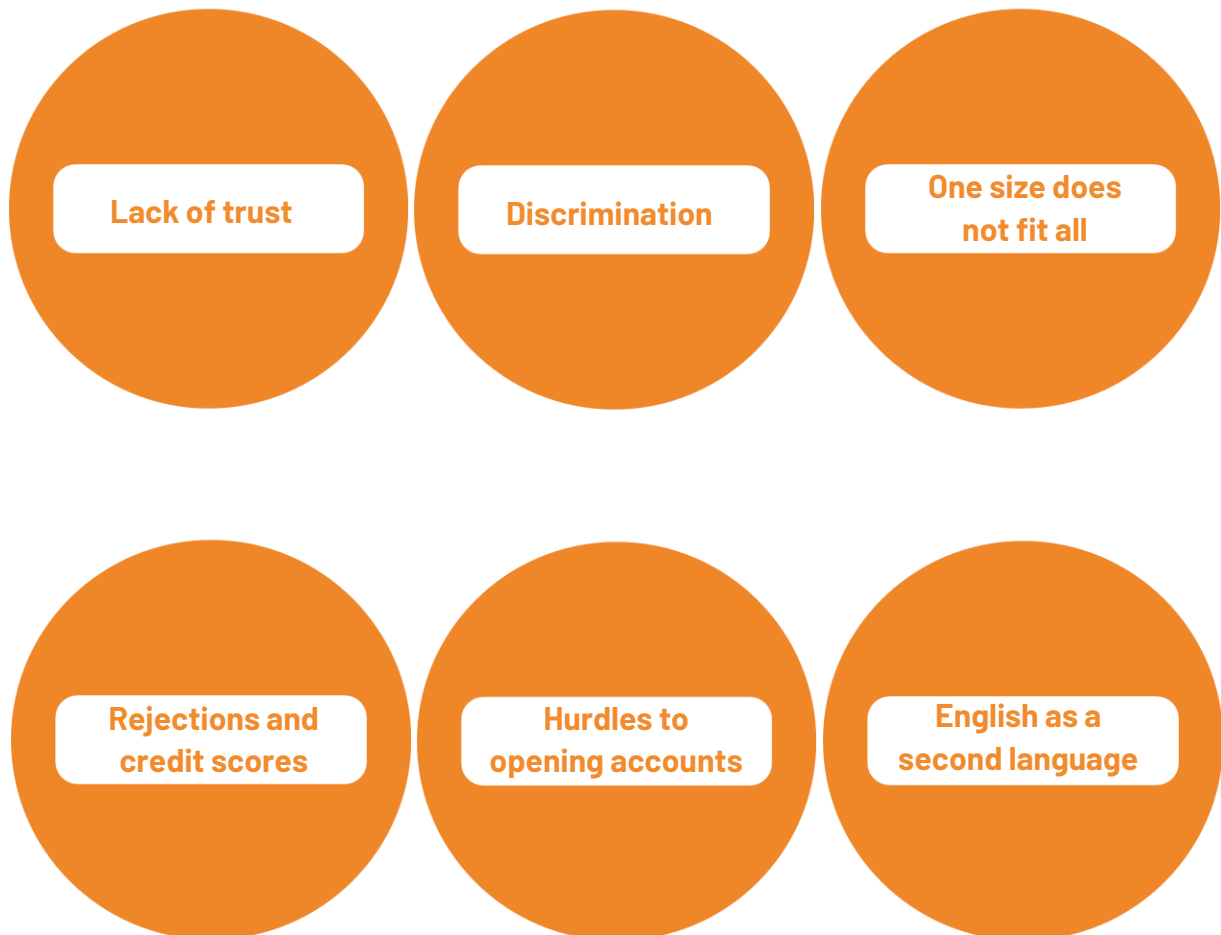
**'I try to avoid going in as much as possible...my partner recently went in to get a bank statement printed out and there was a comment made about 'oh that's a lot of money in your account' and there wasn't really a need for that, there was kind of a racist undertone because he's black.'**

Black African woman, 18-24, London

In the next section, we explore the experiences of discrimination we heard about in the research.

# Barriers to accessing finance

How can we account for the paradox that **people from minority ethnic groups are experiencing more life events, but hold fewer financial products**? There are no simple answers to this, but our research has identified a number of barriers to accessing finance.





## Lack of trust

One of the key insights from the qualitative research strand is the importance of trust in finance and banking in the UK. **We found a great deal of distrust with financial service providers**, particularly high street banks. For instance, some feared taking out a loan with financial institutions because they thought they may exploit their lack of knowledge or provide them with incorrect information.

'If I needed a loan I would try and find someone who could help, but I **would abstain from taking out a loan from a finance company or bank.**'

Black Caribbean woman, 35-44  
West Midlands

One finding from our research is that people from minority ethnic groups have nearly the same level of trust in their main current account provider (67%) as white British people (69%). This is a positive platform for financial providers to build upon with all people, including people from minority ethnic groups.

'**Trust is just a massive enabler for people to use financial services more fully** and to **get more out of them.** But **trust has got to be earned** so when firms treat people poorly, then it's quite reasonable that people will respond to that.'

Financial Services Compliance Expert

## Discrimination

In the qualitative research, a common reason people gave for not trusting banks or financial institutions was because **they had been, or feared they would be, discriminated against due to their race or ethnicity.**

For many, this expectation and fear came from previous negative treatment which they or someone they know had experienced. However, for others, this was more of a systemic view, where they were overtly aware that people of their background tended to be disproportionately and negatively impacted by institutions.

Faisal Rahman of Fair Finance (a social and ethical lender) shared how personal and family experiences of discrimination can cast a long shadow.

'**My mum remembers being rejected by one of the big banks in the UK in 1979 and she has never gone to that one again.** And **neither have I.** Because she told us that they were racist. And that they've never changed and you can never trust them. **There is a cultural memory** of this kind of stuff.'

Faisal Rahman, Founder and CEO, Fair Finance

In the qualitative research, we found that **most cases of discrimination did not result in people leaving their main bank.** Many felt they lacked the luxury of finding another bank or that going elsewhere was too high risk in case it was even worse and more discriminatory.

**Experiences of discrimination led people to disengage from their banks and prevented them from using additional services or products.**

In the previous section covering channel behaviours, we highlighted how the **fear of discrimination by both staff and customers is a reason for not using some channels** whilst also driving the use of other channels that involve less interaction.

People we spoke to in the qualitative research who identified as being digitally excluded and preferred to engage in-person often reflected that in-person interactions laid themselves open to greater risk of discrimination. This could **deter them from seeking help from staff at a bank.**



## One size does not fit all

Many of the people we spoke to in the qualitative research felt that high street banks adopt a 'one size fits all' approach that acts as a barrier to entry for people requiring support in line with specific cultural or religious needs.

There was a perception that the financial system was not designed to support people from minority ethnic backgrounds.

This was particularly the case for people who required Sharia banking or for those needing to send remittances. The process of transferring money abroad was found to be frustrating and complicated.

**'Banks for me have a 'one size fits all' approach, everyone gets the same kind of service. It needs to be more personalised, tailored to individuals.** Sharia banking for example, I'm Muslim and that's important to me. That's why you don't see me with X, they offer the same thing to everyone.'

Asian Bangladeshi man, 35-44, London

In the quantitative research, we found that a significant proportion of all ethnicities feel current accounts and, in particular, lending products could be better suited to individual needs. However, these feelings were particularly pronounced among people from minority ethnic groups.

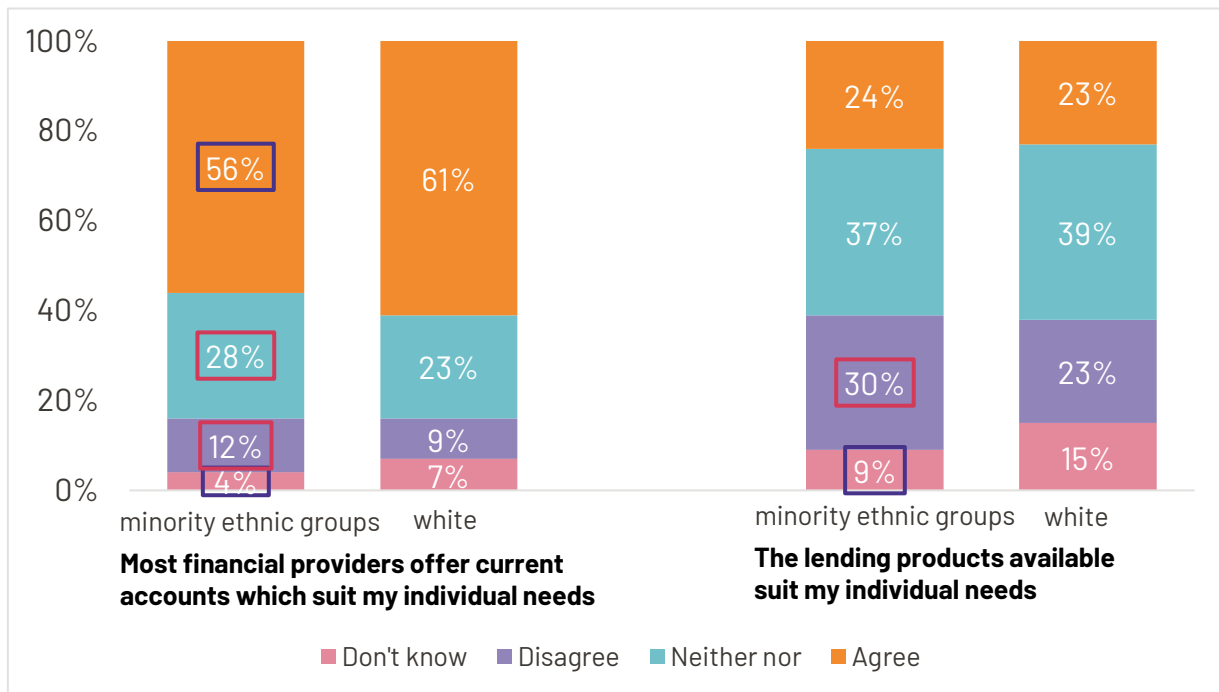


Figure 12: views on availability of products which meet needs  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>48</sup>

Significantly higher/lower than white British group (95%)

'I remember **when I first moved [to the UK]** **Tesco didn't even have peanut butter in most of their aisles. Now they've got hoisin sauce,** and all the ingredients you need for curries. They've got plantain, cassava. And that's great, **they're really starting to cater to a wider set of people.** Every business, every conglomerate, **everyone needs to.** I think a lot of the **banks know they need to.**'  
Nina Mohanty, Founder and CEO, Bloom Money

In the quantitative research, we found that tailoring services for different religions would be welcomed, particularly among people of Muslim faith and people from Pakistani backgrounds. At present, **only a minority think their main bank is effective at tailoring services.**

<sup>48</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182  
Question: We're now going to show you a series of statements relating to taking out a current account. Please say to what extent you agree/disagree with each. We're now going to show you a series of statements relating to using financial products, specifically related to borrowing money. Please say to what extent you agree or disagree with each.

**Providing products and services that are more personalised and tailored to religious/cultural needs (eg Sharia)**

|                              | <b>It would be helpful</b> | <b>Main bank is effective</b> |
|------------------------------|----------------------------|-------------------------------|
| White                        | 42%                        | 29%                           |
| Minority ethnic groups (all) | 57%                        | 36%                           |
| Muslim                       | 70%                        | 43%                           |
| Pakistani                    | 78%                        | 38%                           |
| Bangladeshi                  | 76%                        | 47%                           |

Figure 13: views on products tailored to religious or cultural need  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>49</sup>

Significantly higher / lower than white British group (95%)

<sup>49</sup> Base: UK adults aged 18+, minority ethnic groups n=1,005, white British n=1,182, Muslim n=275, Pakistani n=117  
Question: And how helpful to you personally, or not, would you say the following would be for a financial provider to provide?  
And how effectively, or not, would you say your main bank does the following?

## Rejections and credit scores

A third (34%) of people from minority ethnic groups who have applied for a lending product have been rejected in the past year (similar to white applicants on 39%).

The most common cause for this was having too low a credit score, but over a quarter of people (27%) from minority ethnic groups never found

out the actual reason which is a lot higher than their white counterparts (16%).

It is concerning that so many customers never find out why their application has been rejected. This points to failings in communications and customer care.

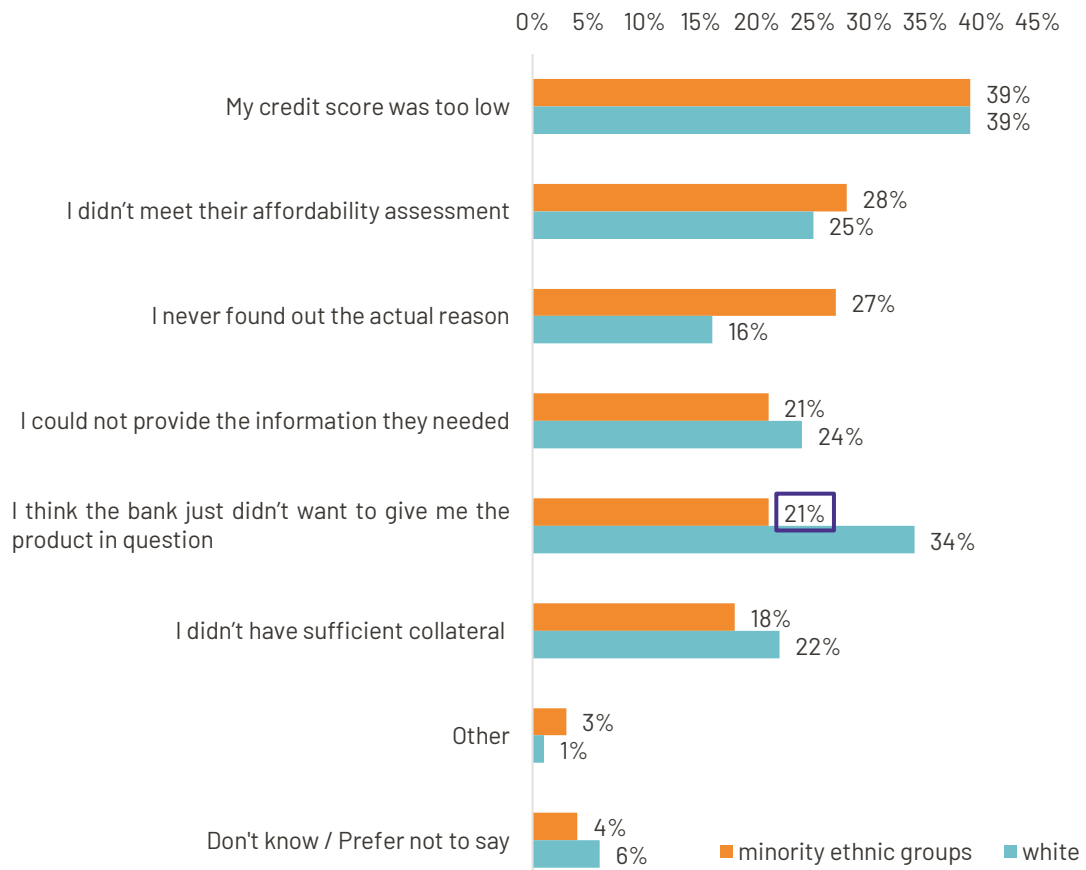


Figure 14: reasons for rejection  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>50</sup>

Significantly higher / lower than white British group (95%)

<sup>50</sup> Base: UK adults aged 18+ who were rejected for a credit card, mortgage, loan, overdraft or other product in the past 12 months: minority ethnic groups n=143; white British n=107  
Question: You said you have had an application rejected in the past year for a financial product. What were the reasons for this? If this has happened more than once in the past year, please think about the most recent occasion.

In the qualitative research, we heard multiple examples of people having their applications rejected despite being told they had a good credit score.

'I recently applied for a credit card and **all the providers that I had applied to, that I thought I'd be eligible for, said I wasn't eligible**...that makes acquiring services, goods and products [difficult]. **When I checked, they didn't say why**...then if I applied and I was rejected, that would affect my credit score'

Black African woman, 18-24, London

This could result in **people feeling left in the dark about why their applications had been rejected** and what they should do about it.

'My mum said she had a really bad time with credit checks and applications, I've seen that **she gets rejected all the time but she doesn't know anything about what she doesn't know** and no one [at the branch] told her so she just kept doing. I've seen that she gets rejected and **I don't want that to happen to me** so just more information about credit score and credit history for applications would be useful'.

Asian Pakistani woman, 18-24, London

Similarly, there was some **confusion around why some people had bad credit scores**, despite following the advice of financial providers.

'I **had to apply for a credit card like three times**...so first of all, **they said, OK, you're qualified to apply**...So when I applied the first time and got rejected, they said, 'I don't know the reason why', the second time they said 'wait for six months and reapply'. When I applied after six months, the same thing happened. **If people could be given any advice on what to do or what to expect** before applying to something that would help.'

Black African woman, 35-44, North West

Not being given a reason why their application had been rejected amplified feelings of distrust in the motive of financial providers and fostered fears that discrimination had played a part.

'I was **forced to jump to conclusions, because everyone was getting through except me** - is it because I'm of colour? **You're not even sure what you've done wrong because they don't tell you** [why you've been rejected].'

Mixed Caribbean man, 25-34, Scotland

A factor here may be that people from minority ethnic groups are more likely to think that these decisions are made by bank staff.

In the quantitative research, we found that people from minority ethnic groups were more likely than white British people to believe that bank staff have the decision-making ability on whether they get accepted for a new product (42% vs 35% white), rising to 55% of those from minority ethnic groups who say they are financially literate.

Some of the experts we interviewed highlighted that some **characteristics of minority ethnic groups mean they are more likely to have ‘thin files’ with little credit history**. Factors such as low or variable incomes, renting, youth, people who are Muslim not engaging with interest type products, and being newly arrived in the UK could all be barriers to building good credit scores.

**‘A lot of Muslims**, because they’re not engaging with interest or financing type products, they **often miss out on typical credit scoring mechanisms**. So they’re less likely to have a credit card, they’re less likely to have a mortgage of some kind or even renting, people just end up living at home with their parents for longer periods of time which means **they’re kind of invisible in the system**. Muslims **often don’t realise what’s going on until it’s too late** and they come to apply for a mortgage and realise that they have no credit score, no history.’

Areeb Siddiqui, Founder and CEO, Kestrl

A recent report also points to that people from different ethnic backgrounds are facing bias in access to products, pricing of products and services received based on how their personal data is used as part of algorithms and AI. Data that is used to assess risk, such as postcode, can be correlated with personal characteristics which can be introducing bias in how firms use personal data and algorithms to assess risk and make decisions<sup>51</sup>.

An expert from a Credit Reference Agency highlighted that because they do not hold data on protected characteristics, this makes it challenging to improve financial inclusion.

**‘When we look at thin file populations**, we’re **kind of blind to a lot of the characteristics of that population**. The focus on our end is **trying to improve the analytics part so we get more and more accurate**, based on the data we have about whether you can afford credit and **hopefully improving financial inclusion that way**. But the Centre for Data Ethics and Innovation has made some recommendations on **giving people access to some of that protected characteristic data**.<sup>52</sup>

Credit Reference Agency

Another element is that some positive financial behaviours such as regularly sending remittances or taking part in informal savings circles do not contribute to credit scores. Indeed in the qualitative research we found that there are even fears that these could count against people.

**‘I’m not sure what banks think of remittances**. They often ask this in applications and I never know what they do with that. **Is it to prove I am reliable or to prove I’m not? I’m not sure, but it’s probably the second of those**.’ Asian Pakistani woman

35-44, Yorkshire & the Humber

<sup>51</sup> Thinks Insight & Strategy [Financial Services Consumer Panel Evidence Review – Final Report](#)

<sup>52</sup> Department for Science, Innovation and Technology (2023) [Enabling responsible access to demographic data to make AI systems fairer](#)

## The scale of remittances

Remittances are transfers of money from residents of one country to residents of another country. They are often associated with migrants sending money to families and communities.

The UK's remittance outflows stood roughly at GBP 7.7 billion in 2018. It is estimated the true amount of flows will be higher as this does not cover informal transfers. The World Bank Bilateral Remittance Matrix suggests the outflows from the UK may be as close to GBP 23.6 billion.

There are different ways to measure remittances from the UK. Kenya, Nigeria, Zimbabwe and Lithuania appear in the top 20 countries regardless of the measurement method. By total money received from the UK, India topped the list with GBP 3 billion. You can also consider remittances from the UK as a share of each country's GDP, in which case Jamaica's economy was most reliant where remittances from the UK was equivalent to 1.7% of Jamaica's GDP. 9% of all remittances sent to Pakistan originated in the UK.

**Non-EU migrants living in the UK are twice as likely to remit as those born in the EU. 30% of those born outside the EU said that they send money abroad at least once over the last year compared to 14% of EU citizens.**

The cost of sending remittances from the UK varies depending on the country where remittances are sent and by what method.<sup>53</sup>

These statistics demonstrate the size of the remittance market in the UK and the scale of people who are using it. The vast majority of methods to make remittance payments involve a digital platform and **more in-depth research would be valuable to understand how the remittance market has been able to overcome digital literacy issues to onboard different minority ethnic groups** at different ages and income levels.

As we go on to discuss in the final part of this report, banks and credit rating agencies need to work together to address the issue of 'thin files', a

systematic issue which is disadvantaging minority ethnic groups. Some of the experts we spoke to argued that **credit scoring needs to include wider evidence of positive payment behaviour** in order to improve financial inclusion for people from minority ethnic groups.

'I would say **get more data on the files**, get that buy now, pay later data on there, **look for where people have assets or positive payment behaviour** where that's not being reflected.'

Credit Reference Agency

<sup>53</sup> Migration Observatory (2020) [Migrant remittances to and from the UK](#) University of Oxford



## Hurdles when opening accounts

We see in the quantitative research that people from minority ethnic groups are more likely to prioritise easy sign up processes and quicker banking.

The recommendations of family and friends is also a higher priority, something which we will discuss later.

