THE ADVICE GAP

2026

SIZING THE ADVICE GAP

THE LANG CAT

SATURN

WELCOME

Hello, come in, make yourself comfortable. You are very welcome to the 2026 Advice Gap study by the lang cat, kindly sponsored by Saturn.

The Advice Gap is in its second decade now, and we're proud that it's the reference study for the industry on who's getting advice, who isn't, and what to do about it.

If you're a returning Advice Gapper, you will notice a difference in this year's study immediately. Instead of releasing the full, massive report straight away, we're going to publish six individual, themed short papers on the key findings. This is the first of them.

The Magnificent Six

SIZING THE ADVICE GAP

1

Introducing the Advice Gap 2026, sizing the Gap and looking at those who pay for advice.

THE AI WILDCARD

2

Introducing the fifth Advice Gap – those who use AI tools to get financial "advice".

TO THE BARRIERS

3

What's preventing consumers from accessing and paying for advice?

TO THE BARRIERS (2)!

4

What's preventing adviser firms from developing propositions to help plug the Gaps?

DEEP IMPACTS

5

Impacts on consumers – what's the consequence for those who are unable to access advice?

ENTER THE REGULATOR

6

Policy and regulatory initiatives. Consumer and adviser views on targeted support and simplified advice.

Once all six are out, we'll publish the main report; it won't simply be the six short papers jammed together, but something more detailed as a reference guide.

As ever, the Advice Gap looks at both the supply and demand sides of advice; we work with YouGov for consumer research and conduct our own adviser research from the lang cat's panel of around 1,700 advice professionals. It's a huge undertaking each year, and we send a blizzard of thanks to everyone who's been a part of it, from survey respondents to those who took part in in-depth interviews and more.

Enjoy this first instalment – there'll be another one along in a minute.

A Little About SATURN, Our Sponsor

We're proud to be able to offer free access to The Advice Gap thanks to our sponsor, Saturn. Saturn provides AI-driven operating systems and technology to more than 750 financial advice businesses, and believes in the power of human advisers to transform the lives of ordinary people. Their mission, using technology, AI and compliance expertise, is to close the advice gap by making human-delivered financial advice radically more affordable and accessible than it is today.

INTRODUCTION

Before we dive in, the Advice Gap's second decade is an excellent opportunity to pause and reflect on why we think this subject is worth studying.

All the way back in 2015, Citizens Advice published the first Advice Gap report (the lang cat took it over for the second wave in 2019), and we can't do better than go back to the source:

> *There is not a single advice gap, affecting those who want advice but can't afford it. There are a series of gaps which lead to a range of people missing out on the benefits of money advice and the security that it affords.*[1]

And last year one adviser absolutely nailed it when they said:

> *It seems there are a significant number of people who need advice and would benefit from it, whether that's financially or from the peace of mind [that advice brings]. But they can't access it because it either costs too much, or the services they need are just not profitable at those levels for companies. Finding a solution would not only help those people but open up a huge untapped client list.*[2]

The Affluent Advice Gap

For the first time in this study we are putting a figure on the number of individuals who could reasonably seek paid-for advice now and how much they hold.

11.7m adults

£1.24trn in assets

See page x for more.

Maybe we can boil it down to a few key statements:

Personal finance is complicated. It's complicated if you don't have money, and maybe even more complicated if you do. The UK personal finance system, with ISAs and pensions and regulatory change, appears to be designed specifically to inhibit consumer understanding.

Professional advice is good. Making good financial decisions is hard; oftentimes it means delaying gratification and that means we're fighting against everything modern society throws at us. Having someone to check us is hugely beneficial. And the sins of the past in terms of advisers recommending what makes them money rather than what helps their client have been regulated away.

More people need advice than can or will pay for it – maybe it's how it's delivered, or how the advice relationship works, or even overconfidence. Whatever; there are more takers than suppliers, and that's where the advice gap(s) come in.

Those who receive advice love it – the satisfaction scores we see from year to year are absolutely remarkable – this year 96% of respondents who'd paid for advice found it helpful. That would be the envy of any profession.

Advisers aren't engines of social policy – they run businesses and financial advice is an expensive thing to give. So they charge what they charge, and unless you're affluent enough to absorb that cost then professional financial advice is beyond your reach. That's not anyone's fault, but maybe it's something we can start to address.

[1] The Four Advice Gaps, Citizens Advice, 2015, *https://assets.ctfassets.net/mfz4nbgura3g/2k5vQLag9cICvsI9BZZwdl/2eb32521fe125439b5ead291a29f35db/Fouradvicegaps.pdf*

[2] The Advice Gap, the lang cat, 2025, *https://thelangcat.co.uk/report/the-advice-gap-2025/*

LET'S TALK NUMBERS

8.27%

of UK adults accessed paid-for advice

Down slightly from 8.74% last time

No major change here on the last few years

16.0%

of adults with household income above £70,000 didn't access advice but said they needed it

Up from 14% last time

Almost twice as many as actually got advice...