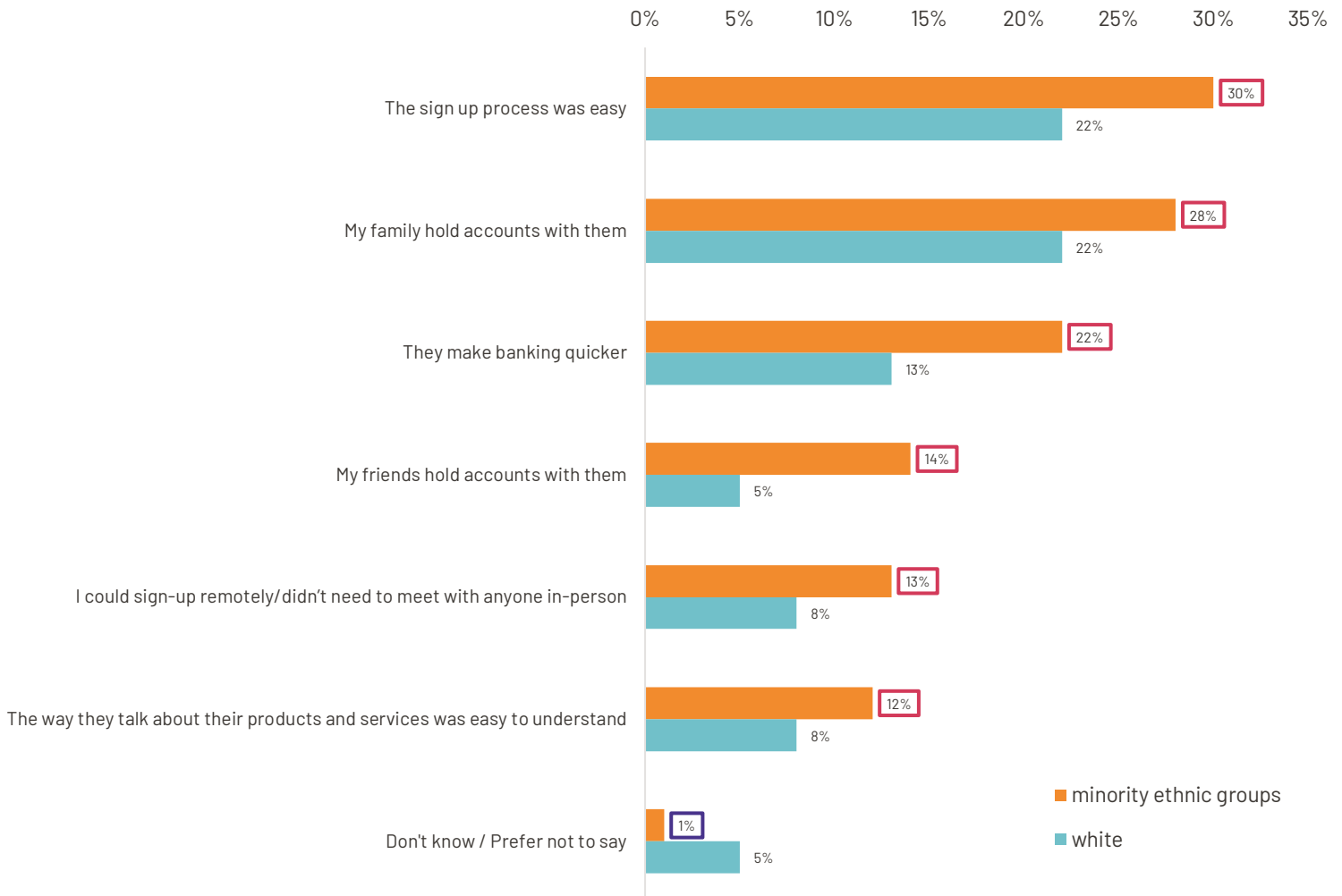


Figure 15: reasons for choosing current account provider  
Source: IPSOS Research  
Methodology: see footnote<sup>54</sup>

Significantly higher / lower than white British group (95%)

<sup>54</sup> Base: UK adults aged 18+ who are current account holders: minority ethnic groups n=795, white British n=1,057  
Question: You said you hold your main account with [X]. Were any of the following reasons for you choosing to open an account with [X]? Significantly higher / lower responses shown in chart. For full list of responses see Appendices.

In the qualitative research, we found out why **an easy sign up process is particularly valued by minority ethnic groups**. Many recounted having to overcome various hurdles when trying to access products such as a credit card or a loan. They found themselves submitting multiple applications with the same bank, receiving contradictory information or only being able to access high interest rates despite having a good credit score.

'I was **able to access loans but with really high interest rates**. The only bank that approved my application was X but it was still under unfavourable terms, so I ended up renting.'

Black African man  
25-43, South East England

Faisal Rahman of Fair Finance highlights why people from minority ethnic groups may find it harder to comply with requirements to open bank accounts.



There is a long list of documents which banks are potentially able to accept to verify identify. But **if institutions focus on documentation such as passports or driving licences they are putting unnecessary barriers in people's way** which can unfairly disadvantage them.

'Usually they've **been let down** because **the system that the banks employ doesn't recognise their individual circumstances or situations**. That is true for anybody with a non-standard income, with difficulty in terms of demonstrating identification which certain communities find much tougher because they just don't have that level of documentation available. The banks list what they consider to be approved identification. So the ones that everyone knows, passport, drivers licence, utility bill. Except **if you've never left the country, what if you can't drive a car, what if you don't pay the bills. Makes it complicated.**'

Faisal Rahman  
Founder and CEO, Fair Finance

We will explore in the next section at how factors such as easy sign up processes, making banking quicker and easier, remote sign up and allowing customers to feel more in control is drawing people from minority ethnic groups to fintech banks.

## English as a second language

The barrier of language was highlighted both in our expert interviews and in the qualitative research.

**'Language barriers are an issue. And I don't just mean the ability to speak English, I mean understanding the complexities of engaging with financial service providers.'**

Faisal Rahman  
Founder and CEO, Fair Finance

In the qualitative research, people who did not speak English as their first language or struggled with English generally had negative attitudes towards online banking.

**'I find it quite confusing, especially because my language isn't English....it's confusing because you have to find it yourself.'**

Latin American woman, 18-24, London

This is reflected in the quantitative research. People from minority ethnic groups whose first language is not English are less likely than people from minority ethnic groups in general (68%) and white British people (72%) to agree that the different ways to access banking services are suitable for their specific needs (59%).



**Financial services firms are already trying to address some of these issues** around accessibility, awareness and language in place.

Individual firms have taken huge strides to be more open to those from minority ethnic groups. Below we list some of the activities that mainstream financial institutions are doing to be more inclusive around language that we would encourage others to explore and adopt.

NatWest Group have:

- **Built a Language Translation Hub** to support customers for whom English isn't their first language with translations in Bengali, Urdu, Punjabi, Gujarati, Polish, Portuguese, Turkish and Spanish
- Delivered **Scam and Fraud Awareness Seminars** in a variety of languages including a Punjabi session live on Sky's Sikh Channel
- Trained colleagues to facilitate **Financial Foundations Workshops**, designed to give people the skills and confidence to manage their money, and recently delivered the first sessions to charities in London supporting minority ethnic groups

It should be emphasised that **experiences of discrimination, whether rooted in perception or reality, are still very high within minority ethnic groups** and mainstream financial institutions need to continue to take a holistic approach to address the current experiences and barriers that minority ethnic groups face.

**There remains a mismatch in perception of the progress mainstream financial institutions believe has been made to the experiences that people from minority ethnic groups report.**

There is also **commercial imperative to improving products and services** and becoming more inclusive to those from minority ethnic groups. Around 1 in 5 people identify as being from a minority ethnic group in the UK<sup>55</sup> and better understanding the needs and experience of different minority ethnic groups will help build the customer base of financial institutions.

Because of all the barriers discussed above, people from minority ethnic groups have sought alternatives to mainstream finance. In the next section, we look at what these alternatives are – and what banks can learn from them.

Lloyds Banking Group have:

- **Translated how to reset internet banking guides** within all three brands (Lloyds, Halifax and Bank of Scotland) offering 30 languages
- **Colleagues who can complete servicing in non-English languages**, if they can speak the language
- **Translated user guides for their Immediate Deposit Machines** within all three brands offering 30 languages

<sup>55</sup> Office for National Statistics (2022) [Ethnic group: England and Wales Census 2021](#)

# It **doesn't** have to be this way

Many people from **minority ethnic groups** have turned to **alternative forms of finance**. As we heard repeatedly in the qualitative research, experiences of repeated rejected applications prompted people to seek alternative routes, services and products.

It is important to explore what the benefits of these alternatives are and **what lessons mainstream financial services can learn from alternative providers**.

## Fintechs

'Fintechs', often used as shorthand to refer to financial technology firms offering new products and services, are increasingly offering alternatives to traditional financial institutions.

In the quantitative research, we found that **people from minority ethnic groups have more trust and positive sentiment towards fintech banks** than white British people.

This is not just down to different age profiles. While younger age groups do think more positively of fintechs, **all age groups are more positive towards fintechs** compared to white British people, particularly people aged over 55

(34% of people from minority ethnic groups compared to 20% of white British people).

Income is a factor. **People from minority ethnic groups earning £55,000+ a year are particularly likely to think highly of fintechs (54%).**

This may be related to the benefits on offer from fintechs as people from minority ethnic groups on incomes over £55,000 are more likely to have chosen their current account provider because they offered a good incentive for signing up (26% versus 16% overall).

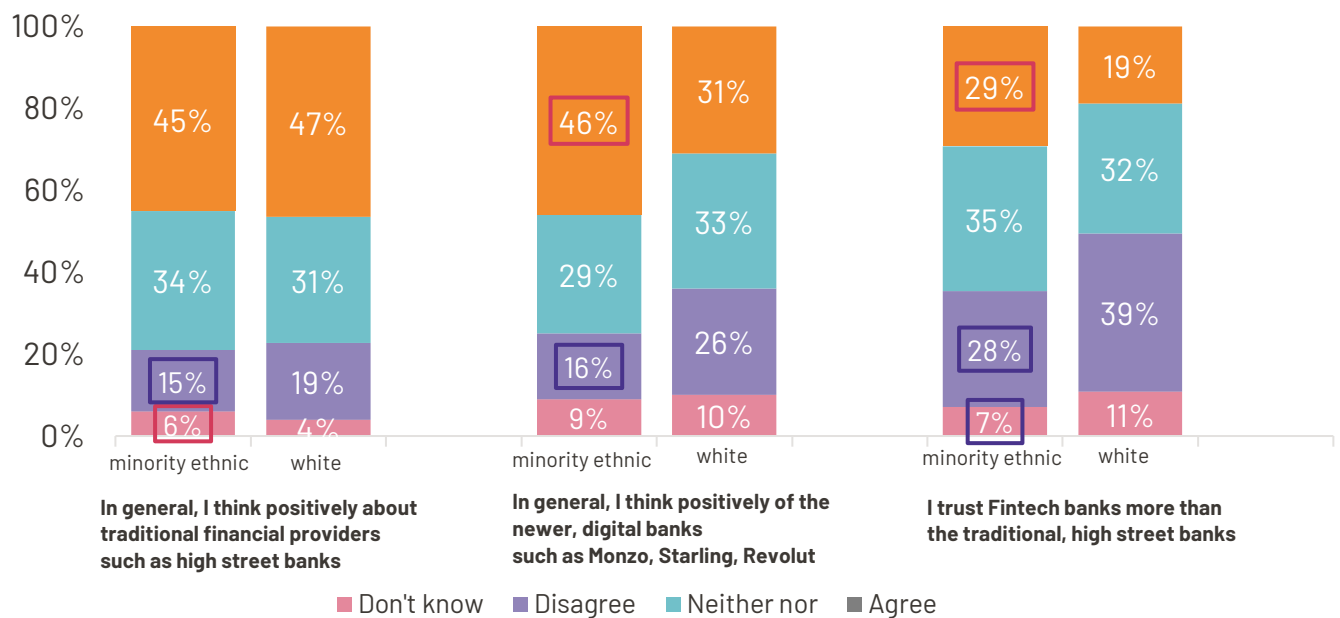


Figure 16: views on fintech

Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>56</sup>

<sup>56</sup> Base: UK adults aged 18+ minority ethnic groups n=1,005, white British n=1,182

Question: We're now going to show you a series of statements relating to financial providers (ie building societies, credit unions, insurance companies, lenders etc.). Please say to what extent you agree or disagree with each.

People from **minority ethnic groups are more likely to bank with fintech banks** (15% vs 7% of white British people) and for a fintech bank to be their main account (6% vs 2%). This is also accounting for different age groups.

People from Pakistani (15%) and Muslim (14%) groups are particularly likely to have a fintech bank as their main account. People from minority ethnic groups with higher incomes (earning £55,000+ per year) more likely to hold a current account (25%) with a fintech.

In the qualitative research, **instead of reflecting on the 'push factors' away from mainstream banking, some people were drawn to the 'pull factors' of fintechs and digital banking.** They felt they were places that better catered to their needs, as well as offering more accessible information.

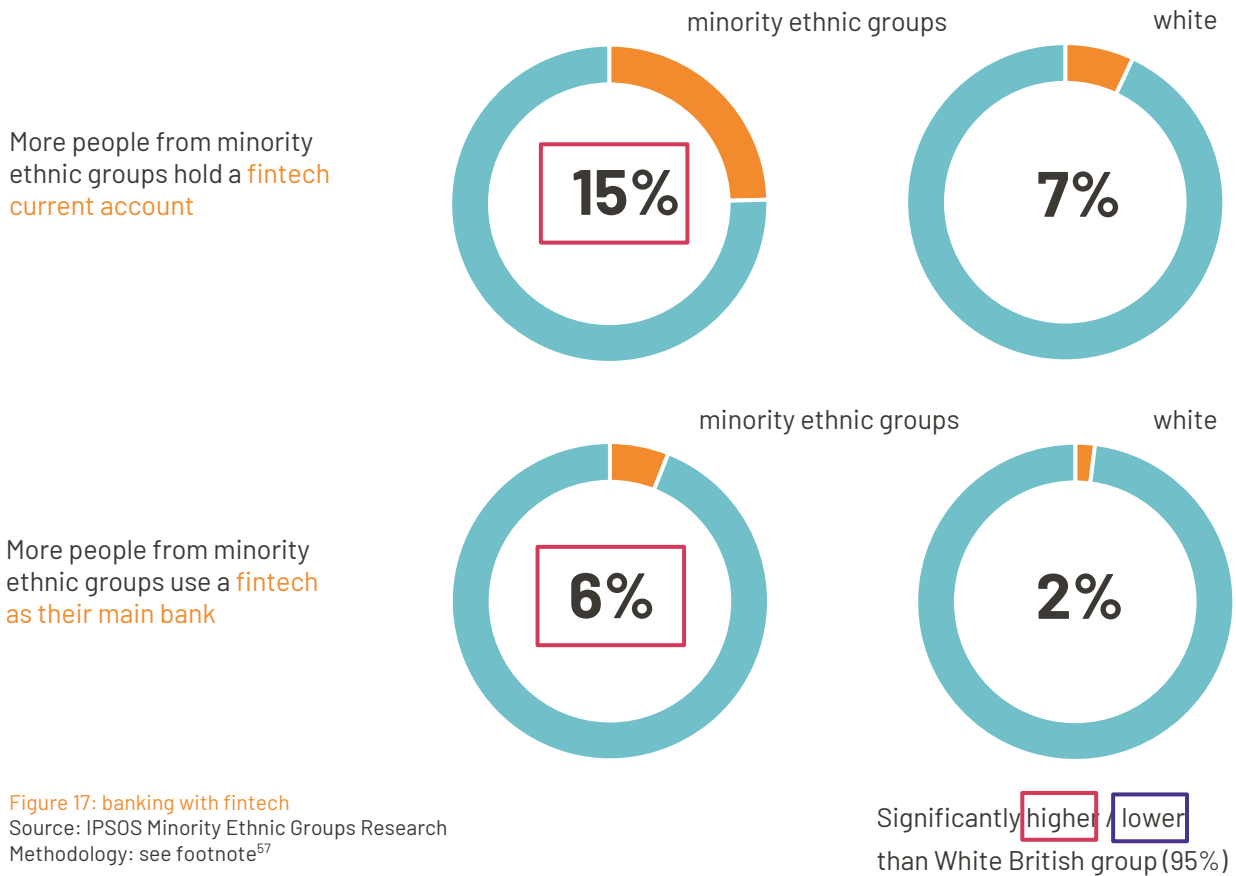


Figure 17: banking with fintech  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>57</sup>

<sup>57</sup> Base: UK adults aged 18+ who are current account holders: minority ethnic groups n=695, white British n=947 Question: Which of these financial providers do you hold these products/accounts with?  
Base: UK adults aged 18+ main bank account holders: minority ethnic groups (N=795), white British (N=1057)  
Question: And which of these providers do you hold your main account with?

### Case study: Kestrl

Areeb Siddiqui is the CEO and founder of Kestrl, a Muslim money app. He says 'Kestrl is a service that enables Muslims who want to grow their wealth without compromising on their religious beliefs. It was really an idea born out of the personal frustration of growing up as a Muslim in the UK.' Very high fees for Islamic financial products were a particular issue.

The original idea was to launch a digital bank, a kind of Monzo for Muslims. But plans were changed following research with potential users:

**'People were actually pretty happy using their existing bank accounts** and either not receiving any interest on those current accounts or choosing to forego it in that way. There was a trust element as well. It **takes a long time to build up trust when you're making a solution for Muslims** unless you have the big legacy name like eg HSBC does. We decided **instead of fighting against the banks** and trying to take customers from them, we would **work alongside them using open banking**. That means that **you can just plug in whatever bank you're using straight into our app** and we'll help you to save better, budget better and ideally invest in a compliant manner as well.'

**Fintech overcomes some of the barriers that mainstream finance puts in people's way.** In the qualitative research, we found that these providers were seen to be more accessible and easier to use.

'It's **difficult to apply for a credit card as an international student**, so instead I've researched Monzo Flex and Amazon Credit. They **seem easier than the big banks.**'

Chinese man, 30-35, West Midlands

This is reflected in the quantitative research. **Fintech banks are being chosen by people from minority ethnic groups for their easy sign up process (47%), making banking easier (44%), because of feeling more control of your money (36%) and remote sign up (45%).**



### Case study: Bloom Money

Nina Mohanty founded Bloom Money, an app which offers a digitised version of savings circles: 'it really felt to me like the people who could most benefit from fintech weren't being served.' The long-term vision of Bloom is to help its communities build generational wealth.

The app overcomes the disadvantage of traditional schemes being cash heavy and lacking a formal record of saving.

'One woman who had been taking part in a [savings circle] with her friends for six years was able to save up enough for the deposit on a mortgage. But when she went to her mortgage broker, they told her she doesn't exist. She was **'credit invisible', there's no way she was going to get a mortgage.** We came across a Zimbabwean woman who had been taking part in one of these circles for ten years. She finally saved up enough to put down a deposit. Her solicitor came back and said because of the new money laundering regulations I need to know where you got this money. **I need you to get the passport of every single person that's taken part in this for the past ten years – which of course was an impossible task.'**

## Informal lending and saving schemes

### What are informal community lending schemes?

These come in many forms, but often known as a **pardner scheme**, a **susu scheme** or **Rotating Savings and Credit Association (ROSCA)**. The idea originated in west Africa but is practised widely on a global level. They are a type of money pooling scheme where people in a community save and borrow together.

The group typically will consist of family, friends and known members of the wider community. They operate on principles of explicit and implicit peer pressure and support. Each person will deposit money into a central fund regularly for either a fixed period of time or weekly/monthly. There will be a central administrator who acts as treasurer and collates the money. Each person will get the opportunity to take a turn in withdrawing the money, known as a hand. The pooling and handout will continue until everyone has had a turn to receive their share.<sup>58</sup>

These schemes provide a trusted source for accessing larger sums, where the sums would be unlikely to be advanced by mainstream finance, thereby allowing for larger, planned expenditure. They also provide levels of community cohesion and support. In interview, a Pardner administrator described how his role encompassed community engagement and development, acting as a liaison and go between.

In the quantitative research, we found that **5% of people from minority ethnic groups have used a pardner scheme**<sup>59</sup>.

Among these users, 64% have used one in past 6 months and 56% use one at least once a month. Users of pardner schemes were more likely to be of Caribbean heritage. Although in the qualitative research younger people were less aware of pardner schemes, in the quantitative research usage does not vary significantly by age group.

In the qualitative research, people highlighted how money pooling schemes can be a helpful way to pay for events, big ticket items and even small scale weddings.

<sup>58</sup> i news (2021) [What is a pardner? How informal lending schemes are still used in UK black communities today](#)  
Debt Camel (2020) [How pardners work - friends save and borrow in an informal club](#)

<sup>59</sup> Base: UK adults aged 18+ minority ethnic groups n=1,005, white British n=1,182

Question: We're now going to look at your usage of Pardner (also known as susu, sou-sou, asue, merry-go-round or Pawdna) schemes. Pardner schemes are a type of community lending, an informal savings club arrangement between a small group of people who take turns withdrawing money (usually the total amount collected for that week or month). Have you ever heard of a Pardner scheme before today? If yes, Have you ever used a Pardner scheme?

## Why did these schemes emerge?

**It is important to understand the historical context of why informal lending schemes play a role within different minority ethnic groups.**

Pardner schemes in particular are important to how the Caribbean community manage money.

The Windrush Generation faced barriers trying to access financial services in the UK for multiple reasons including discrimination and exclusion and other factors associated to not having a credit history in the UK, appropriate address and identify verification documentation for opening bank accounts: length of residency, a financial track record (which was not possible if most had been using 'unofficial systems' before arriving in the UK).

Alongside this, **customer profiling also meant many faced discrimination and some banks treated money obtained through pardner schemes as illegally acquired.**

Continuing the pardner scheme in the UK was a response to discrimination and exclusion from financial services, a way to retain a cultural legacy and an alternate option to borrowing and saving thereby providing access to larger sums

for bigger expenditure, and a place to save. **The experience and the distrust felt towards mainstream banks has passed through the generations and continues to influence people's preference for using informal lending schemes.**

In predominantly white, working class communities, which were ostracised from financial institutions through post war generations for different reasons from the Windrush generation, similar schemes evolved.

**The Menodge schemes operated extensively in working class communities in Glasgow and the West of Scotland, and still do.** They persist because of similar motivations and distrust toward mainstream finance.

**Better understanding the pull factors of informal community schemes will allow financial service providers to better shape products and services with the customer needs in mind.**

As a starting point, we have included some further reading in the appendices to better understand the role that informal lending schemes have and continue to play within different minority ethnic groups in the UK.

**A key appeal of partner schemes is that they are rooted in the community** – the top reason given for using them, cited by two-fifths. Other key advantages of these schemes are that **they are accessible, and easy to use and understand**. In the qualitative research, some people contrasted this with mainstream finance.

‘It **works really well for people in need**. We **do it with close friends, trusted people**. Or if someone has a family need, to help. My grandfather had a surgery and we all pooled because the NHS wasn’t covering it all and this really helped’ Mixed Caribbean man  
25-34, Scotland

As we discuss in the final section of this report, community engagement must be a key part of the solution to overcoming the systemic disadvantages people from minority ethnic groups face in accessing financial services.

‘In the neighbourhood where I grew up in, it’s like a self-custody thing, what you have you look after yourself because **people don’t trust banks**...I think **people resort to this because they don’t have an alternative**, because they don’t have access to good services.’  
Man who identified as ‘Other Mixed Background’, 25-34, London

In the qualitative research, people said they appreciated the culture around partner schemes of ‘no questions asked’. For example, many noted that if someone needed the money before their turn, often they would be accommodated and could swap with the person before them.

This was **contrasted with people’s experiences of high street banks, which were seen as inflexible, lacking transparency and charging high penalties**.

In the expert interviews, the community element of partner schemes and ability to let people achieve their financial goals was praised.

‘**There is the power of community** and it means that **people who wouldn’t otherwise have been able to achieve their financial goals** if they went through the conventional banking system are **able to do so**. So that in itself is an amazing thing. It’s easier to borrow money from your neighbour or feel like you can lend money to your neighbour because it’s not like they can disappear into the night, **you know them, you know their families**, you’ve probably grown up with them or you know their parents and grandparents. That’s why **these communities feel safer**.’

Areeb Siddiqui, Founder and CEO, Kestri

We spoke to someone who runs a partner who stressed the value of these schemes to communities. They **bring people together, particularly across different generations**, in community spaces such as church halls. As well as strengthening community cohesion, they **offer people a trusted and disciplined way to save**.

‘I get frustrated with my community as they only care about money and less about generating income. **You need to create wealth to pass on and have a pathway for generational wealth**. People running the partner schemes and controlling the money help educate the community.’

Partner Scheme operator

However some experts also highlighted potential drawbacks to these schemes – they are unregulated and there is no protection for savings should they collapse. They offer no interest on savings. They can cause problems in close relationships and could even lead to financial abuse.

**‘Informal borrowing can be really valuable** in the sense that it can help people when they don’t have other good options. But it **can cause a lot of problems as well** because it **relies on those social bonds which is why it works and is a great thing.** But if something starts to go wrong, it **can jeopardise that family or friend relationship.** There’s also a **slippery slope that could go into financial abuse.**’

Financial Services Compliance Expert

One obvious **disadvantage of these schemes however is that there is no formal record of paying into them.**

community and are favoured for meeting people’s financial needs and added social benefits. They have offered communities access to finance and savings when other options are either limited or unavailable

They provide an ability to save and encourage positive financial behaviour but they carry financial risks (they are not regulated thereby offering no legal protection or compensation).

‘Ethnic minority communities don’t have much trust in the system, it doesn’t work for them. **If banks did community-based projects [it would be better] and be more transparent. It can’t be a one off, it needs to be regular and it’ll help create a better relationship with their brand.** Parners mean people meet up regularly, like weekly or monthly which builds trust. Companies need to interact with the people.’

Pardner Scheme operator

Informal lending schemes are rooted in

**We encourage financial institutions to consider deeply the advantages and benefits that different groups value in informal lending schemes whilst considering the risks and gaps to shape future propositions** that would appeal to more people from a minority ethnic group, improve trust and ultimately contribute towards improved financial inclusion for people from minority ethnic groups.

As seen with Bloom Money, one entrepreneur has done just that, building on the ethos of informal savings schemes, but within the formal framework of financial services regulation.

People's experiences of both partner schemes and banking with fintechs illustrate a way forward for mainstream banks. **Community finance such as credit unions are other valuable alternatives to learn from.**

Most importantly of all, we need to be clear that **there is nothing inevitable about any of the barriers to accessing finance which we have highlighted in this report.**

# Information, support and financial literacy

Our research shows that the information and support that people from minority ethnic groups get from financial institutions is clearly an area for improvement. **Our findings highlight the opportunity here for banks to accelerate their work in building financial inclusion.**

Some of the experiences we heard about in the research fall far short of the new Consumer Duty requirements. Good outcomes for consumers from communities that financial services are not serving well underpins the Consumer Duty requirements.

This extends all the way through from credit referencing agency data and transparency through to consumer understanding and dealing with ‘jargon’ and understanding financial products and services that are barriers to access.

We believe that banks also have broader societal responsibilities when it comes to information and support.

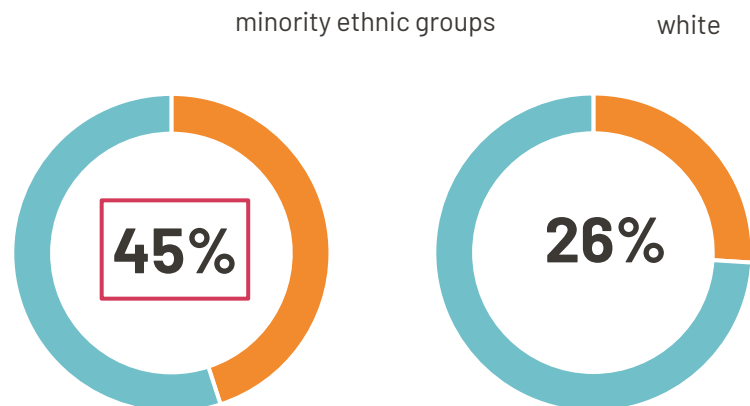
As we go on to discuss, **strengthening financial literacy among people from minority ethnic groups is one way to tackle long-standing inequalities.**

## Seeking help

People from minority ethnic groups are more likely to have looked for help from a financial provider in the past year (45%) but are less likely to have had a very positive experience.

This contrasts with only 26% of white British people seeking help in the last 12 months. It rises to 59% for people who are black Caribbean. For those whose first language is not English it is also still significantly high (40%), although we see the inverse for Eastern Europeans (22%).

More people from minority ethnic groups have sought help from a financial provider in the last 12 months



More people from minority ethnic groups did not have a 'very positive' experience last time they contacted a financial provider

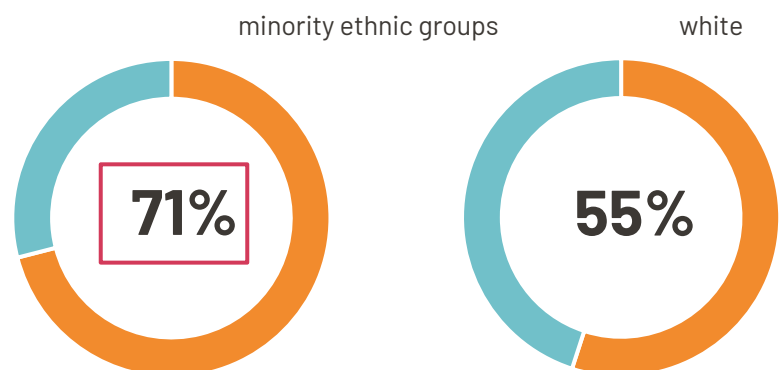


Figure 18: seeking help and experience of financial providers  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>60</sup>

Significantly higher / lower than White British group (95%)

<sup>60</sup> Base: UK adults 18+ minority ethnic groups n=1,005, white British n=1,182

Base: UK adults 18+ who have contacted a financial provider in the past 12 months: minority ethnic groups n=453, white British n=272

Time period: September - October 2022

Question: In the past 12 months, have you sought help or advice from a financial provider for any of the following reasons? / Still thinking about the most recent time you contacted a financial provider for help / advice, to what extent do you feel the process of seeking help/ advice from the financial provider was positive or negative?



| Reasons for seeking help  | minority ethnic groups | white |
|---|------------------------|-------|
| I needed help setting up a current account  | 14%                    | 8%    |
| I needed help sending / transferring money domestically                                     | 12%                    | 6%    |
| I needed to query something on my statement   | 11%                    | 7%    |
| I needed help setting up a basic bank account   | 10%                    | 5%    |
| I needed help sending / transferring money abroad   | 10%                    | 5%    |
| I was concerned about a scam or potential scam that might have an impact on my account      | 9%                     | 6%    |
| I needed help applying for a loan / lending product   | 8%                     | 5%    |
| I was worried about identity theft, a scam or transactions I didn't recognise on my account | 7%                     | 3%    |

Figure 19: reasons for seeking help  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>61</sup>

Significantly higher/lower than white British group (95%)

People from minority ethnic groups are about twice as likely to have contacted financial providers for the reasons listed above.

As we have seen, **71% of people from minority ethnic groups did not have a 'very positive' experience last time they contacted a financial provider.** This compares to 55% of white British people. The quantitative research also explored why people have not contacted financial providers in the past year.

People from minority ethnic groups are more likely to say they have needed to seek help but rather than turn to financial providers, are more likely to say they have done their own research instead or turned to family and friends.

As we go on to discuss in the next section, **people from minority ethnic groups are more likely to turn to informal sources of support.** This is another sign that they are not getting the support they need from financial institutions.

<sup>61</sup> Base: UK adults 18+ minority ethnic groups n=1,005 white British n=1,182 Time period: September – October 2022  
Question: In the past 12 months, have you sought help or advice from a financial provider for any of the following reasons?

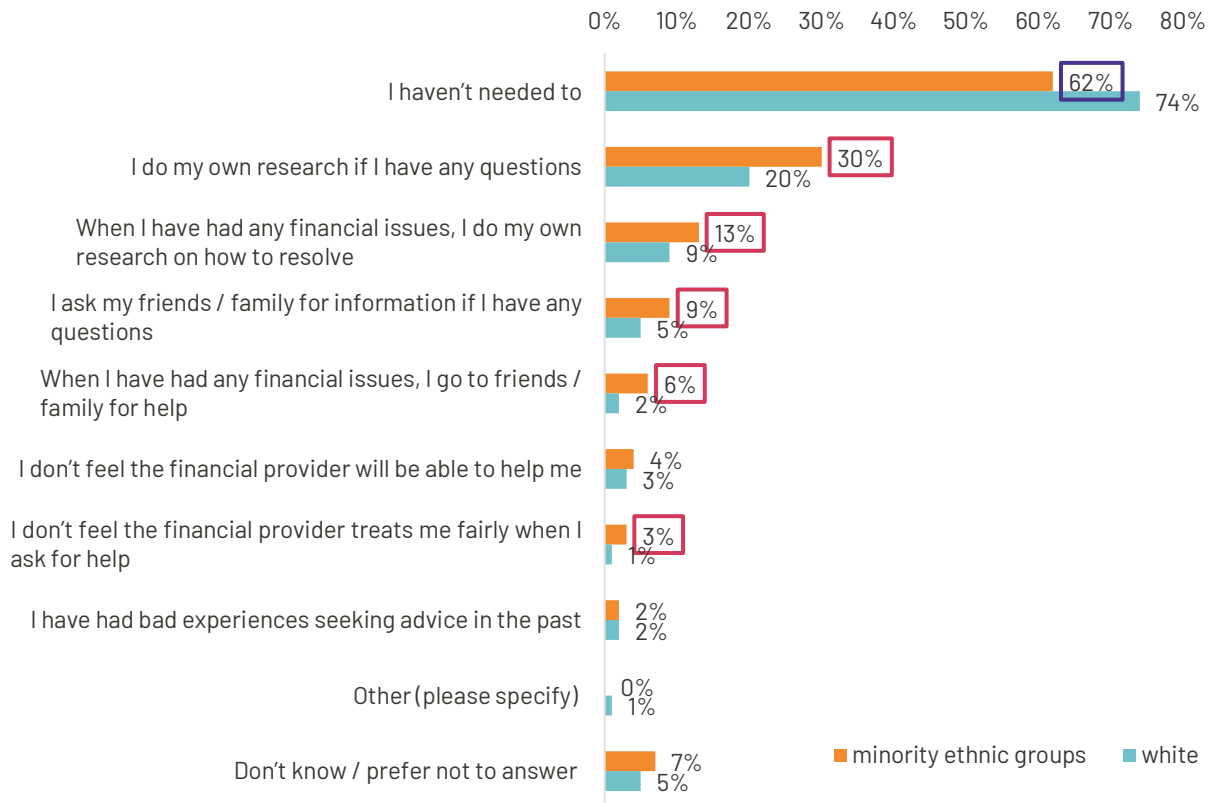


Figure 20: reasons for not seeking help

Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>62</sup>

Significantly higher / lower  
than white British group (95%)

<sup>62</sup> Base: UK adults 18+ minority ethnic groups n=529, white British n=884 Age: 18+  
Question: You mentioned you haven't sought help / advice from a financial provider in the past 12 months, why is this?  
Time period: September - October 2022

## Trusted sources of information

Around half of people from minority ethnic groups and white British people seek information about different financial products and services through search engines and financial providers' websites.

However, **people from minority ethnic groups are more likely to turn to friends and family and social media advertising.** They are **notably less likely to use MoneySavingExpert.com** (and similar) – the top answer for white British people.

Money Saving Expert is a valued source of financial information for many people in the UK, but only for a minority of people from minority ethnic groups. The figure is particularly low for people from African backgrounds (32%).

This is a good example of why we must not make sweeping assumptions about the most effective ways to equip people from minority ethnic groups with financial knowledge.

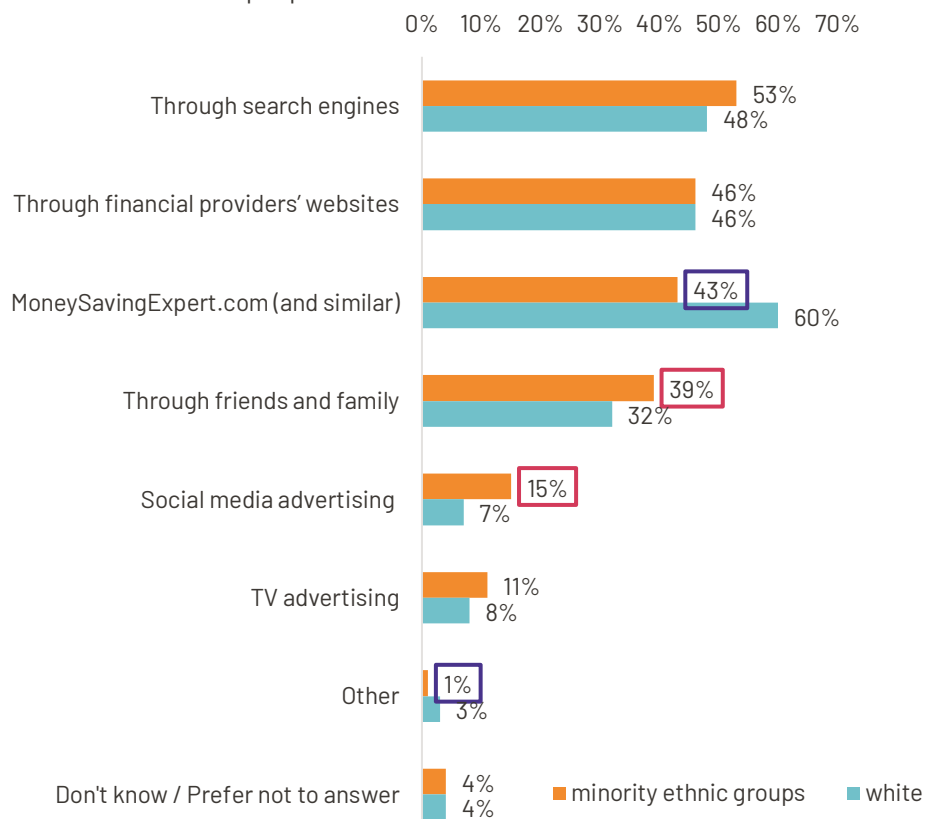


Figure 21: where people seek information  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>63</sup>

Significantly higher / lower than white British group (95%)

<sup>63</sup> Base: UK adults 18+ minority ethnic groups n=946, white British n=1,095  
Question: And when you do seek information about different financial products / services, where do you usually look for this?  
Time period: September - October 2022

**There is no one way of reaching people from different ethnic backgrounds** and it is important to understand how beliefs and cultural references influenced by ethnicity effect someone's information sources.

In the qualitative research, people used online advice websites and social media for information, describing these as a more 'open' and 'honest' spaces.

'I follow a few pages on Instagram...those who run those pages are people from ethnic minorities and say they're **sharing lots of information** that maybe I mean, I **didn't necessarily get taught** in school or you **didn't really hear from anyone else**.

Black African woman, 25-34, East Midlands

'I normally use and rely on other stuff, 'money expert' kind of **online websites** to see where I could get the best deal - I tend to **prefer to look for independent advisers**, so I'm sure they're not really getting any kind of particular bonus [for the service they provide]'

Asian Pakistani woman  
35-44, Yorkshire & Humber

**People emphasised the importance of independent information.** This links to the lack of trust there can be in the honesty and openness of banks that we discussed when exploring barriers to accessing finance and consider in more detail in the next section. **Some shared they had found online forums as helpful places to find reviews from 'normal people' or 'people like them'.**

'Banks are quite secretive, if you don't ask, they don't tell you. A lot of **people on the internet are quite open** when it comes to their experiences, so it seems easier to look for information on the internet than go into the banks.'

Black African woman, 18-24, London

Trusted online spaces can help connect people to culturally appropriate digital solutions that meet their needs.

In the quantitative research, **suspicion of the advice given by financial providers was apparent.** It is high amongst all groups but particularly among people from minority ethnic groups who feel they are not financially literate. This group, along with people whose first language is not English, are particularly unlikely to believe financial institutions have their best interests at heart.

| % agree   | Financial providers have my best interest at heart when giving me advice | I feel most financial providers have my best interest at heart |
|---|--|--|
| Minority ethnic groups                              | 41%  | 32%  |
| White   | 37%  | 30%  |
| Minority ethnic groups (English not first language) | 38%  | 24%  |
| Minority ethnic groups (not financially literate)   | 28%  | 16%  |

Figure 22: views on whether financial providers have best interest at heart  
Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>64</sup>

Significantly higher/lower than white British group (95%)

As we have seen, people from minority ethnic groups are less likely to turn to MoneySavingExpert.com than white British people. People are accessing other online spaces for financial advice.

In the qualitative research, people from minority ethnic groups explained that **friends and family were particularly trusted sources of advice.** Those who had poor credit scores and faced difficulties in the past said they simply could not afford to get the wrong advice.

‘There’s a lot of financial educators who are on TikTok who are doing amazing things and get millions and millions of views. Kestrl ourselves, the majority of our users actually come from TikTok and us making little videos, educating people about what makes something Sharia compliant or not for an investment.’  
Areeb Siddiqui, Founder and CEO, Kestrl

‘There is an element of safety, with recommendations from friends and family are easier to trust.’  
Black African woman, 25-34, East Midlands

<sup>64</sup> Base: UK adults 18+ minority ethnic groups n=1,005; white British n=1,182; minority ethnic groups – English not first language n=328; minority ethnic groups – not financially literate n=469 Time period: September – October 2022  
Question: We’re now going to show you a series of statements relating to financial providers (ie building societies, credit unions, insurance companies, lenders etc). Please say to what extent you agree or disagree with each / We’re now going to show you a series of statements relating to seeking help and advice from financial providers. Please say to what extent you agree/disagree with each.

Turning to friends and family as the main trusted source of advice comes with challenges, namely misinformation and perpetuating stereotypes.

This should be an area of focus for financial institutions to think holistically about current and future propositions; **designing products and services that are accessible and attractive to people from minority ethnic groups and building a customer service infrastructure that encourages people to seek advice and build trust.**

## Clarity of communications

Clarity is a problem across the board. **Fewer than half of consumers find language used by financial providers easy to understand** – this is consistent by ethnicity (44% of people from minority ethnic groups and 43% of white British people). Agreement is even lower among people whose first language is not English (38%).

Around half of both people from minority ethnic groups and white British people think that **financial providers use language full of jargon**. This rises to 61% of those who have experienced discrimination due to race when dealing with a financial services provider.

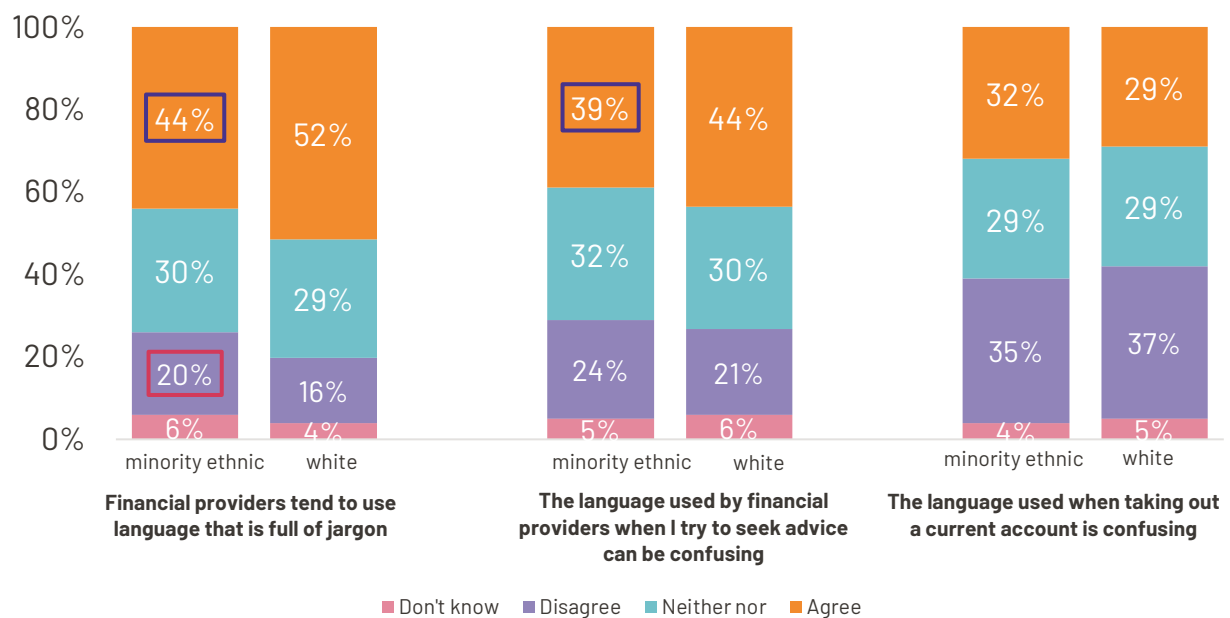


Figure 23: views on language used by financial providers

Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>65</sup>

Significantly higher / lower than white British group (95%)

<sup>65</sup> Base: UK adults 18+ minority ethnic groups n=1,005, white British n=1,182 Time period: September – October 2022  
Question: We're now going to show you a series of statements relating to financial providers (ie building societies, credit unions, insurance companies, lenders etc.). Please say to what extent you agree or disagree with each / We're now going to show you a series of statements relating to seeking help and advice from financial providers. Please say to what extent you agree/disagree with each / We're now going to show you a series of statements relating to taking out a current account. Please say to what extent you agree/disagree with each.

Interactions with financial services providers can be perplexing. **Around two-fifths of all consumers say that the language used when they try to seek advice can be confusing.**

Around three in ten feel that the language used for opening a current account is confusing. Agreement with this rises to 48% for Pakistani people, 43% for people of Muslim faith, and 57% of those who have experienced discrimination due to race.

In the qualitative research, people highlighted a **lack of transparency from banks, particularly around the products and services on offer**, as well as information feeling full of ‘jargon’. People recounted **feeling uncertain of the information they had received from banks** and lacking the support from their bank to understand.

**‘A lot of financial stuff is unnecessarily complicated.** It all feels made up by old white blokes, many centuries ago...I think it’s deliberately complicated to exclude people.’

Chinese woman, 25-30, London

We found that frustration with communication from banks could amplify distrust in the motives of financial providers. Using plain numbers and language would help people understand information received and create better conditions to make informed decisions<sup>66</sup>.

**‘The cynic in me thinks...banks don’t want people to be informed, because then you won’t fall into debt, won’t take high interest rates.’**

Asian Bangladeshi man, 35-44, London

Another frustration raised in the qualitative research by some people is receiving conflicting advice from their banks. In some cases, this could have negative impacts, particularly in relation to advice on how to build credit.

**‘I find that with mortgages, banks are very restrictive when it comes to accessing that product.** When I applied for a mortgage 3 years ago, I thought at the time my credit score was decent. **Had taken out a loan to buy a car because I was told it would help my credit score, but then when it came to the mortgage I was told it counted against me...**to be told the loan counts against you is really confusing.’

Black African man, 25-34 South East England

Connected to this, **some people expressed exasperation at the changeable nature of services and advice.** People reflected that they had been supported with tips around finance and certain products – particularly for overseas money transfers – only to find that the advice would soon be redundant due to changing fees and rates.

<sup>66</sup> Plain Numbers, 2021 [Plain Numbers Project: Initial trials report](#)



## Culturally appropriate advice

Helen McCabe, the financial capability officer at CEMVO Scotland highlights the barriers people from minority ethnic groups can face in getting financial advice.

As already highlighted, there are language barriers for people whose first language is not English. Getting an interpreter can take time or the interpreter may be known to the person which can make it difficult to openly discuss their issues. However, there are also cultural attitudes towards finances which need to be understood.

**'Not speaking the language, not understanding about the serious implication of falling into debt,** having debt collectors knock on your door and things like that, not knowing about Citizens Advice Bureau and that you can get free advice.

Asian-Bangladeshi man, 35-44, London

There are many barriers that ethnic minority communities face when seeking help. One barrier is simply being able to talk about it, **in some communities discussing money is a taboo subject.** Discussing or managing finances are nuanced and can vary for different communities based on their religious or cultural beliefs. **If agencies don't understand these sensitivities this creates a barrier to engagement for those communities.'**

Helen McCabe, Financial Capability Officer  
CEMVO Scotland

In the qualitative research, we heard about generational understandings of credit, saving and debt. **Older people or first generation migrants, particularly from Asian-Indian and Asian-Chinese backgrounds, spoke about a hesitancy towards engaging with credit or debt** through credit cards, loans and mortgages.

Younger people or second generation migrants from these same backgrounds revealed that their parents' views could influence their outlook.

'I've known many people within the black community who use credit cards and take out loans and unfortunately have suffered for it. **My parents have never been in debt and I refuse to be in debt also. I could go to the bank for a loan if needed, but I'd choose not to,** only if it was required for something that I knew I could pay back confidently.'

Black African woman, 25-34, East Midlands

People reflected on where this **hesitancy towards credit and debt** came from. For some, it is because of **religious teachings** that encourage people to lend or borrow with caution. For others, it is linked to **negative experiences** of them or their parents when first arriving to the UK.

Some people felt their hesitancy to engage with credit or debt was because they had come from countries where there were limited welfare systems so 'we spend the money we have, we don't spend money we do not have'.

Others feared what happens if it goes wrong - 'It feels wrong to owe people money or to owe the state money' - viewing debt as 'dangerous'.

'Even now when taking mortgages out, **my parents say, 'Take as little as you can.'**

Man from 'Other Asian' background, 18-24, Northwest England

Some people highlighted a cultural preference for acquiring wealth through tangible assets.

One person described how he had grown up hearing his parents talking about '**investing as some form of gambling.**' Asian-Chinese man 25-34 based in West Midlands

'Asians and South Asians, **we like tangibles - housing, property.** When things are in the ether, people feel they don't understand it and get scared.' Asian-Indian man, 18-24, London

## Building financial literacy

Some people felt like they have **not been provided with adequate information** from banks, services, and schools to make informed decisions. Others, particularly second-generation migrants, said they lacked confidence in navigating the system because their parents did not have knowledge of the UK financial system or were excluded from it. Many linked a lack of knowledge to early mistakes they had made that then contributed to poor credit scores.

'They **should be telling us things about interest rates, investing at school. You have find it yourself**...I got given my trust fund and I wanted to put it into a savings account, but I didn't understand a lot of the information, a lot of jargon, I really didn't understand...so I just spent the money. I think **if it had been easier to understand then I would have been able to manage my money better.**'

Asian Pakistani woman, 18-24, London

**Some people described this lack of knowledge as creating a 'compound effect', a gap you couldn't make up for later in life.** They felt that not knowing things early on created a huge potential wealth gap between those who do and do not know about credit scores and building credit.

These people spoke with particular urgency about the need to improve financial education programmes to support those who do not have access to this knowledge, particularly from their families or friends.

'There was **nothing about how to prepare for student loans, offering us payday loans, jobs in uni**...no one ever talked about the idea of overdraft...it will accumulate money, **this information was wildly missing when I was younger**...so it really becomes a class thing because **in private schools, they do all of that**. They teach their kids about where to make investments, and **that's why they're continuously on the ladder.**'

Black Caribbean woman, 25-34, London

The experts we spoke to also highlighted the importance of financial literacy. Areeb Siddiqui described it as 'far and away' the biggest barrier to financial inclusion for people of Muslim faith.

'Financial literacy we've noticed is quite poor amongst people in the UK in general. But **amongst Muslims, it's a double problem**. Not only **do they not know some of the basics**, how to budget and save appropriately, they **also don't know what is compliant religiously**.....within Muslim groups in particular, the kind of assets that people have always thought of traditionally are property or gold. So things like **stocks and shares, funds, even taking out a pension are still pretty new concepts.**'

Areeb Siddiqui, Founder and CEO, Kestri

The Member of Parliament we interviewed argued that sustainable financial knowledge needs to be built over the long and short term.

'You can help with a one-off or **you can build systems to be more sustainable** for people to better help themselves...It's understanding how banking and finance works and your credit score and why you want to keep it as good as possible and how you can build that up. When people are living in crisis day to day or in poverty, you **don't think longer term unless someone's laid out a bit of a path for you.**'

Member of Parliament

As we discussed in the opening sections of this report, we do not have a level playing field in the UK. **Improving financial literacy has a part to play in tackling the inequalities** faced by people from minority ethnic groups, although it is no magic bullet.

# Solutions and Calls to action

Our research provides **the UK banking sector and wider financial services providers an opportunity to accelerate their work on improving financial inclusion**. We have identified systemic issues that cannot be explained away by factors such as age or income. Our findings **have to act as a catalyst for further change** across the financial services industry.

People from minority ethnic groups hold fewer financial products, experience more life events and are **less likely to have positive interactions with banks**.

Some have experienced **discrimination because of their ethnicity**. We heard about some disturbing experiences in the qualitative research, and people are **facing greater barriers to accessing financial services** because of their ethnicity.

The following pages share what we heard in our research about the changes people want to see. Later on, we set out our recommendations to achieve this meaningful change in UK financial services.

- **Transparency and clarity**
- **Personalised services**
- **Cultural representation**

## Solutions

The people we spoke to in the qualitative research identified key factors which are seen as fundamental to improving their financial experiences:

- **Addressing discrimination**
- **Transparency and clarity**
- **Personalised services**
- **Cultural representation**

When we tested these solutions in the quantitative research, we found they were popular with all, suggesting that improving these areas that can benefit everyone.

## Addressing discrimination

People from minority ethnic groups are more likely than white British people to want banks to address racism, offer cultural representation, and personalised services for different religions.

People from an African background, who are more likely to have experienced discrimination, are more likely to think banks should focus on addressing racism (28%). **Currently only 40% of people from minority ethnic groups agree their main bank is effective at addressing racism.**

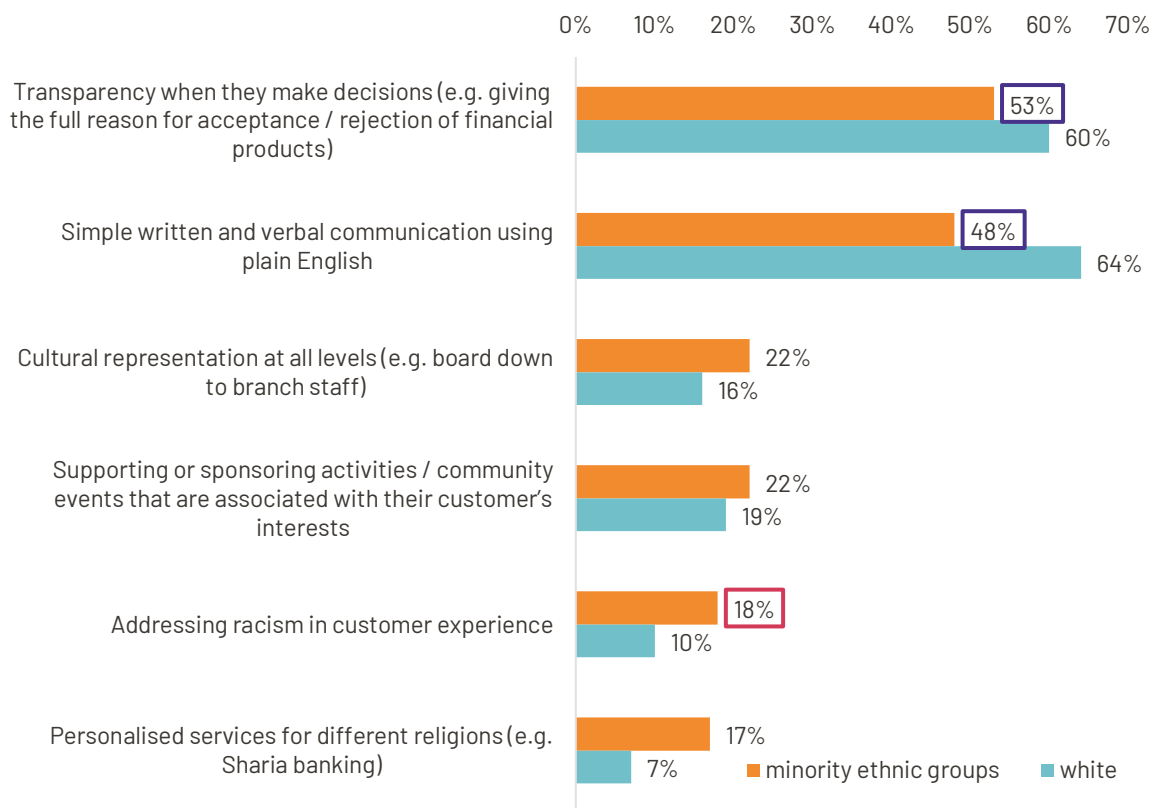


Figure 24: solutions for banks to focus on

Source: IPSOS Minority Ethnic Groups Research  
Methodology: see footnote<sup>67</sup>

Significantly higher / lower than white British group (95%)

<sup>67</sup> Base: UK adults 18+ minority ethnic groups n=1,005, white British n=1,182 Age: 18+ Time period: September - October 2022  
Question: Please read the below statements in relation to financial services providers and tell us your top 3 that you think financial companies should focus on.

## Transparency and clarity

In the qualitative research, we found **that trust and transparency are interlinked**. Across the board, **people wanted more clarity around the processes and practices used by financial services providers**. They also wanted this to be communicated in a simple and transparent way, which meant they didn't have to be worried about hidden fees or contradictory information. This would help counter fears of discrimination.

'I find the whole process [of banking] complicated. It **needs to have the jargon taken out of it** and make it **more simple and to understand**.' Black Caribbean woman  
55-64, West Midlands

In particular, **people wanted to see transparency in how credit card or loan applications are accepted or rejected**.

'I'd **like to see an explanation of why you were rejected**, I don't think it's enough to just get a no...**that's what would be important for me to trust them** [banks].'  
Black African woman, 18-24, East of England

'We need to call on banks to **proactively provide that information**, and where people from ethnic minorities can access advice and support'. Asian Bangladeshi man  
35-44, London

As we saw earlier in this report, **feeling un-informed or consciously excluded from products and services can lead to fears of discrimination**.

By banks being more forthcoming about information and providing clarity, feedback and reasons for rejected applications, and feedback on how future applications could be reconsidered by advising on potential changes in applicant behaviour to improve credit score this perception and fear of discrimination may be greatly reduced.

It is worth noting that 53% of those who experienced discrimination (vs 35% who did not) agree they do not feel they have adequate opportunity to give feedback to financial providers on their experiences.

The importance of transparency – and more data – was also raised in the expert interviews. Transparency should include demonstrating that the use of data is not unfairly disadvantaging certain groups.

'**People that use the data should be challenged more**, if you're using data, it should be your **responsibility to demonstrate that you're not unfairly disadvantaging people**.'  
Financial Services Compliance Expert

The need for transparency extends beyond financial services providers. Sheeraz Gulsher of People Like Us argues for the introduction of mandatory ethnicity pay gap reporting for businesses in the UK.

We know many financial service providers voluntarily report on ethnicity pay gap but it is important that there is a uniform approach and for further disaggregation within different ethnic groups.

‘There is **no legal obligation for organisations to be transparent about how minority ethnic staff are being paid**. Without the data, it’s difficult to understand the scale of the issue. This is why People Like Us is asking the government to introduce mandatory ethnicity pay gap reporting for companies. The ethnicity pay gap reporting guidance provided by the government is a helpful step but we must make it a requirement. It will truly create huge strides in making a fairer and more equal society where we can tangibly address pay disparities in the workplace.’

Sheeraz Gulsher, Co-founder, People Like Us



## Personalised Services

The people we spoke to in the qualitative research believed that better personalisation of customer service and products would help address the issues they had raised.

**People wanted banks to provide better explanations of which products and services are beneficial to them and why.** This includes making information about products and services available in multiple languages as well as accessible language.

People advocated banks working closely with customers through high quality and tailor-made customer service to ensure they understand what is available to them. The Consumer Duty rules ask that ‘when a firm is...developing its communications or customer service approach, it should consider the needs of its customer base and target market’.

In the qualitative research, some people highlighted bank branch closures and a shift away from a person-centred approach. Banks and building societies have closed 5,668 branches since January 2015, at a rate of around 54 each month.<sup>68</sup>

‘They [banks] don’t have enough staff in branches, **you need a commitment to put resources on there, to get more space in their branches.** More people need to be there to help those with more complex and financial needs’  
Other Mixed Background man  
25-34, London

It is clear from our research that these shifts can disproportionately impact certain groups– those who struggle with English and engaging online.

Sufficient work needs to be done to ensure these

groups are not excluded by these trends.

In our expert interviews, we heard about **the importance of engagement rooted in community**, using trusted physical and virtual spaces to meet people’s needs.

‘It’s **always about who people trust.** Post offices are a good outlet. You could even have schools reaching into parents, providing options through schools for financial inclusion, smaller products, easier products, advice lines. **Schools are trusted routes.**’  
Member of Parliament

Helen McCabe, the financial capability officer at CEMVO Scotland, highlights the importance of choice in the provision of financial advice. She advocates **more partnership working between mainstream advice services and minority ethnic led organisations** to strengthen both types of services.

‘Individuals from ethnic minority communities need to have the choice of accessing services in local ethnic minority organisations and mainstream advice agencies. **A choice of service benefits both the organisation and the community. Through engagement organisations build their capability to provide services that match need and trust is fostered within these communities.** This is why local ethnic minority organisations are trusted and familiar which are built on knowledge and understanding of culture and religion and the sensitivities that surround these. **This is key when discussing financial matters with individuals from ethnic minority communities.**’

Helen McCabe  
Financial Capability Officer, CEMVO Scotland

<sup>68</sup> Which (2023) [Bank branch closures, is your local bank closing?](#)

'An individual might want to access a service out with their local community for example, if they know someone from their community works there, **there may be concerns around confidentiality which can prevent them accessing help.** A mainstream advice service can offer an alternative increasing choice of services available. In the absence of inhouse skills to communicate with diverse communities, offer services in different languages and an understanding of cultural or religious sensitivities, this service will fall short of what is required. **Working in partnership with ethnic minority local organisations is a safe way to help build mainstream capability and increase accessibility for communities.'**

Helen McCabe

Financial Capability Officer, CEMVO Scotland

Personalisation has to take into account cultural identity. In the qualitative research, **people wanted products and services that meet their religious needs.** Some asked for better options to meet Sharia banking requirements.

**'Banks for me have a one size fits all approach, everyone gets the same kind of service. It needs to be more personalised, tailored to individuals.** Sharia banking for example.'

Asian Bangladeshi man, 35-44, London

This was echoed in the expert research. A Member of Parliament we interviewed argued that financial service providers need to understand individual communities better and provide services which see and serve the 'whole person'.

'How different communities work, what their stories are, what they might need, what kind of subcultures there might be, where they have confidence, how they can have access and build knowledge and understanding of financial decisions and products. Service providers need to think more holistically. **There is the opportunity for services to be much more 'whole person.'**

Member of Parliament

## The importance of innovation in personalisation

Some of the experts we interviewed argued that innovation can be harnessed to better meet the needs of people from minority ethnic groups. Open banking can be a key enabler of this.

**'Kestrl took advantage of open banking in the UK** which meant that you could plug in whatever bank account you were using directly into Kestrl and we could present you with some solutions based on that data, like an automated budget or telling you how to save better or invest in a different way.....The way forward is **collaborations between banks who have legacy names, the infrastructure, products and capital and fintechs who can think in a more agile way**, often know much better what users are actually thinking and can offer a better user experience as a result.'

Areeb Siddiqui, Founder and CEO, Kestrl

Fintech can potentially act as the pacer for mainstream financial institutions.

'Today, **fintech companies serve as the pacer for all of the traditional banks**. With Starling, Revolut, Monzo – you could freeze your card, turn it on and off if you lost it or got stuck between the couch cushions. This was years before Lloyds did a nationwide TV campaign showing you how to freeze your card. **If they see that something is working they will copy it because they don't want to miss out** and FinTech companies validate the features first.'

Nina Mohanty, Founder and CEO, Bloom Money

However, it is important to note that both Nina Mohanty of Bloom Money and Areeb Siddiqui of Kestrl experienced difficulties in securing funding, with investors struggling to understand their businesses.

'I experience the **triple danger of not only being a woman of colour in fintech, but I'm also serving communities of colour**. People could not wrap their heads around that. A VC said to me 'the only immigrant I know is the guy who runs the kebab shop you know down the street from me – are there that many?'

Nina Mohanty, Founder and CEO, Bloom Money

**'A big barrier was access to funding quite early on.** There was a reticence amongst conventional investors who would invest in typical fintechs, given that it was a market they didn't understand, **they saw it as quite a niche audience despite there being two billion Muslims on the planet.** We really **had to prove more traction than some of our conventional peers** before we could actually fundraise and go to market. That was a major challenge.'

Areeb Siddiqui, Founder and CEO, Kestrl

## Cultural representation

In the qualitative research, people spoke about **the importance of cultural representation of staff in branches and at management level in banks.**

**People believed that better sensitivity to cultural differences paired with greater cultural representation in customer service roles would improve their overall customer experience.**

### Case study: Metro Bank

Khushboo Patel is the Head of Engagement and Inclusion at Metro Bank. Diversity and inclusion is a 'continual way of life' for the bank. She compares diversity to healthy eating – it has to be an ongoing commitment which continues to evolve, not a one off.

'Internally we work really hard to make sure, **not just that we are diverse and represent the community we serve**, but also that **our colleagues are educated as well**...what do your biases look like, what do your unconscious biases look like, do you partake knowingly in microaggressions, what are your perceptions of people before you have even started on any process?'

Metro Bank continuously evaluates its processes to ensure they are objective and not biased in any way against certain people or groups.

Metro Bank has stores which provide banking services rather than bank branches. These stores are designed to create an inviting and welcoming environment for people to come and talk to someone about important decisions such as taking out a mortgage. Stores have meeting space and rooms that are offered out to the community.

Diversity and inclusion is at the heart of Metro Bank's strategy and its senior leadership team 'actively push for what improvements we can make in this area.'

Khushboo explains the importance of taking small steps rather than trying to achieve miraculous changes:

'The **most meaningful things come from small steps which lead to the big changes**, and you need to figure out what those small steps are first. Take time to understand your customers and communities. **The world is constantly evolving** and so you need to ensure you are aware and in tune with the needs of minority ethnic groups. From this you can create your plan towards inclusive access to finance. And remember, it's a long term plan and so commit to the journey; start by **'we are aware of what the needs are, we are making headway and we are taking the steps to address the needs.'**

In the expert interviews, Faisal Rahman attributed the success of alternative providers among minority ethnic groups to their staff, as well as word of mouth recommendation.

'If you go to a **payday lending firm** and if you go to an **alternative finance provider**, do you know what the people who work in there look like? **They look like you. They look like the people who they're serving. They look like people that you know.** And you're likely to go there because **someone you know has actually managed to access finance from them, from someone they've been able to speak to in their own language and that they trust.** That is one of the reasons why many of these lenders are successful in terms of attracting minority populations.'

Faisal Rahman  
Founder and CEO, Fair Finance

One suggestion in the qualitative research was to provide sensitivity training to staff and seeing and hearing greater cultural diversity at call centres. This could also improve language provision.

'X bank was the worst...maybe **try to incorporate people of colour, or non-nationals that can help you get these things.** Or even call centres because they are very scripted, they don't know what to offer. I had a totally different story...to help us make it a bit more easy.'

Mixed Caribbean man, 25-34, Scotland

'There's **not enough access in banks to people who can speak multiple languages,** we're an international country so that should happen a lot more.'

Black Caribbean woman, 25-34, London

Several people stressed that while better training and improved language provision are important, they would not be 'not enough'. Cultural representation at higher levels was also crucial. In one of our discussion groups, this led to a conversation around imagining a 'model for the people'.

'**Banking needs to be for the people.** Right now, it feels like the big banks are banking for the bankers, but we're just all going along with it because it feels like it's the done thing...**It's gonna be about the people because it's our moment.**' Black Caribbean

man 54-65, Northwest England

Better representation at senior levels could help address unconscious bias in the design and provision of financial services.

'It is **incredibly important to talk about institutional biases** or systems related challenges in financial precariousness. **Financial institutions often use stereotypes about individuals from particular communities.** Often debt or financial stress isn't an individualised problem, never mind the fact that **we shouldn't generalise about particular communities.** We have some way to go with being able to discuss, for example, debt with the economic system.'

Halima Begum, former CEO, Runnymede Trust

## Calls to Action

There has to be meaningful change to address discrimination and improve financial inclusion. In the final section of this report, we set out ways to achieve this. These Calls to Action have been developed through our dialogue with the Practitioners Group and Lived Experience Advisory Group.

**'Most important** of all,  
we want to see some **action'**

For our Calls to Action to truly make a difference, they must be long-term goals which have senior buy-in and are properly resourced. The industry also needs to share best practice and learn from innovators to better meet the needs of more diverse customers.

There needs to be commitment across the financial services sector to work individually and in partnership to meet the needs of all people. There is also an important role for regulation to play as outlined below.

We believe that our Calls to Action can be win-wins for financial services providers and people from minority ethnic groups. By listening, learning and responding, banks will be better able to meet the needs of their customers both now and in the future as these evolve.

## Our recommendations drive towards ...



**more equitable access  
to financial products**



**better customer  
experiences**



**greater financial  
capability**

## Be inclusive by design

Financial services providers need to bake inclusivity into their processes, policies and products. This will ensure that these meet people's needs and do not discriminate in any way because of ethnicity.

This is not optional. Firms have existing legal requirements under the Equality Act 2010, or equivalent legislation, to **avoid direct and indirect discrimination**. Under the Consumer Duty requirements, firms are expected to 'carry out monitoring to identify where distinct groups of customers...who share protected characteristics get worse outcomes than other customers'<sup>69</sup>. The Consumer Duty requirements expect 'firms to have processes in place to investigate the cause(s) and addresses any problems'. **Firms are expected to monitor, identify, and act.**

We call on financial services providers to:

- Understand and address how experiences and perceptions of discrimination impact customer journeys
- Ensure harder to reach voices are heard in product development, testing and distribution and there is no unconscious bias
- Make assessments on how representative the customer base is compared to the population of the country or local community, and use this to set targets to improve access
- Listen to and understand individuals' needs, instead of a 'one size fits all' approach
- Provide culturally relevant training for all customer facing staff
- Be culturally sensitive to, but not presumptuous about, people's needs and preferences, eg although Sharia-compliant products cater for those of Muslim faith, do not assume that someone who is Muslim will definitely want Sharia-compliant products
- Ensure communications and branding are inclusive of different minority ethnic groups

Guides looking at how inclusive design can be embedded into product design are a good reference point. [Inclusive Design in Financial Services: A practical guide for firms and suppliers](#) by Fair By Design and Money Advice Trust provides practical steps from the start of the design process through to launching the end product for firms working in the credit, energy and insurance sectors.

<sup>69</sup> Financial Conduct Authority (2022) [Final non-handbook guidance for firms on Consumer Duty](#)

2

## Be transparent in decision making

This is **essential to improving access** to services and building financial resilience. It will also help build trust with financial services providers.

It also requires financial services providers and credit reference agencies who provide credit files to **work together to be more transparent**. We recognise that lenders' individual risk models are proprietary and tailored to their specific needs but there needs to be a **sector-wide commitment to eliminate bias in decision making**.

We call on financial services providers to:

- Work together to identify robust steps to eliminate bias in decision making
- Be more transparent and clearer to people on how decisions on applications for products are made, why they were rejected and what their pathway is to improve future applications
- Help people understand what they need to do to improve their credit scores
- Work with credit reference agencies and minority ethnic groups to understand how additional financial behaviours can be used as indicators of repayment reliability. (Some examples of good financial behaviour, which are often more associated with people from minority ethnic groups, are not currently being used)

3

## Break down barriers

Financial services providers need to **make it easier**, both for existing customers and people who do not bank with them **to access their products**. There is a legacy of poor experiences to overcome with people from minority ethnic groups.

We call on financial services providers to:

- Measure the type of products that minority ethnic groups are using and develop pathways to move towards products that better support financial resilience eg basic bank account to current account
- Simplify processes for opening accounts and accessing products
- Accept non-standard forms of identification, publicise the different forms of documentation which are acceptable, and work with trusted partners and organisations that work with people from minority ethnic backgrounds to facilitate this
- Use clear vocabulary - jargon is a problem for **all** customer groups. Use processes to identify language that people don't understand and effective ways to demystify financial products



- Make information more accessible by focusing more on benefits than features – eg ‘buy a house’ rather than ‘a mortgage’
- Translate information into different languages that are easily accessible and facilitate different language options across different channels. This should go beyond workshops and financial education and extend to different channel communications and legal paperwork. For instance, give people the option to switch language in financial apps
- Test customer experience journeys with different minority ethnic groups to understand pain points and barriers, and potential solutions to these
- While technology can help improve access to financial products, financial services providers must also meet the needs of people from minority ethnic groups who do not bank digitally, particularly those who do not live near a local branch

4

## Improve cultural representation

Minority ethnic groups should be **fairly represented within financial services** organisations. There is both a business case and a moral case for this. Diverse voices, experiences and thinking will **help financial services providers better serve all their customers**.

We call on financial services providers to:

- Increase representation of minority ethnic groups at all levels. We know many organisations will have ethnicity targets at board and senior leadership level, but this needs to extend through the entire business eg customer facing roles
- Review recruitment practices and people policies to eliminate potential bias and discrimination
- Report on pay by ethnicity

5

## Engage with communities

Financial services providers should work with communities to **improve access to products and financial understanding**. This will also help build trust.

We call on financial services providers to:

- Work with culturally trusted figures. We heard from our Lived Experience Group that there should be ‘Martin Lewis equivalents’ that can speak to a range of people from minority ethnic groups. Financial institutions can support the delivery and scaling up of this
- Have lived experience at the heart of inclusive design to shape new and existing propositions. Financial institutions should explore how they use the Voluntary, Community & Social Enterprise (VCSE) sector to do this

- Learn from informal community savings circles to understand what factors matter to people
- Partner with grassroots organisations to create pathways to improve people's access and take up of financial products. An example is providing help in opening bank accounts
- Bridge the gap between branch/bank presence. Use trusted community spaces like schools and local community organisations to build trust and improve access

6

## Strengthen financial resilience

People from minority ethnic groups **suffer systematic economic disadvantages**. Financial services providers, alongside civil society and minority led group organisations, have a role to play in tackling this. Wrap around activities, alongside core business offerings, will allow for improved financial resilience and better outcomes for customers.

We call on financial services providers to:

- Explore the interplay between debt vulnerability and discrimination. Financial service providers and support organisations should explore what help they can provide for minority ethnic groups to address and overcome problem debt. This could include forbearance methods and how they are applied, cultural understanding of financial commitments, current debt recovery and default processes to support overcoming problem debt
- Support and resource community groups which help build financial literacy and resilience. Fund scale ups where appropriate
- Work with a range of financial education partners, minority led groups and civil society to improve the reach of existing educational programmes
- Build knowledge and capability among people from minority ethnic groups using methods such as online courses and in-person workshops - these could cover subjects such as how to migrate from a basic bank account, ways to improve your credit score, and how to build long-term financial security
- Provide programmes specifically for young people from minority ethnic groups - to start them on the right financial path, but also so that they can share this knowledge with their families and friends accurately and comprehensively

## Regulate for financial inclusion

Improving financial inclusion is **not a job for banks alone**. There are many things that financial services providers can do right now to improve financial inclusion for people from minority ethnic backgrounds. There is also an **important role for the regulator to provide leadership, support and a framework for firms** to tackle this issue. By building on its existing workstreams on Diversity and Inclusion and the Consumer Duty and applying an 'ethnicity lens' across its work, the FCA can continue to drive better outcomes for customers from minority ethnic groups. We call on the FCA to:

- Build on its important work to improve diversity and inclusion in financial services, which has focused on representation among staff and internal processes. This should include diversity and representation at all levels of the business, including customer facing staff and those involved in design and propositions. We encourage firms and the FCA to consider how improving customer outcomes can support improving diversity and inclusion in hiring talent
- Investigate the exclusion of customers from minority ethnic groups, including looking at reported discrimination and bias, in order to improve diversity and inclusion within firms' customer groups. [The Regulators Guide to support inclusive design in essential services](#) by Fair by Design and Money Advice Trust explores how inclusive design can help regulators achieve their objectives
- Through the ongoing Credit Information Market Study, seek to improve how credit reporting works for people from minority ethnic groups. Market remedies should aim to make credit information clearer and more accessible to consumers, and to ensure that firms are transparent about why credit decisions have been taken. Proposed remedies to improve data quality and granularity of credit reporting should be designed to support access to financial services among excluded groups
- Explore the findings and recommendations of the Financial Services Consumer Panel which finds evidence that suggests consumers with protected characteristics, including ethnicity, are experiencing bias due to how personal data and algorithms are used
- Further use the Consumer Duty to improve outcomes for people from minority ethnic groups. Under the Consumer Duty, firms will be expected to account for different outcomes experienced by different customer groups. The FCA can use this to drive better outcomes for people from minority ethnic groups. We encourage firms to apply an 'ethnicity lens' to all elements of their customer journey and Consumer Duty rules and ask the FCA to support the financial services sector as they develop approaches to improve outcomes for minority ethnic customers.

# Appendix

## Glossary

### **Basic bank account**

Similar to a normal current account but normally the main difference is that you cannot get any credit. Typically designed for people who struggle financially and cannot get a normal current account.

### **BNPL (buy now pay later)**

Short term financing option to get something now and pay for it in instalments over a series of weeks or months.

### **Community Finance**

Obtaining investment for oneself through a community either locally or through crowdfunding or similar means.

### **Credit Reference Agency**

Credit reference agencies (CRAs) provide credit information, and products and services derived from this information including credit scores, income verification, identity verification and affordability tools.

### **Credit scoring**

A numerical rating representing the perceived ability of a person or organization to fulfil their financial commitments, based on an analysis of their credit history and current financial circumstances.

### **Digital Bank**

Digital Banks are a type of fintech (financial technology) and offer most of the same services as traditional banks, but all the banking is done through a digital platform. There are no physical branches. The largest examples in the UK being digital banks like Monzo, Revolut, Starling.

### **Financial/general event**

A life event, such as buying a house or moving house, having a child, being made redundant etc. that are likely to impact personal or family finances.

### **Fintech**

Fintech is a blend of 'financial' and 'technology'. It describes the use of technology to deliver financial services and products to consumers.

### **Pardner schemes/money pooling**

This is when a group of people – typically friends, neighbours, or family – pool cash. It is decided how much each member has to contribute every week/ month to the pool. Based on a draw or requests, each month a member of the group receives the money pool amount. This continues until everyone has received the money at least once. These are schemes based on community links and trust.

We use pardner or pardna interchangeably with community money pooling systems. Pardna Schemes were the most commonly known system, however they are known by different names in different communities. Some common names that came up during our exploration labs were: Susu or 'sou sou', ajo, kommittis, cadena or rueda.

### **Remittances**

Typically refers to the non-commercial transfer of money, often by a member of the diaspora community with familial ties abroad to support family and friends who live in their home country.

## Further reading on informal lending schemes

<https://www.bankofengland.co.uk/museum/whats-on/pardner-hand>

<https://www.bbc.co.uk/news/av/uk-england-coventry-warwickshire-53725185>

<https://bloommoney.co/learning-hub/pardner-what-is-it-and-how-can-it-help-me-save-money#:~:text=ROSCAs%20like%20pardner%20aren't,money%20in%20a%20pardner%20scheme.>

<https://www.fintechfutures.com/2020/08/rosca-is-there-a-potential-for-entering-developed-markets/>

<https://www.gdrc.org/icm/suppliers/rosca.html>

<https://www.theguardian.com/uk-news/2023/jun/16/windrush-pardner-hand-saving-scheme-celebrated-at-bank-of-england-museum>

<https://www.money.co.uk/guides/what-are-rotating-savings-and-credit-associations>

<https://windrush-monument.levellingup.gov.uk/wp-content/uploads/2022/06/PARDNER-MONEY-STORIES-POEMS-2022.pdf>

## Research Methodology

### Qualitative research

#### Lived experience advisory group

ClearView Research (CVR) recruited eight individuals to be part of a lived experience advisory group and an expert advisor (Demi Ariyo, founder and CEO of Lendoe, a funding platform which focuses on providing access to finance for underestimated entrepreneurs). These individuals informed each phase of the work and provided accountability and insight throughout the project.

This group involved people from minority ethnic backgrounds who have a variety of experiences and understandings of financial exclusion.

By having individuals of the target group at the heart of the research, the CVR team was supported to carry out the research sensitively and in tune with real-life experiences.

After data collection, CVR then conducted thematic analysis on the exploration lab findings and worked with the advisory group to validate our findings and to ensure they had correctly understood the key messages by appropriately contextualising and delivering them in a sensitive way.

#### Exploration Labs

CVR used exploration labs (similar to focus groups) to meet our research objectives.

CVR held five exploration labs online and two were conducted face to face by two members of the ClearView research team, one in London and another in Manchester.

The exploration labs were used to:

- Explore the experiences and stories of people from minority ethnic groups in relation to their engagement with financial services and products
- Identify the formal and informal products and services they have used, and any challenges they faced
- Build understanding of how financial services, products and institutions could be improved to better reflect the experiences and needs of people from minority ethnic groups

Exploration labs are similar to focus groups. They allow participants to share their experiences, views, and ideas and incorporate engaging visual and graphic methods where participants can draw and map counter- responses.

From CVR's experience and evidence from the literature (Bagnoli, 2009), participatory methods work well, as they break down barriers to engagement in the research process.

They work well with young people, seldom heard groups, those for whom English is an additional language, and those who may have special educational needs and/or come from neurodiverse backgrounds.



Each exploration lab lasted approximately 90 minutes and was divided into two parts.

The first part was set up in an exploratory way, designed to explore people's experiences of existing financial institutions and other financial systems in their own communities.

Participants were asked about their experiences and attitudes towards financial suppliers, services and products.

CVR asked what their favourite and least favourite products and services were as well as their experiences of engaging with financial institutions.

The second part of the discussion was designed in a deliberative way. CVR focused on brainstorming solutions to the barriers they had identified in the first part of the session.

Before CVR conducted the exploration labs, CVR carried out 'thinking out loud' sessions. As part of these, CVR worked with a small sample of people from minority ethnic groups to ensure the discussion guides were clearly communicated and were delivered in a culturally sensitive manner.

### Recruitment and Sampling

CVR were particularly interested in including people in our research across different social-economic backgrounds, a variety of ethnic groups backgrounds, and a range of ages, genders, religion or belief, and geographical location.

The sampling approach to identify research participants was driven by convenience sampling. This is where participants are selected based on key characteristics, their availability, and willingness to participate.

The main disadvantage of this approach is that there are often already underlying differences between those who volunteer to participate in research and those who do not, so this could lead to the views or experiences of certain groups not being represented in the research.

To overcome this sampling bias, CVR adapted the convenience sampling method to include a quota driven sampling approach, where participants from specific groups of certain characteristics were targeted.

Additionally, during our recruitment process CVR asked participants to state their previous experiences using formal and informal financial products and services including high street banking, mortgages, payday loans, loans from a credit union, community money pooling schemes (ie pardna schemes) and loans from religious institutions.

In our final sample, CVR ensured coverage across demographics as well as financial experience and life stages (see Appendix for a full breakdown of demographics and financial backgrounds).

CVR held two face to face labs to engage and prioritise participants who are digitally excluded or find it difficult to engage online.

To address potentially digitally excluded participants, CVR created a bespoke database of charitable,

religious and community organisations in the area of interest and contacted them to help us identify people across the UK who would prefer face-to-face engagements.

CVR also worked with the lived experience advisory board and participants in the labs to identify people who would like to participate but would prefer a face-to-face engagement.

In total, 139 people from a diverse range of lived experiences signed up to take part in the exploration labs. From these, CVR selected 63 to take part.

## Quantitative Research

This was an online and face-to-face survey conducted by Ipsos UK which took place between 23rd September - 20th October 2022. 1,005 interviews were achieved with UK adults aged 18+ from minority ethnic groups (including people from white Eastern European backgrounds).and 1,182 with white UK adults aged 18+

Quota sampling was used with interlocking quotas on ethnicity, age, gender and employment status based on ONS data. All sample was obtained from online research panels. The data for minority ethnic groups and the white British group were then weighted back the ONS profile of the UK population for each of these groups to be as representative as possible.

Throughout the report select questions are shown by key ethnicity and demographic subgroups. Only groups with an unweighted base of >100 are shown. Not all findings shown are necessarily statistically significant from one another. Any findings noted as statistically significant are done so on the graph/table in question. Significance has been tested using a confidence interval of 95%.

## Financial Research Survey (FRS)

The FRS contacts around 51,000 adults (aged 16+) per year across Great Britain. Results shown here are for 12 months ending December 2022. Interviews were undertaken over the phone and online, taking into account (and weighted to) the overall profile of the adult population. Where audience bases differ for 18+ adults, these have been noted in the comments. Breakdown of ethnicities are as follows:

- White ethnicities comprise: white British, white Eastern European, white-Irish, white-Gypsy or Irish Traveller and white Other
- Asian comprises the following ethnic groups: Asian-Bangladeshi, British Asian, Asian Chinese, Asian-Indian, Asian-Pakistani and Asian-Other
- Black ethnic groups comprise: black African, black Caribbean, black British and black Other

## Solutions Workshop

This was run as a two part session with the practitioner group and the Lived Experience Advisory Group.

The findings from the quantitative and qualitative research, were used as a stimulus to gather input from industry on how to address barriers to financial products and services for people from minority ethnic groups.

The sessions were focused on exploring and understanding the findings, exploring practical short, medium and long term solutions that the financial services industry could take forward and thinking about the benefits to customers and industry.

## Limitations

The insights in this report reflect the lived experiences and reality of the people ClearView Research spoke to, and that participated in the Ipsos survey. However, our findings cannot be generalised to represent the wider population of all diverse minority ethnic groups in the UK.

Despite a robust methodology of explorations labs across 2 locations and online, a bespoke online survey with interlocking quotas, and incorporating face to face data collection on the quantitative survey we know improvements in data collection will help reach harder to reach individuals and communities. This could be improved through translated surveys and engaging local groups to encourage survey completion.

## Further work

We know the financial services industry is broad and there will be areas of priorities for different providers across banks, insurers, pensions and savings firms. We encourage further research to fill gaps in understanding and to monitor change. This could include but not exhaustive:

- Improve understanding of cultural and religious needs to better inform proposition design
- Further diversity in research methodology and incorporating lived experience at the centre of research, testing recommendations and finding solutions for industry
- Further disaggregation of minority ethnic groups which in part can be aided by further diversity in research methodology
- Better understand gender differences in the financial lives of people from minority ethnic groups and any associated cultural factors or normative gender roles
- Explore further the push and pull factors leading towards fintech preference
- Better understand the role/employment type play towards increasing an ethnicity pay gap
- Better understand the alternates to state pensions that people from different ethnicities are using/would prefer

Fair4All Finance will be partnering with Money A+E and Rooted Finance on their further research and initiatives via the new Racial Justice Network, jointly funded by Trust for London and the City Bridge Trust.

Fair4All Finance has developed a segmentation model that estimates there are 17.5m people who are in financially vulnerable circumstances with a spectrum of those who are precarious to those who are fully excluded. The model can help financial services providers further understand different groups of people, identify which they are serving well today and where there is the opportunity to serve different customer groups. We will be working on embedding the research findings from this report and doing additional research to better inform our customer segmentation model.

## Research data

### A: Product holdings/Financial events/Channel preferences by minority ethnic groups and white British group

\*Asian NET: Asian - Indian; Asian - Pakistani; Asian - Bangladeshi; Asian - Chinese; Asian - British; Asian - Other

\*\*Black NET: Black - African; Black - Caribbean; Black - British; Black - Other

NB only ethnicities with base sizes of over 100 shown below

#### Which, if any, of these financial products/services do you currently have/use?

|  | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|--|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| <b>Unweighted base</b>   | 2187  | 1005                   | 1182          | 111              | 463        | 152    | 117       | 209         | 117     |
| <b>Current/basic account</b>   | 85%   | 81%                    | 90%           | 90%              | 79%        | 81%    | 76%       | 71%         | 66%     |
| <b>Current account</b>   | 73%   | 67%                    | 78%           | 81%              | 67%        | 70%    | 60%       | 56%         | 51%     |
| <b>Basic bank account</b>  | 29%   | 33%                    | 24%           | 25%              | 33%        | 33%    | 38%       | 33%         | 31%     |
| <b>Overdraft</b>   | 19%   | 18%                    | 21%           | 20%              | 17%        | 21%    | 22%       | 20%         | 19%     |
| <b>Credit card</b>   | 57%   | 53%                    | 61%           | 53%              | 57%        | 59%    | 48%       | 45%         | 41%     |
| <b>Mortgage</b>  | 24%   | 25%                    | 23%           | 31%              | 28%        | 33%    | 30%       | 12%         | 12%     |
| <b>Cash ISA</b> (ie a savings account that lets you earn interest on your savings without paying tax on it)  | 26%   | 21%                    | 31%           | 21%              | 20%        | 25%    | 17%       | 19%         | 17%     |
| <b>Stocks and Shares ISA</b> (ie also known as Equity/ Investment ISAs - the account allows you to invest up to £20,000 each year tax-free)            | 17%   | 17%                    | 18%           | 14%              | 20%        | 25%    | 15%       | 14%         | 14%     |
| <b>Lifetime ISA</b> Stocks and Shares for under 40s (LISA)(you need to be aged 18-39 years to take one out but can continue contributing until age 50) | 5%    | 7%                     | 3%            | 7%               | 8%         | 9%     | 6%        | 4%          | 5%      |
| <b>Other investment account</b>  | 7%    | 5%                     | 8%            | 4%               | 6%         | 3%     | 5%        | 8%          | 8%      |
| <b>Workplace pension</b> (ie a pension you contribute/ have contributed to arranged by your employer)  | 39%   | 30%                    | 48%           | 46%              | 28%        | 31%    | 23%       | 22%         | 22%     |

|   | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|---|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| <b>Other non-workplace Pension</b> (ie a pension you contribute/have contributed to that was taken out separately from your work) | 9%    | 5%                     | 13%           | 4%               | 6%         | 5%     | 3%        | 3%          | 3%      |
| <b>Life insurance</b>   | 24%   | 21%                    | 26%           | 24%              | 21%        | 26%    | 16%       | 18%         | 20%     |
| <b>Healthcare insurance</b>   | 12%   | 14%                    | 11%           | 12%              | 17%        | 22%    | 11%       | 9%          | 14%     |
| <b>Savings account</b>  | 65%   | 62%                    | 68%           | 65%              | 63%        | 71%    | 51%       | 56%         | 55%     |
| <b>Credit Union Savings account</b>   | 4%    | 4%                     | 4%            | 2%               | 3%         | 4%     | 2%        | 6%          | 4%      |
| <b>International money transfers</b> (remittances)  | 6%    | 10%                    | 3%            | 11%              | 13%        | 14%    | 17%       | 7%          | 8%      |
| <b>Other informal savings account</b> (such as a Pardner, community savings, Christmas club)                                      | 2%    | 2%                     | 2%            | 1%               | 2%         | 1%     | 3%        | 2%          | -       |
| <b>Buy now pay later services</b> (eg Klarna)   | 13%   | 16%                    | 10%           | 14%              | 16%        | 15%    | 23%       | 15%         | 15%     |
| <b>A loan</b>   | 12%   | 13%                    | 11%           | 14%              | 12%        | 20%    | 11%       | 13%         | 15%     |
| <b>Other</b> (please specify)   | 1%    | 1%                     | 2%            | 1%               | *          | -      | -         | 1%          | -       |
| <b>None</b> - I do not own/have any financial products  | 1%    | *                      | 1%            | -                | *          | -      | 1%        | 1%          | 2%      |
| <b>Don't know</b>   | 1%    | 1%                     | *             | 2%               | 1%         | -      | -         | 1%          | 2%      |
| <b>Prefer not to answer</b>   | 1%    | 1%                     | *             | -                | 1%         | -      | 2%        | 1%          | 3%      |
| <b>NET At least one answer</b>  | 98%   | 98%                    | 98%           | 98%              | 98%        | 100%   | 97%       | 97%         | 94%     |
| <b>Mean average number of financial products held</b>   |       |                        |               |                  |            |        |           |             |         |
| <b>Mean average</b>   | 4.55  | 4.33                   | 4.76          | 4.55             | 4.44       | 4.88   | 4.12      | 3.74        | 3.78    |

Do you hold (either solely or jointly) any savings/investments?

|                      | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|----------------------|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| Unweighted base      | 2187  | 1005                   | 1182          | 111              | 463        | 152    | 117       | 209         | 117     |
| Yes                  | 61%   | 56%                    | 66%           | 54%              | 54%        | 60%    | 49%       | 58%         | 59%     |
| No                   | 34%   | 37%                    | 31%           | 40%              | 38%        | 32%    | 46%       | 33%         | 31%     |
| Don't know           | 3%    | 5%                     | 1%            | 5%               | 4%         | 5%     | 2%        | 7%          | 6%      |
| Prefer not to answer | 2%    | 3%                     | 2%            | 1%               | 4%         | 3%     | 3%        | 2%          | 3%      |

Here is a list of financial and more general events that happen in people's lives. Which, if any, have you done or experienced in the last year?

|  | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|--|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| Unweighted base  | 2187  | 1005                   | 1182          | 111              | 463        | 152    | 117       | 209         | 117     |
| Moved house  | 10%   | 14%                    | 7%            | 18%              | 13%        | 11%    | 11%       | 9%          | 7%      |
| Changed jobs to work for a different employer  | 7%    | 10%                    | 5%            | 9%               | 8%         | 9%     | 6%        | 13%         | 16%     |
| Bought a second hand car   | 6%    | 6%                     | 6%            | 5%               | 6%         | 7%     | 7%        | 6%          | 8%      |
| Bought a new car   | 6%    | 8%                     | 5%            | 4%               | 7%         | 7%     | 6%        | 10%         | 7%      |
| Moved from full-time to part-time work   | 4%    | 5%                     | 3%            | 4%               | 6%         | 6%     | 5%        | 4%          | 5%      |
| Met with financial adviser for review of financial product(s)/ portfolio                 | 4%    | 4%                     | 4%            | 2%               | 3%         | 3%     | *         | 6%          | 7%      |
| Reduction in working hours that you didn't want  | 4%    | 4%                     | 3%            | 3%               | 3%         | 3%     | 4%        | 6%          | 10%     |
| Death of a parent  | 3%    | 3%                     | 4%            | -                | 4%         | 5%     | 6%        | 3%          | 3%      |
| Retired  | 3%    | 1%                     | 5%            | -                | 1%         | 1%     | 3%        | 1%          | -       |
| Was made redundant/ lost a job   | 4%    | 5%                     | 3%            | 3%               | 5%         | 6%     | 7%        | 6%          | 3%      |
| Was the victim of fraud or a scam (eg unauthorised payment on account or identity theft) | 4%    | 4%                     | 3%            | 1%               | 2%         | 1%     | 3%        | 7%          | 4%      |
| Accessed a pension fund  | 3%    | 1%                     | 5%            | -                | 1%         | 4%     | -         | 2%          | 2%      |

|   | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|---|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| <b>Serious accident or illness to a close family member</b>                               | 3%    | 3%                     | 4%            | 1%               | 3%         | 4%     | 4%        | 4%          | 4%      |
| <b>Graduated from university</b>  | 3%    | 5%                     | 2%            | 5%               | 5%         | 5%     | 8%        | 2%          | 3%      |
| <b>Paying a child's school/ tuition fees</b>  | 3%    | 5%                     | 2%            | 3%               | 6%         | 4%     | 7%        | 3%          | 7%      |
| <b>Got married/started living as married/ registered as a civil partnership</b>           | 3%    | 4%                     | 2%            | 4%               | 4%         | 4%     | 3%        | 3%          | 4%      |
| <b>Had a serious accident or illness</b>  | 3%    | 3%                     | 3%            | 3%               | 2%         | 1%     | 3%        | 4%          | 5%      |
| <b>Had my first child</b>   | 3%    | 3%                     | 2%            | 5%               | 3%         | 2%     | 5%        | 3%          | 5%      |
| <b>Bought a house/ property for the first time</b>  | 3%    | 4%                     | 2%            | 6%               | 6%         | 5%     | 7%        | 2%          | 3%      |
| <b>Began saving to fund house purchase by living in family home</b>                       | 3%    | 3%                     | 3%            | 2%               | 4%         | 4%     | 2%        | 2%          | 5%      |
| <b>Started caring for a dependent relative (other than children)</b>                      | 3%    | 3%                     | 3%            | -                | 4%         | 3%     | 3%        | 4%          | 1%      |
| <b>Moved to the UK in the last 12 months</b>  | 3%    | 5%                     | 1%            | -                | 6%         | 7%     | 7%        | 9%          | 14%     |
| <b>Started up a new business/started working for myself (full time/part time)</b>         | 3%    | 3%                     | 2%            | 1%               | 3%         | 2%     | 5%        | 5%          | 3%      |
| <b>Had another child</b>  | 3%    | 3%                     | 2%            | 4%               | 2%         | 1%     | 5%        | 5%          | 2%      |
| <b>Self or partner started full-time education</b>  | 3%    | 4%                     | 2%            | 1%               | 4%         | 4%     | 5%        | 7%          | 9%      |
| <b>Got a job for the first time</b>   | 2%    | 4%                     | 1%            | 3%               | 3%         | 3%     | 3%        | 7%          | 12%     |
| <b>Became self-employed</b>   | 3%    | 4%                     | 2%            | 1%               | 4%         | 4%     | 2%        | 6%          | 4%      |
| <b>Got divorced/ separated</b>  | 3%    | 2%                     | 3%            | 2%               | 2%         | 1%     | 3%        | 3%          | 1%      |
| <b>Fully paid off my mortgage</b>   | 2%    | 2%                     | 3%            | *                | 1%         | 1%     | *         | 2%          | 2%      |
| <b>Had my personal data compromised (eg due to a data breach or company being hacked)</b> | 2%    | 2%                     | 2%            | 2%               | 2%         | 2%     | 3%        | 2%          | 2%      |
| <b>Inherited a sum of money (£10,000 or more)</b>   | 2%    | 2%                     | 2%            | 2%               | 2%         | 2%     | 4%        | 2%          | 1%      |
| <b>Consolidated multiple debts into one debt</b>  | 2%    | 1%                     | 2%            | -                | 2%         | 2%     | 4%        | 1%          | 2%      |



|  | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|--|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| Finished school/6th form college                               | 2%    | 3%                     | 1%            | 1%               | 3%         | 2%     | 5%        | 5%          | 5%      |
| Contributed towards a child/dependent's deposit for a mortgage | 2%    | 2%                     | 2%            | 2%               | 1%         | 1%     | 1%        | 4%          | 3%      |
| Was re-located by current employer                             | 2%    | 2%                     | 1%            | -                | 2%         | 2%     | 3%        | 1%          | 2%      |
| Taken out an IVA (individual voluntary agreement)              | 2%    | 1%                     | 2%            | -                | 1%         | 1%     | 3%        | 2%          | 1%      |
| Received contribution towards a deposit for a mortgage         | 1%    | 2%                     | 1%            | 3%               | 1%         | 1%     | 2%        | 3%          | 2%      |
| Spouse/ partner died   | 1%    | 1%                     | 2%            | *                | 1%         | 1%     | *         | 2%          | 2%      |
| Bought an annuity  | 1%    | *                      | 1%            | -                | 1%         | *      | -         | -           | -       |
| Death of a child   | 1%    | 1%                     | 1%            | -                | 1%         | 1%     | 3%        | 3%          | -       |
| Declared bankruptcy  | *     | *                      | *             | -                | 1%         | 2%     | -         | 1%          | 2%      |
| None of these  | 40%   | 32%                    | 47%           | 42%              | 31%        | 34%    | 31%       | 28%         | 25%     |
| Prefer not to say  | 2%    | 3%                     | 2%            | 3%               | 4%         | 5%     | 3%        | 1%          | 3%      |

### Which of the following do you prefer to use for banking services?

|   | Total | Minority ethnic groups | White British | Eastern European | Asian NET* | Indian | Pakistani | Black NET** | African |
|---|-------|------------------------|---------------|------------------|------------|--------|-----------|-------------|---------|
| Unweighted base                         | 2058  | 942                    | 1116          | 106              | 429        | 140    | 106       | 197         | 110     |
| Mobile banking (ie using a banking app) | 52%   | 58%                    | 46%           | 64%              | 55%        | 53%    | 54%       | 58%         | 59%     |
| Online banking using laptop/desktop     | 20%   | 12%                    | 27%           | 15%              | 12%        | 17%    | 10%       | 13%         | 7%      |
| Visiting a branch                       | 10%   | 9%                     | 12%           | 11%              | 9%         | 5%     | 15%       | 10%         | 6%      |
| Telephone banking                       | 4%    | 5%                     | 3%            | 1%               | 5%         | 3%     | 6%        | 7%          | 9%      |
| Live online chat                        | 4%    | 4%                     | 3%            | 3%               | 6%         | 3%     | 4%        | 2%          | 4%      |
| Post Office                             | 3%    | 4%                     | 2%            | -                | 5%         | 7%     | 4%        | 4%          | 4%      |
| Online chatbot                          | 2%    | 2%                     | 2%            | -                | 4%         | 4%     | 2%        | 2%          | 3%      |
| Video banking                           | 1%    | 1%                     | 1%            | -                | 1%         | 2%     | 3%        | 1%          | 3%      |
| None of the above                       | 1%    | 2%                     | 1%            | 1%               | 1%         | 1%     | -         | 2%          | 3%      |
| Don't know/prefer not to answer         | *     | *                      | *             | -                | -          | -      | -         | -           | -       |
| It depends on what I need to do         | 4%    | 3%                     | 4%            | 4%               | 3%         | 6%     | 4%        | 1%          | 2%      |

## B. Product holdings/Financial events/Channel preferences by age, gender, working status and social grade within minority ethnic groups

Which, if any, of these financial products/services do you currently have/use?

|   | Minority ethnic groups |     |        |        |                   |              |              |     |     |     |      |      |     |
|---|------------------------|-----|--------|--------|-------------------|--------------|--------------|-----|-----|-----|------|------|-----|
|   | Age                    |     | Gender |        | Employment status |              | Social grade |     |     |     |      |      |     |
|   | 18-34                  | 35+ | Male   | Female | Employed          | Not employed | A/B          | C1  | C2  | D,E | ABC1 | C2DE |     |
| <b>Unweighted base</b>  | 1005                   | 547 | 458    | 332    | 671               | 786          | 219          | 449 | 281 | 113 | 162  | 730  | 275 |
| <b>Current/basic account</b>  | 81%                    | 79% | 84%    | 82%    | 85%               | 79%          | 79%          | 86% | 80% | 80% | 82%  | 80%  | 87% |
| <b>Current account</b>  | 67%                    | 64% | 73%    | 68%    | 77%               | 57%          | 69%          | 70% | 70% | 61% | 69%  | 64%  |     |
| <b>Basic bank account</b>   | 33%                    | 37% | 29%    | 35%    | 27%               | 38%          | 31%          | 37% | 30% | 35% | 34%  | 33%  |     |
| <b>Overdraft</b>  | 18%                    | 13% | 25%    | 19%    | 17%               | 20%          | 13%          | 17% | 21% | 20% | 15%  | 18%  | 17% |
| <b>Credit card</b>  | 53%                    | 48% | 61%    | 47%    | 65%               | 34%          | 61%          | 51% | 50% | 43% | 57%  | 46%  |     |
| <b>Mortgage</b>   | 25%                    | 20% | 34%    | 26%    | 24%               | 31%          | 11%          | 35% | 26% | 19% | 14%  | 31%  | 16% |
| <b>Cash ISA</b> (ie a savings account that lets you earn interest on your savings without paying tax on it)   | 21%                    | 18% | 25%    | 21%    | 20%               | 24%          | 13%          | 23% | 27% | 14% | 14%  | 25%  | 14% |
| <b>Stocks and Shares ISA</b> (ie also known as Equity/ Investment ISAs - the account allows you to invest up to £20,000 each year tax-free)             | 17%                    | 17% | 18%    | 21%    | 13%               | 22%          | 6%           | 24% | 20% | 11% | 6%   | 22%  | 8%  |
| <b>Lifetime ISA Stocks and Shares for under 40s (LISA)</b> (you need to be aged 18-39 years to take one out but can continue contributing until age 50) | 7%                     | 9%  | 5%     | 7%     | 7%                | 9%           | 2%           | 7%  | 9%  | 5%  | 6%   | 8%   | 6%  |
| <b>Other investment account</b>   | 5%                     | 5%  | 6%     | 6%     | 5%                | 6%           | 3%           | 7%  | 6%  | 4%  | 3%   | 7%   | 3%  |
| <b>Workplace pension</b> (ie a pension you contribute/have contributed to arranged by your employer)  | 30%                    | 24% | 40%    | 29%    | 31%               | 39%          | 9%           | 36% | 36% | 35% | 12%  | 36%  | 21% |
| <b>Other/non-workplace Pension</b> (ie a pension you contribute/ have contributed to that was taken out separately from your work)                      | 5%                     | 3%  | 8%     | 6%     | 4%                | 5%           | 4%           | 5%  | 5%  | 3%  | 5%   | 5%   | 5%  |
| <b>Life insurance</b>   | 21%                    | 18% | 26%    | 26%    | 17%               | 26%          | 11%          | 26% | 18% | 25% | 14%  | 23%  | 18% |
| <b>Healthcare insurance</b>   | 14%                    | 15% | 12%    | 15%    | 13%               | 17%          | 8%           | 20% | 9%  | 17% | 7%   | 16%  | 11% |
| <b>Savings account</b>  | 62%                    | 59% | 66%    | 64%    | 60%               | 64%          | 56%          | 67% | 59% | 66% | 53%  | 64%  | 58% |
| <b>Credit Union Savings account</b>   | 4%                     | 4%  | 4%     | 6%     | 2%                | 4%           | 2%           | 6%  | 3%  | 2%  | 1%   | 5%   | 1%  |
| <b>International money transfers</b> (remittances)  | 10%                    | 9%  | 11%    | 13%    | 7%                | 11%          | 7%           | 9%  | 11% | 10% | 10%  | 10%  | 10% |

|   |     | 18-34 | 35+ | Male | Female | Employed | * Not employed | A/B | C1  | * C2 | D,E | ABC1 | C2DE |
|---|-----|-------|-----|------|--------|----------|----------------|-----|-----|------|-----|------|------|
| <b>Other informal savings account</b><br>(such as a Parnner, community savings, Christmas club) | 2%  | 2%    | 1%  | 2%   | 1%     | 2%       | *              | 2%  | 2%  | * C2 | 1%  | 2%   | 1%   |
| <b>Buy now pay later services</b> (eg Klarna)   | 16% | 17%   | 15% | 17%  | 15%    | 16%      | 15%            | 15% | 16% | 20%  | 14% | 16%  | 16%  |
| <b>A loan</b>   | 13% | 13%   | 13% | 13%  | 12%    | 15%      | 8%             | 13% | 14% | 16%  | 10% | 14%  | 12%  |
| <b>Other</b> (please specify)   | 1%  | 1%    | *   | *    | 1%     | *        | 2%             | 1%  | *   | 1%   | -   | 1%   | 1%   |
| <b>None</b> - I do not own/have any financial products  | *   | *     | *   | -    | 1%     | *        | 1%             | *   | *   | 1%   | -   | *    | *    |
| <b>Don't know</b>   | 1%  | 1%    | 1%  | 1%   | 1%     | *        | 2%             | -   | *   | -    | 3%  | *    | 2%   |
| <b>Prefer not to answer</b>   | 1%  | 1%    | 1%  | 1%   | 1%     | 1%       | 1%             | 1%  | *   | 1%   | 2%  | 1%   | 1%   |
| <b>NET At least one answer</b>  | 98% | 98%   | 97% | 98%  | 97%    | 98%      | 97%            | 99% | 99% | 98%  | 95% | 99%  | 96%  |

### Mean average number of financial products held

|                     |      |      |      |      |      |      |      |      |      |      |      |      |      |
|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Mean average</b> | 4.33 | 4.01 | 4.90 | 4.57 | 4.09 | 4.85 | 3.10 | 4.82 | 4.46 | 4.28 | 3.40 | 4.68 | 3.74 |
|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|

### Do you hold (either solely or jointly) any savings/investments?

#### Minority ethnic groups

|                             | Age   |       | Gender |      | Employment status |          | Social grade |     |     |     |     |      |      |
|-----------------------------|-------|-------|--------|------|-------------------|----------|--------------|-----|-----|-----|-----|------|------|
|                             | Total | 18-34 | 35+    | Male | Female            | Employed | Not employed | A/B | C1  | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>      | 1005  | 547   | 458    | 332  | 671               | 786      | 219          | 449 | 281 | 113 | 162 | 730  | 275  |
| <b>Yes</b>                  | 56%   | 57%   | 54%    | 60%  | 52%               | 63%      | 41%          | 65% | 55% | 48% | 47% | 61%  | 48%  |
| <b>No</b>                   | 37%   | 34%   | 40%    | 34%  | 39%               | 32%      | 47%          | 27% | 40% | 45% | 43% | 32%  | 44%  |
| <b>Don't know</b>           | 5%    | 6%    | 3%     | 3%   | 6%                | 2%       | 9%           | 5%  | 3%  | 3%  | 6%  | 4%   | 5%   |
| <b>Prefer not to answer</b> | 3%    | 2%    | 4%     | 3%   | 3%                | 3%       | 3%           | 3%  | 2%  | 3%  | 4%  | 2%   | 3%   |

Here is a list of financial and more general events that happen in people's lives.  
Which, if any, have you done or experienced in the last year?

|   | Minority ethnic groups |       |     |        |        |                   |              |     |              |     |     |      |      |
|---|------------------------|-------|-----|--------|--------|-------------------|--------------|-----|--------------|-----|-----|------|------|
|   | Total                  | Age   |     | Gender |        | Employment status |              |     | Social grade |     |     |      |      |
|   |                        | 18-34 | 35+ | Male   | Female | Employed          | Not employed | A/B | C1           | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>  | 1005                   | 547   | 458 | 332    | 671    | 786               | 219          | 449 | 281          | 113 | 162 | 730  | 275  |
| <b>Moved house</b>  | 14%                    | 16%   | 9%  | 12%    | 15%    | 14%               | 13%          | 15% | 12%          | 18% | 11% | 14%  | 13%  |
| <b>Changed jobs to work for a different employer</b>  | 10%                    | 11%   | 8%  | 8%     | 11%    | 12%               | 5%           | 12% | 11%          | 5%  | 8%  | 12%  | 7%   |
| <b>Bought a new car</b>   | 8%                     | 9%    | 5%  | 7%     | 8%     | 10%               | 3%           | 11% | 7%           | 7%  | 4%  | 9%   | 5%   |
| <b>Bought a second hand car</b>   | 6%                     | 5%    | 6%  | 5%     | 7%     | 7%                | 4%           | 7%  | 6%           | 4%  | 4%  | 7%   | 4%   |
| <b>Moved from full-time to part-time work</b>   | 5%                     | 5%    | 4%  | 4%     | 6%     | 7%                | 2%           | 4%  | 7%           | 3%  | 6%  | 5%   | 5%   |
| <b>Graduated from university</b>  | 5%                     | 6%    | 2%  | 4%     | 6%     | 5%                | 4%           | 5%  | 4%           | 6%  | 4%  | 5%   | 5%   |
| <b>Reduction in working hours that you didn't want</b>  | 4%                     | 5%    | 4%  | 3%     | 6%     | 4%                | 4%           | 5%  | 5%           | 3%  | 5%  | 5%   | 4%   |
| <b>Paying a child's school/tuition fees</b>   | 5%                     | 3%    | 6%  | 4%     | 5%     | 5%                | 4%           | 5%  | 6%           | 3%  | 4%  | 5%   | 3%   |
| <b>Had my first child</b>   | 3%                     | 5%    | 1%  | 2%     | 5%     | 4%                | 1%           | 3%  | 4%           | 3%  | 3%  | 4%   | 3%   |
| <b>Moved to the UK in the last 12 months</b>  | 5%                     | 7%    | 2%  | 6%     | 5%     | 4%                | 9%           | 6%  | 3%           | 1%  | 9%  | 5%   | 6%   |
| <b>Was made redundant/lost a job</b>  | 5%                     | 5%    | 5%  | 6%     | 4%     | 5%                | 4%           | 6%  | 5%           | 3%  | 5%  | 5%   | 4%   |
| <b>Got married/started living as married/registered as a civil partnership</b>                  | 4%                     | 5%    | 2%  | 3%     | 5%     | 4%                | 4%           | 5%  | 4%           | 1%  | 3%  | 5%   | 2%   |
| <b>Bought a house/property for the first time</b>   | 4%                     | 6%    | 2%  | 4%     | 5%     | 5%                | 3%           | 5%  | 5%           | 1%  | 5%  | 5%   | 3%   |
| <b>Got a job for the first time</b>   | 4%                     | 5%    | 2%  | 4%     | 3%     | 4%                | 4%           | 5%  | 4%           | 2%  | 3%  | 4%   | 3%   |
| <b>Met with financial adviser for review of financial product(s)/ portfolio</b>                 | 4%                     | 5%    | 2%  | 5%     | 3%     | 5%                | 1%           | 5%  | 4%           | 4%  | 2%  | 5%   | 3%   |
| <b>Began saving to fund house purchase by living in family home</b>                             | 3%                     | 5%    | 2%  | 3%     | 4%     | 4%                | 1%           | 5%  | 2%           | 1%  | 2%  | 4%   | 2%   |
| <b>Became self-employed</b>   | 4%                     | 4%    | 3%  | 4%     | 4%     | 4%                | 3%           | 4%  | 3%           | 3%  | 5%  | 4%   | 4%   |
| <b>Was the victim of fraud or a scam (eg unauthorised payment on account or identity theft)</b> | 4%                     | 5%    | 2%  | 3%     | 5%     | 3%                | 5%           | 4%  | 3%           | 1%  | 7%  | 3%   | 4%   |
| <b>Self or partner started full-time education</b>  | 4%                     | 6%    | 1%  | 3%     | 4%     | 3%                | 5%           | 4%  | 3%           | 6%  | 4%  | 3%   | 4%   |
| <b>Started up a new business/started working for myself (full time/part time)</b>               | 3%                     | 3%    | 3%  | 4%     | 3%     | 4%                | 2%           | 4%  | 3%           | 4%  | 2%  | 4%   | 3%   |
| <b>Death of a parent</b>  | 3%                     | 2%    | 3%  | 3%     | 3%     | 4%                | 2%           | 3%  | 3%           | 3%  | 2%  | 3%   | 3%   |

|   |     | 18-34 | 35+ | Male | Female | Employed | Not employed | A/B | C1  | C2  | D/E | ABC1 | C2DE |
|---|-----|-------|-----|------|--------|----------|--------------|-----|-----|-----|-----|------|------|
| <b>Serious accident or illness to a close family member</b>                               | 3%  | 3%    | 3%  | 3%   | 4%     | 3%       | 4%           | 3%  | 3%  | 3%  | 3%  | 3%   | 3%   |
| <b>Had another child</b>  | 3%  | 4%    | 2%  | 1%   | 5%     | 3%       | 3%           | 3%  | 2%  | 5%  | 3%  | 3%   | 4%   |
| <b>Finished school/6th form college</b>   | 3%  | 5%    | *   | 3%   | 4%     | 2%       | 7%           | 3%  | 3%  | 6%  | 2%  | 3%   | 4%   |
| <b>Started caring for a dependent relative (other than children)</b>                      | 3%  | 4%    | 2%  | 4%   | 2%     | 4%       | 1%           | 3%  | 5%  | 1%  | 2%  | 4%   | 1%   |
| <b>Had a serious accident or illness</b>  | 3%  | 2%    | 3%  | 3%   | 3%     | 3%       | 2%           | 1%  | 2%  | 7%  | 3%  | 2%   | 4%   |
| <b>Had my personal data compromised (eg due to a data breach or company being hacked)</b> | 2%  | 2%    | 2%  | 3%   | 2%     | 3%       | 1%           | 3%  | 2%  | 2%  | 2%  | 2%   | 2%   |
| <b>Got divorced/separated</b>   | 2%  | 1%    | 4%  | 3%   | 2%     | 3%       | 2%           | 1%  | 2%  | 5%  | 3%  | 2%   | 4%   |
| <b>Was re-located by current employer</b>   | 2%  | 2%    | 2%  | 3%   | 2%     | 3%       | 1%           | 3%  | 2%  | 3%  | 1%  | 3%   | 1%   |
| <b>Consolidated multiple debts into one debt</b>  | 1%  | 1%    | 1%  | 1%   | 1%     | 2%       | *            | 2%  | 1%  | *   | 1%  | 2%   | 1%   |
| <b>Inherited a sum of money (£10,000 or more)</b>   | 2%  | 2%    | 2%  | 3%   | 1%     | 2%       | 1%           | 2%  | 4%  | -   | 1%  | 3%   | 1%   |
| <b>Contributed towards a child/dependent's deposit for a mortgage</b>                     | 2%  | 2%    | 1%  | 2%   | 2%     | 2%       | 1%           | 3%  | 1%  | 1%  | *   | 2%   | 1%   |
| <b>Received contribution towards a deposit for a mortgage</b>                             | 2%  | 2%    | 1%  | 2%   | 1%     | 2%       | 1%           | 2%  | 3%  | 1%  | *   | 2%   | 1%   |
| <b>Fully paid off my mortgage</b>   | 2%  | 2%    | 2%  | 2%   | 2%     | 1%       | 3%           | 1%  | 2%  | 1%  | 4%  | 1%   | 3%   |
| <b>Taken out an IVA (individual voluntary agreement)</b>                                  | 1%  | 2%    | *   | 1%   | 1%     | 2%       | 1%           | 2%  | 1%  | 2%  | 2%  | 1%   | 2%   |
| <b>Accessed a pension fund</b>  | 1%  | 1%    | 1%  | 2%   | 1%     | 1%       | 1%           | 2%  | 1%  | 1%  | *   | 2%   | 1%   |
| <b>Spouse/partner died</b>  | 1%  | 1%    | 1%  | 1%   | 1%     | 1%       | 1%           | 1%  | 2%  | 2%  | -   | 1%   | 1%   |
| <b>Retired</b>  | 1%  | 1%    | 2%  | 1%   | 1%     | *        | 3%           | 1%  | *   | 2%  | 2%  | 1%   | 2%   |
| <b>Death of a child</b>   | 1%  | 1%    | 1%  | 2%   | 1%     | 1%       | 2%           | 1%  | 1%  | -   | 3%  | 1%   | 2%   |
| <b>Declared bankruptcy</b>  | *   | *     | 1%  | *    | *      | *        | 1%           | *   | 1%  | 1%  | *   | *    | 1%   |
| <b>Bought an annuity</b>  | *   | *     | *   | 1%   | *      | *        | *            | 1%  | *   | -   | -   | 1%   | -    |
| <b>None of these</b>  | 32% | 26%   | 40% | 37%  | 28%    | 32%      | 34%          | 26% | 38% | 31% | 39% | 30%  | 36%  |
| <b>Prefer not to say</b>  | 3%  | 3%    | 2%  | 3%   | 2%     | 2%       | 4%           | 2%  | 3%  | 2%  | 3%  | 2%   | 3%   |

Which of the following do you prefer to use for banking services?

|  | Minority ethnic groups |       |     |        |        |                   |              |     |              |     |     |      |      |
|--|------------------------|-------|-----|--------|--------|-------------------|--------------|-----|--------------|-----|-----|------|------|
|  | Age                    |       |     | Gender |        | Employment status |              |     | Social grade |     |     |      |      |
|  | Total                  | 18-34 | 35+ | Male   | Female | Employed          | Not employed | A/B | C1           | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>                         | 942                    | 507   | 400 | 311    | 629    | 744               | 198          | 427 | 264          | 106 | 145 | 691  | 251  |
| <b>Mobile banking</b> (ie using a banking app) | 58%                    | 60%   | 54% | 52%    | 63%    | 60%               | 53%          | 57% | 54%          | 67% | 59% | 56%  | 62%  |
| <b>Online banking using laptop/desktop</b>     | 12%                    | 7%    | 20% | 12%    | 12%    | 13%               | 11%          | 15% | 11%          | 9%  | 11% | 13%  | 10%  |
| <b>Visiting a branch</b>                       | 9%                     | 7%    | 11% | 9%     | 9%     | 8%                | 11%          | 7%  | 15%          | 6%  | 6%  | 10%  | 6%   |
| <b>Telephone banking</b>                       | 5%                     | 5%    | 5%  | 6%     | 4%     | 5%                | 5%           | 6%  | 4%           | 2%  | 5%  | 5%   | 4%   |
| <b>Post Office</b>                             | 4%                     | 6%    | 2%  | 6%     | 3%     | 4%                | 5%           | 5%  | 5%           | 2%  | 4%  | 5%   | 3%   |
| <b>Live online chat</b>                        | 4%                     | 5%    | 2%  | 6%     | 3%     | 4%                | 5%           | 3%  | 4%           | 9%  | 3%  | 3%   | 5%   |
| <b>Online chatbot</b>                          | 2%                     | 4%    | 1%  | 3%     | 2%     | 2%                | 3%           | 3%  | 2%           | 2%  | 3%  | 2%   | 3%   |
| <b>Video banking</b>                           | 1%                     | 1%    | 1%  | 2%     | *      | 1%                | -            | 1%  | 1%           | -   | 1%  | 1%   | 1%   |
| <b>None of the above</b>                       | 2%                     | 2%    | 2%  | 2%     | 1%     | 2%                | 2%           | 1%  | 2%           | 2%  | 3%  | 1%   | 2%   |
| <b>Don't know/prefer not to answer</b>         | *                      | -     | *   | -      | *      | -                 | *            | -   | -            | -   | *   | -    | *    |
| <b>It depends on what I need to do</b>         | 3%                     | 3%    | 3%  | 3%     | 2%     | 2%                | 5%           | 2%  | 4%           | 1%  | 4%  | 3%   | 3%   |

## C. Product holdings/Financial events/Channel preferences by age, gender, working status and social grade within white British group

Which, if any, of these financial products/services do you currently have/use?

|  | White British |       |       |     |        |        |                   |              |     |              |     |     |      |      |  |
|--|---------------|-------|-------|-----|--------|--------|-------------------|--------------|-----|--------------|-----|-----|------|------|--|
|  | Total         | Age   |       |     | Gender |        | Employment Status |              |     | Social Grade |     |     |      |      |  |
|  |               | 18-34 | 35-54 | 55+ | Male   | Female | Employed          | Not employed | A/B | C1           | C2  | D,E | ABC1 | C2DE |  |
| <b>Unweighted base</b>   | 1183          | 202   | 314   | 667 | 540    | 643    | 621               | 562          | 343 | 407          | 163 | 270 | 750  | 433  |  |
| <b>Current/basic account</b>   | 94%           | 89%   | 92%   | 98% | 94%    | 94%    | 92%               | 96%          | 92% | 95%          | 96% | 94% | 93%  | 94%  |  |
| <b>Current account</b>   | 78%           | 76%   | 75%   | 83% | 77%    | 80%    | 77%               | 81%          | 77% | 85%          | 77% | 73% | 81%  | 75%  |  |
| <b>Basic bank account</b>  | 24%           | 26%   | 22%   | 24% | 24%    | 25%    | 24%               | 25%          | 23% | 18%          | 28% | 31% | 20%  | 30%  |  |
| <b>Overdraft</b>   | 21%           | 20%   | 26%   | 18% | 21%    | 21%    | 24%               | 16%          | 26% | 21%          | 20% | 16% | 23%  | 17%  |  |
| <b>Credit card</b>   | 61%           | 45%   | 59%   | 71% | 64%    | 58%    | 63%               | 57%          | 73% | 65%          | 53% | 47% | 69%  | 49%  |  |
| <b>Mortgage</b>  | 23%           | 27%   | 36%   | 13% | 20%    | 26%    | 34%               | 8%           | 36% | 22%          | 20% | 12% | 29%  | 15%  |  |
| <b>Cash ISA</b> (ie a savings account that lets you earn interest on your savings without paying tax on it)  | 31%           | 26%   | 29%   | 36% | 32%    | 30%    | 33%               | 29%          | 36% | 37%          | 23% | 25% | 37%  | 24%  |  |
| <b>Stocks and Shares ISA</b> (ie also known as Equity/Investment ISAs - the account allows you to invest up to £20,000 each year tax-free)             | 18%           | 16%   | 17%   | 19% | 22%    | 14%    | 19%               | 15%          | 26% | 20%          | 11% | 10% | 23%  | 10%  |  |
| <b>Lifetime ISA</b> Stocks and Shares for under 40s (LISA)(you need to be aged 18-39 years to take one out but can continue contributing until age 50) | 3%            | 7%    | 5%    | *   | 5%     | 2%     | 5%                | 1%           | 6%  | 4%           | 1%  | 2%  | 5%   | 2%   |  |
| <b>Other investment account</b>  | 8%            | 3%    | 7%    | 12% | 11%    | 6%     | 7%                | 10%          | 13% | 9%           | 6%  | 4%  | 11%  | 5%   |  |
| <b>Workplace pension</b> (ie a pension you contribute/have contributed to arranged by your employer)   | 48%           | 39%   | 50%   | 52% | 50%    | 46%    | 55%               | 39%          | 56% | 62%          | 37% | 31% | 59%  | 33%  |  |

|   |     | 18-34 | 35-54 | 55+ | Male | Female | Employed | Not employed | A/B | C1  | C2  | D/E | ABC1 | C2DE |
|---|-----|-------|-------|-----|------|--------|----------|--------------|-----|-----|-----|-----|------|------|
| <b>Other/non-workplace Pension</b> (ie a pension you contribute/have contributed to that was taken out separately from your work) | 13% | 3%    | 12%   | 20% | 18%  | 9%     | 14%      | 12%          | 17% | 12% | 16% | 9%  | 14%  | 12%  |
| <b>Life insurance</b>   | 26% | 25%   | 33%   | 21% | 29%  | 22%    | 34%      | 14%          | 35% | 26% | 25% | 16% | 30%  | 19%  |
| <b>Healthcare insurance</b>   | 11% | 14%   | 14%   | 7%  | 14%  | 8%     | 15%      | 5%           | 19% | 10% | 7%  | 5%  | 14%  | 6%   |
| <b>Savings account</b>  | 68% | 68%   | 67%   | 70% | 69%  | 68%    | 69%      | 68%          | 72% | 74% | 65% | 60% | 73%  | 62%  |
| <b>Credit Union Savings account</b>   | 4%  | 6%    | 5%    | 2%  | 6%   | 2%     | 6%       | 1%           | 6%  | 4%  | 2%  | 4%  | 5%   | 3%   |
| <b>International money transfers</b> (remittances)  | 3%  | 4%    | 4%    | 2%  | 4%   | 2%     | 5%       | 1%           | 6%  | 3%  | 1%  | 1%  | 4%   | 1%   |
| <b>Other informal savings account</b> (such as a Partner, community savings, Christmas club)                                      | 2%  | 2%    | 3%    | 1%  | 3%   | 1%     | 3%       | 1%           | 3%  | 1%  | 2%  | 1%  | 2%   | 1%   |
| <b>Buy now pay later services</b> (eg Klarna)   | 10% | 16%   | 13%   | 5%  | 9%   | 11%    | 11%      | 8%           | 12% | 8%  | 11% | 10% | 10%  | 10%  |
| <b>A loan</b>   | 11% | 15%   | 14%   | 7%  | 12%  | 10%    | 16%      | 5%           | 15% | 9%  | 8%  | 11% | 12%  | 10%  |
| <b>Other</b> (please specify)   | 2%  | 2%    | 1%    | 2%  | 2%   | 1%     | 1%       | 2%           | 1%  | 2%  | 2%  | 3%  | 1%   | 2%   |
| <b>None</b> - I do not own/have any financial products  | 1%  | 1%    | 1%    | 1%  | 1%   | 1%     | 1%       | 2%           | 1%  | 1%  | 2%  | 2%  | 1%   | 2%   |
| <b>Don't know</b>   | *   | 1%    | *     | -   | -    | *      | *        | *            | -   | -   | 1%  | *   | -    | 1%   |
| <b>Prefer not to answer</b>   | *   | *     | *     | *   | -    | 1%     | *        | 1%           | *   | 1%  | -   | 1%  | *    | *    |
| <b>NET At least one answer</b>  | 98% | 98%   | 98%   | 98% | 99%  | 98%    | 99%      | 97%          | 99% | 99% | 97% | 97% | 99%  | 97%  |

### Mean average number of financial products held

|                     |      |      |      |      |      |      |      |      |      |      |      |      |      |      |
|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| <b>Mean average</b> | 4.76 | 4.51 | 5.02 | 4.72 | 4.99 | 4.54 | 5.22 | 4.11 | 5.63 | 4.97 | 4.29 | 3.83 | 5.29 | 4.01 |
|---------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|



Do you hold (either solely or jointly) any savings/investments?

| White British               |       |       |       |     |        |        |            |              |              |     |     |     |      |      |
|-----------------------------|-------|-------|-------|-----|--------|--------|------------|--------------|--------------|-----|-----|-----|------|------|
|                             | Total | Age   |       |     | Gender |        | Employment |              | Social Grade |     |     |     |      |      |
|                             |       | 18-34 | 35-54 | 55+ | Male   | Female | Employed   | Not employed | A/B          | C1  | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>      | 1183  | 202   | 314   | 667 | 540    | 643    | 621        | 562          | 343          | 407 | 163 | 270 | 750  | 433  |
| <b>Yes</b>                  | 66%   | 61%   | 65%   | 70% | 72%    | 61%    | 68%        | 63%          | 78%          | 69% | 60% | 53% | 74%  | 56%  |
| <b>No</b>                   | 31%   | 34%   | 32%   | 28% | 26%    | 36%    | 28%        | 34%          | 20%          | 26% | 38% | 43% | 23%  | 41%  |
| <b>Don't know</b>           | 1%    | 2%    | 2%    | 1%  | *      | 2%     | 1%         | 1%           | 2%           | 1%  | 1%  | 2%  | 1%   | 1%   |
| <b>Prefer not to answer</b> | 2%    | 3%    | 1%    | 2%  | 2%     | 2%     | 2%         | 2%           | -            | 4%  | *   | 2%  | 2%   | 2%   |

Here is a list of financial and more general events that happen in people's lives.

Which, if any, have you done or experienced in the last year?

| White British   |       |       |       |     |        |        |                   |              |              |     |     |     |      |      |
|---|-------|-------|-------|-----|--------|--------|-------------------|--------------|--------------|-----|-----|-----|------|------|
|   | Total | Age   |       |     | Gender |        | Employment status |              | Social grade |     |     |     |      |      |
|   |       | 18-34 | 35-54 | 55+ | Male   | Female | Employed          | Not employed | A/B          | C1  | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>  | 1183  | 202   | 314   | 667 | 540    | 643    | 621               | 562          | 343          | 407 | 163 | 270 | 750  | 433  |
| <b>Retired</b>  | 5%    | 1%    | 2%    | 9%  | 6%     | 4%     | 1%                | 10%          | 4%           | 6%  | 6%  | 4%  | 5%   | 5%   |
| <b>Moved house</b>  | 7%    | 14%   | 5%    | 4%  | 6%     | 8%     | 6%                | 7%           | 5%           | 7%  | 8%  | 8%  | 6%   | 8%   |
| <b>Bought a second hand car</b>   | 6%    | 6%    | 6%    | 6%  | 8%     | 4%     | 6%                | 6%           | 8%           | 4%  | 7%  | 5%  | 6%   | 6%   |
| <b>Accessed a pension fund</b>  | 5%    | 1%    | 1%    | 9%  | 5%     | 4%     | 4%                | 6%           | 3%           | 6%  | 7%  | 2%  | 5%   | 4%   |
| <b>Bought a new car</b>   | 5%    | 4%    | 3%    | 6%  | 6%     | 3%     | 6%                | 3%           | 7%           | 5%  | 2%  | 3%  | 6%   | 3%   |
| <b>Met with financial adviser for review of financial product(s)/ portfolio</b> | 4%    | 1%    | 2%    | 6%  | 3%     | 4%     | 3%                | 4%           | 6%           | 4%  | 3%  | 1%  | 5%   | 2%   |
| <b>Changed jobs to work for a different employer</b>                            | 5%    | 10%   | 5%    | 2%  | 5%     | 5%     | 7%                | 2%           | 6%           | 7%  | 4%  | 3%  | 6%   | 3%   |
| <b>Death of a parent</b>  | 4%    | 3%    | 4%    | 4%  | 4%     | 4%     | 4%                | 4%           | 4%           | 5%  | 4%  | 2%  | 4%   | 3%   |
| <b>Serious accident or illness to a close family member</b>                     | 4%    | 4%    | 4%    | 4%  | 4%     | 3%     | 4%                | 4%           | 4%           | 3%  | 3%  | 5%  | 3%   | 4%   |

|   |    | 18-34 | 35-54 | 55+ | Male | Female | Employed | Not<br>employed | A/B | C1 | C2 | D,E | ABC1 | C2DE |
|---|----|-------|-------|-----|------|--------|----------|-----------------|-----|----|----|-----|------|------|
| <b>Was the victim of fraud or a scam</b> (eg unauthorised payment on account or identity theft) | 3% | 3%    | 3%    | 4%  | 4%   | 3%     | 3%       | 4%              | 5%  | 2% | 2% | 3%  | 4%   | 3%   |
| <b>Had a serious accident or illness</b>  | 3% | 4%    | 4%    | 3%  | 3%   | 4%     | 3%       | 4%              | 4%  | 3% | 3% | 4%  | 3%   | 4%   |
| <b>Fully paid off my mortgage</b>   | 3% | 2%    | 2%    | 4%  | 4%   | 2%     | 3%       | 2%              | 3%  | 3% | 4% | 2%  | 3%   | 3%   |
| <b>Moved from full-time to part-time work</b>   | 3% | 6%    | 3%    | 2%  | 3%   | 4%     | 5%       | 1%              | 3%  | 4% | 5% | 2%  | 3%   | 3%   |
| <b>Started caring for a dependent relative</b> (other than children)                            | 3% | 3%    | 5%    | 2%  | 4%   | 3%     | 3%       | 3%              | 4%  | 2% | 4% | 2%  | 3%   | 3%   |
| <b>Was made redundant/lost a job</b>  | 3% | 4%    | 3%    | 2%  | 3%   | 3%     | 2%       | 4%              | 3%  | 3% | 5% | 2%  | 3%   | 3%   |
| <b>Reduction in working hours that you didn't want</b>  | 3% | 3%    | 4%    | 2%  | 4%   | 2%     | 4%       | 2%              | 5%  | 2% | 3% | 1%  | 3%   | 2%   |
| <b>Inherited a sum of money</b> (£10,000 or more)   | 2% | 2%    | 2%    | 2%  | 3%   | 2%     | 3%       | 2%              | 4%  | 2% | 3% | *   | 3%   | 1%   |
| <b>Got divorced/separated</b>   | 3% | 3%    | 2%    | 2%  | 3%   | 2%     | 3%       | 2%              | 2%  | 3% | 1% | 4%  | 2%   | 3%   |
| <b>Began saving to fund house purchase by living in family home</b>                             | 3% | 5%    | 4%    | *   | 4%   | 2%     | 4%       | 1%              | 4%  | 3% | 4% | *   | 3%   | 2%   |
| <b>Started up a new business/started working for myself</b> (full time/part time)               | 2% | 3%    | 5%    | *   | 2%   | 3%     | 3%       | 1%              | 5%  | 2% | 2% | 1%  | 3%   | 1%   |
| <b>Got married/started living as married/registered as a civil partnership</b>                  | 2% | 4%    | 3%    | 1%  | 2%   | 2%     | 3%       | 1%              | 4%  | 2% | 3% | 1%  | 3%   | 2%   |
| <b>Consolidated multiple debts into one debt</b>  | 2% | 2%    | 4%    | 1%  | 3%   | 1%     | 3%       | 1%              | 3%  | 2% | 2% | 2%  | 2%   | 2%   |
| <b>Bought a house/property for the first time</b>   | 2% | 3%    | 3%    | 1%  | 3%   | 2%     | 3%       | 1%              | 3%  | 2% | 4% | 1%  | 3%   | 2%   |
| <b>Paying a child's school/tuition fees</b>   | 2% | 6%    | 3%    | *   | 4%   | 1%     | 4%       | *               | 4%  | 3% | 2% | -   | 4%   | 1%   |
| <b>Had another child</b>  | 2% | 6%    | 2%    | 1%  | 2%   | 2%     | 3%       | 1%              | 3%  | 1% | 4% | 2%  | 2%   | 3%   |
| <b>Contributed towards a child/dependent's deposit for a mortgage</b>                           | 2% | 2%    | 2%    | 1%  | 2%   | 2%     | 3%       | 1%              | 4%  | 2% | 1% | *   | 3%   | 1%   |
| <b>Had my personal data compromised</b> (eg due to a data breach or company being hacked)       | 2% | 3%    | 3%    | 1%  | 2%   | 2%     | 3%       | 1%              | 4%  | 1% | 1% | 1%  | 3%   | 1%   |

|   |     | 18-34 | 35-54 | 55+ | Male | Female | Employed | Not<br>employed | A/B | C1  | C2  | D,E | ABC1 | C2DE |
|---|-----|-------|-------|-----|------|--------|----------|-----------------|-----|-----|-----|-----|------|------|
| <b>Had my first child</b>                                     | 2%  | 6%    | 1%    | *   | 1%   | 3%     | 3%       | 1%              | 2%  | 2%  | 2%  | 1%  | 2%   | 2%   |
| <b>Self or partner started full-time education</b>            | 2%  | 6%    | 2%    | -   | 3%   | 1%     | 3%       | 2%              | 3%  | 2%  | 1%  | 3%  | 2%   | 2%   |
| <b>Graduated from university</b>                              | 2%  | 5%    | 2%    | *   | 2%   | 2%     | 2%       | 1%              | 1%  | 3%  | 1%  | 2%  | 2%   | 2%   |
| <b>Spouse/partner died</b>                                    | 2%  | 3%    | 2%    | 1%  | 2%   | 1%     | 2%       | 1%              | 4%  | *   | 1%  | 2%  | 2%   | 1%   |
| <b>Taken out an IVA</b><br>(individual voluntary agreement)   | 2%  | 3%    | 2%    | 1%  | 3%   | *      | 2%       | 1%              | 3%  | 2%  | 1%  | 1%  | 2%   | 1%   |
| <b>Became self-employed</b>                                   | 2%  | 3%    | 2%    | *   | 1%   | 2%     | 3%       | *               | 3%  | 1%  | 2%  | *   | 2%   | 1%   |
| <b>Was re-located by current employer</b>                     | 1%  | 3%    | 1%    | 1%  | 2%   | 1%     | 2%       | *               | 3%  | -   | 1%  | 1%  | 2%   | 1%   |
| <b>Moved to the UK in the last 12 months</b>                  | 1%  | 1%    | 2%    | *   | 1%   | 1%     | 2%       | *               | 2%  | 1%  | 2%  | -   | 1%   | 1%   |
| <b>Got a job for the first time</b>                           | 1%  | 3%    | 2%    | *   | 2%   | *      | 2%       | *               | 1%  | 2%  | 2%  | 1%  | 2%   | 1%   |
| <b>Finished school/6th form college</b>                       | 1%  | 2%    | 2%    | *   | 1%   | 1%     | 2%       | *               | 2%  | 2%  | 1%  | -   | 2%   | *    |
| <b>Received contribution towards a deposit for a mortgage</b> | 1%  | 1%    | 2%    | *   | 1%   | 1%     | 1%       | *               | 2%  | *   | 1%  | 1%  | 1%   | 1%   |
| <b>Bought an annuity</b>                                      | 1%  | 1%    | 2%    | *   | 1%   | *      | 1%       | *               | 3%  | *   | *   | -   | 1%   | *    |
| <b>Death of a child</b>                                       | 1%  | 1%    | 1%    | -   | 1%   | *      | 1%       | -               | 2%  | *   | -   | -   | 1%   | -    |
| <b>Declared bankruptcy</b>                                    | *   | 1%    | -     | *   | 1%   | *      | 1%       | *               | *   | *   | -   | 1%  | *    | 1%   |
| <b>None of these</b>  | 47% | 30%   | 51%   | 54% | 47%  | 48%    | 43%      | 53%             | 45% | 44% | 45% | 55% | 44%  | 51%  |
| <b>Prefer not to say</b>                                      | 2%  | 4%    | 2%    | 1%  | 2%   | 1%     | 2%       | 2%              | 1%  | 2%  | 3%  | 2%  | 2%   | 3%   |

Which of the following do you prefer to use for banking services?

|  | White British |       |       |     |        |        |                   |              |     |              |     |     |      |      |
|--|---------------|-------|-------|-----|--------|--------|-------------------|--------------|-----|--------------|-----|-----|------|------|
|  | Total         | Age   |       |     | Gender |        | Employment status |              |     | Social grade |     |     |      |      |
|  |               | 18-34 | 35-54 | 55+ | Male   | Female | Employed          | Not employed | A/B | C1           | C2  | D,E | ABC1 | C2DE |
| <b>Unweighted base</b>                         | 1116          | 186   | 294   | 636 | 513    | 603    | 584               | 532          | 328 | 384          | 155 | 249 | 712  | 404  |
| <b>Mobile banking (ie using a banking app)</b> | 46%           | 58%   | 53%   | 34% | 41%    | 50%    | 49%               | 41%          | 43% | 46%          | 48% | 47% | 44%  | 47%  |
| <b>Online banking using laptop/desktop</b>     | 27%           | 12%   | 22%   | 38% | 28%    | 26%    | 22%               | 33%          | 30% | 28%          | 24% | 23% | 29%  | 24%  |
| <b>Visiting a branch</b>                       | 12%           | 7%    | 8%    | 17% | 13%    | 11%    | 11%               | 13%          | 10% | 11%          | 15% | 13% | 11%  | 14%  |
| <b>Live online chat</b>                        | 3%            | 7%    | 5%    | *   | 5%     | 2%     | 5%                | 1%           | 4%  | 4%           | 1%  | 4%  | 4%   | 3%   |
| <b>Telephone banking</b>                       | 3%            | 5%    | 2%    | 2%  | 4%     | 2%     | 3%                | 2%           | 3%  | 3%           | 2%  | 3%  | 3%   | 3%   |
| <b>Post Office</b>                             | 2%            | 4%    | 2%    | 1%  | 2%     | 2%     | 2%                | 2%           | 2%  | 2%           | 2%  | 2%  | 2%   | 2%   |
| <b>Online chatbot</b>                          | 2%            | 4%    | 3%    | -   | 2%     | 1%     | 3%                | *            | 3%  | *            | 4%  | 1%  | 2%   | 2%   |
| <b>Video banking</b>                           | 1%            | 2%    | 1%    | -   | 1%     | 1%     | 1%                | *            | 1%  | 1%           | 1%  | 1%  | 1%   | 1%   |
| <b>None of the above</b>                       | 1%            | 1%    | 1%    | *   | 1%     | 1%     | 1%                | 1%           | 1%  | 1%           | -   | *   | 1%   | *    |
| <b>Don't know/prefer not to answer</b>         | *             | -     | -     | *   | -      | *      | *                 | *            | -   | *            | -   | -   | *    | -    |
| <b>It depends on what I need to do</b>         | 4%            | 1%    | 3%    | 6%  | 4%     | 4%     | 3%                | 6%           | 2%  | 4%           | 4%  | 6%  | 3%   | 5%   |

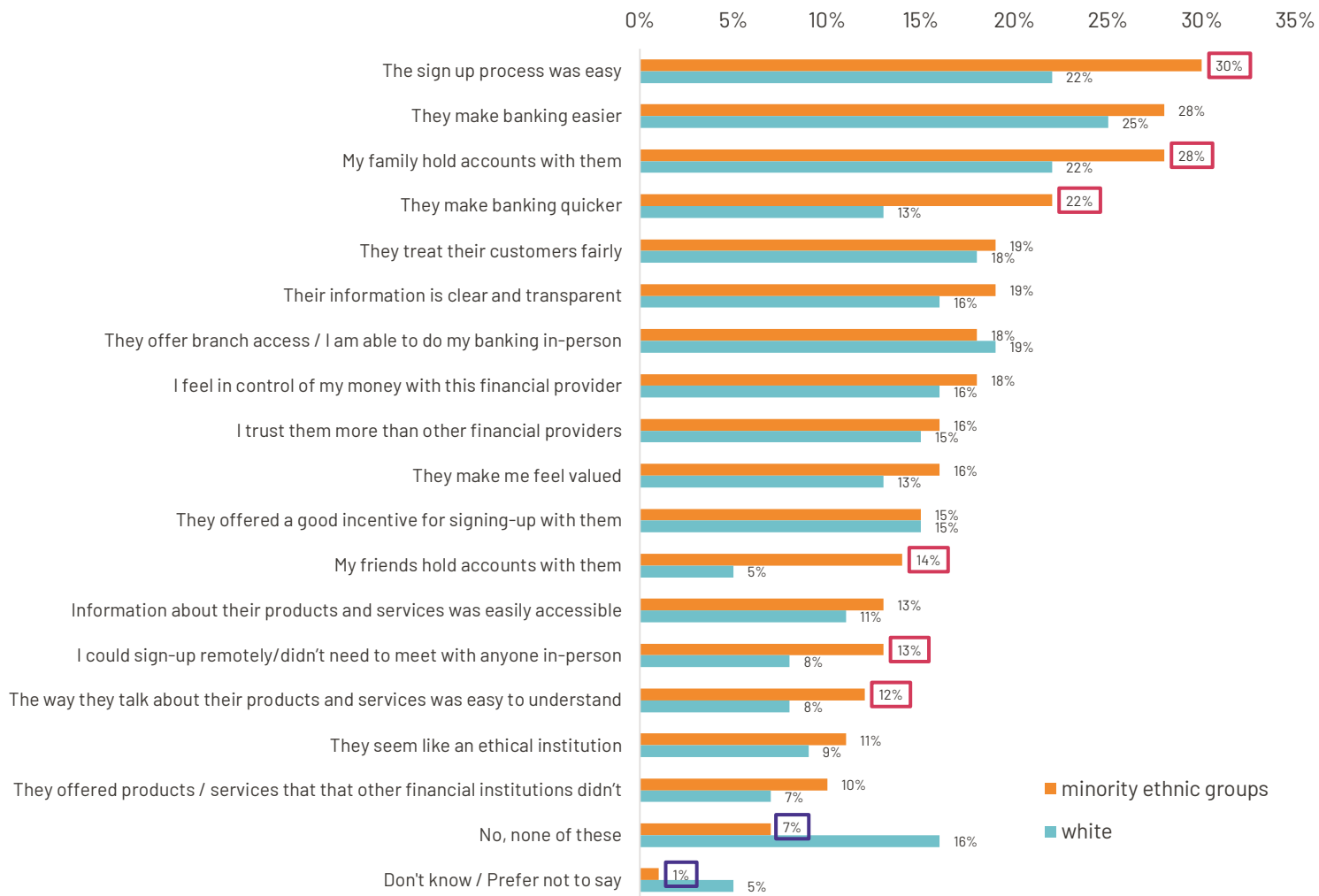
## D. Sample weighting profile

### Sample weighting profile

|                                   | Asian (Net) | Asian - Indian | Asian - Pakistani | Asian - Bangladeshi | Asian - Chinese | Asian - British | Asian - Other | Black (Net) | Black - African | Black - Caribbean | Black - British | Black - Other | Mixed race/ Dual heritage | Arab | Any other ethnic group | White - Eastern European | White British, excl. Eastern European |
|-----------------------------------|-------------|----------------|-------------------|---------------------|-----------------|-----------------|---------------|-------------|-----------------|-------------------|-----------------|---------------|---------------------------|------|------------------------|--------------------------|---------------------------------------|
| <b>TOTAL SAMPLE</b>               | 446         | 143            | 94                | 50                  | 61              | 47              | 52            | 212         | 98              | 47                | 57              | 11            | 160                       | 17   | 23                     | 142                      | 1000                                  |
| <b>Social grade</b>               |             |                |                   |                     |                 |                 |               |             |                 |                   |                 |               |                           |      |                        |                          |                                       |
| <b>A/B (NET)</b>                  | 152         | 55             | 28                | 12                  | 25              | 16              | 17            | 62          | 32              | 12                | 17              | 2             | 52                        | 5    | 6                      | 27                       | 268                                   |
| <b>C1</b>                         | 123         | 38             | 23                | 13                  | 18              | 18              | 15            | 68          | 31              | 17                | 18              | 3             | 57                        | 5    | 7                      | 43                       | 312                                   |
| <b>C2 (Net)</b>                   | 73          | 20             | 17                | 12                  | 9               | 7               | 7             | 31          | 13              | 8                 | 10              | 1             | 22                        | 2    | 4                      | 28                       | 202                                   |
| <b>DE (Net)</b>                   | 98          | 30             | 27                | 13                  | 9               | 7               | 13            | 50          | 23              | 11                | 13              | 3             | 29                        | 5    | 6                      | 44                       | 218                                   |
| <b>Age#</b>                       |             |                |                   |                     |                 |                 |               |             |                 |                   |                 |               |                           |      |                        |                          |                                       |
| <b>18-24</b>                      | 159         | 44             | 36                | 24                  | 20              | 18              | 18            | 59          | 29              | 9                 | 17              | 4             | 55                        | 7    | 4                      | 33                       | 104                                   |
| <b>25-34</b>                      | 127         | 42             | 26                | 14                  | 21              | 10              | 15            | 65          | 34              | 12                | 17              | 2             | 46                        | 6    | 5                      | 50                       | 144                                   |
| <b>35-44</b>                      | 85          | 27             | 19                | 8                   | 11              | 9               | 11            | 38          | 21              | 8                 | 7               | 2             | 33                        | 2    | 4                      | 43                       | 142                                   |
| <b>45-54</b>                      | 53          | 20             | 10                | 4                   | 7               | 6               | 6             | 25          | 10              | 6                 | 7               | 2             | 14                        | 1    | 3                      | 12                       | 163                                   |
| <b>55+</b>                        | 23          | 10             | 3                 | 1                   | 2               | 5               | 2             | 26          | 5               | 12                | 8               | 1             | 12                        | 1    | 7                      | 4                        | 447                                   |
| <b>Gender</b>                     |             |                |                   |                     |                 |                 |               |             |                 |                   |                 |               |                           |      |                        |                          |                                       |
| <b>Male</b>                       | 239         | 79             | 53                | 27                  | 33              | 26              | 20            | 114         | 57              | 23                | 29              | 5             | 78                        | 10   | 10                     | 56                       | 481                                   |
| <b>Female</b>                     | 208         | 64             | 40                | 22                  | 28              | 22              | 31            | 98          | 42              | 23                | 27              | 5             | 81                        | 7    | 13                     | 87                       | 514                                   |
| <b>Other/Prefer not to answer</b> | 0           | 0              | 0                 | 0                   | 0               | 0               | 0             | 0           | 0               | 0                 | 0               | 0             | 0                         | 0    | 0                      | 0                        | 0                                     |
| <b>Working status</b>             |             |                |                   |                     |                 |                 |               |             |                 |                   |                 |               |                           |      |                        |                          |                                       |
| <b>Employed full time</b>         | 222         | 73             | 46                | 21                  | 35              | 25              | 22            | 114         | 50              | 26                | 31              | 6             | 84                        | 7    | 11                     | 84                       | 434                                   |
| <b>Employed part time</b>         | 76          | 25             | 16                | 9                   | 9               | 8               | 10            | 35          | 18              | 5                 | 10              | 2             | 24                        | 3    | 4                      | 25                       | 146                                   |
| <b>In education</b>               | 93          | 28             | 19                | 14                  | 12              | 8               | 13            | 35          | 22              | 4                 | 7               | 2             | 29                        | 4    | 2                      | 18                       | 53                                    |
| <b>Not currently employed</b>     | 55          | 17             | 14                | 6                   | 5               | 6               | 7             | 29          | 8               | 11                | 8               | 1             | 22                        | 2    | 5                      | 15                       | 368                                   |

## E. Reasons for choosing current account provider

Expansion of data in Figure 15  
Source: IPSOS Research



## F. Categories of ethnicity

### Q: What is your ethnicity?

#### White

- 1 English/Welsh/Scottish/Northern Irish/British
- 2 Irish
- 3 Gypsy or Irish Traveller
- 4 Eastern European
- 5 Any other white background (PLEASE WRITE IN)[OPEN TEXT]

#### Mixed/multiple ethnic groups

- 6 White and black Caribbean
- 7 White and black African
- 8 White and Asian
- 9 Any other mixed/multiple ethnic background (PLEASE WRITE IN)[OPEN TEXT]

#### Asian/Asian British

- 10 Indian
- 11 Pakistani
- 12 Bangladeshi
- 13 Chinese
- 14 Asian British
- 15 Any other Asian/Asian British background (PLEASE WRITE IN)[OPEN TEXT]

#### Black/African/Caribbean/black British

- 16 African
- 17 Caribbean
- 18 Black British
- 19 Any other black/black British background (PLEASE WRITE IN)[OPEN TEXT]

#### Other ethnic group

- 20 Arab
- 21 Any other ethnic group (PLEASE WRITE IN)[OPEN TEXT]
- 22 Prefer not to answer