96.0%

found that paid advice helpful

Up slightly from 93% last time

Again no major change – but what a vote of confidence!

61.0%

who paid for advice found their adviser either through their own research or via word-of-mouth

Only 4% were referred by another professional

It's hard to know how to find a good adviser...

78.0%

are concerned that advice might be influenced by the adviser earning commission

Nearly the same number are concerned fees won't be worth it

The profession has a big communication job to do...

Respondents that have recieved paid-for advice

4% 18-24

5% 25-34

8% 35-44

7% 45-54

11% 55+

Research

Consumer research was commissioned by the lang cat and carried out by YouGov plc between 24 July and 27 July 2026. A total of 2,088 adults took part in an online survey. The figures have been weighted and are representative of all GB adults (aged 18+).

LET’S TALK NUMBERS

MEN		WOMEN
9.26%	Took paid-for advice	7.34%
34.0%	Likely to seek investment advice	26.0%
28.0%	Likely to seek pensions advice	15.0%
12.0%	11.15% took free advice a very slight decrease from 2025 (11.44%)	10.0%

No.1 reason for not seeking advice is

It’s too expensive

28.0%

Of those who didn’t take advice, **25.0%** said

I can look after my own money

Up from **20.0%** from last year

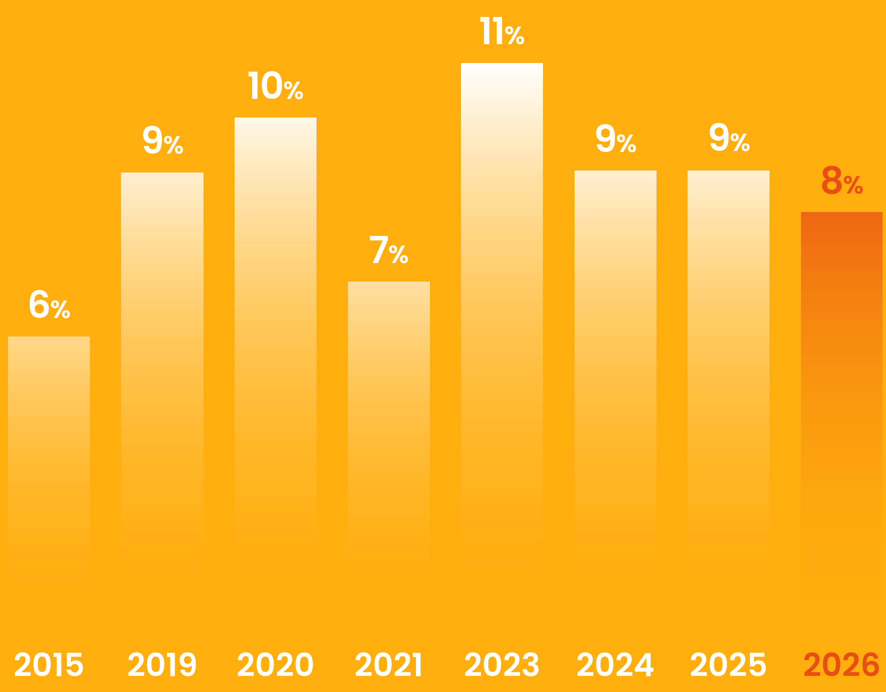
SOME THINGS NEVER CHANGE

Well, they rarely change. The proportion of adults who've sought and paid for professional financial advice ticked down very slightly this year, but not enough to make any meaningful conclusions. We think of the number as unchanged, even though when you do the rounding it drops from 9% to 8%. Such is the secret life of statistics.

That figure has been stuck stubbornly since 2023, when it was 11%. It was on a rising trend before that, bar a COVID blip in 2021. We think the drop is caused by a choke on the supply of advice; the number of advice firms out there is falling as a wave of consolidation rolls through.

Adviser numbers are more resilient, but this is a little artificial due to a few big firms "breeding their own" via academies and career-changer programmes; the total number of experienced advisers on the ground is, we think, falling as mid-late career professionals take the money and head for wherever it is advisers head.

Respondents that have recieved paid-for advice



This is, of course, just one aspect of the advice gap – Citizens Advice identified four gaps back in their original report, and the three which aren't to do with paying for what we recognise as professional financial advice are largely to do with awareness and usage of "free" money helper services. We'll come back to those.

The obvious question from the awkward squad in the back is this: so what? Wealthy people pay for help with their wealth; it's always been that way and it always will be.

That's a good challenge, but it's not very accurate. For a start, it isn't just the super-wealthy that access advice; the proportion of adults who paid for it was the same for household income levels between £40k and £50k as over £70k. It is true that at the lowest household income levels demand falls away, but not to zero; income is a poor indicator of a requirement for advice, although it's a good indicator of being able to afford the cost.

What is it, then, that keeps the numbers around the 8-9% mark? Over the years, we've refined down the key reasons to these: affordability, trust and value. For the number to really move, perception of these three key pillars will have to move too.

WHAT'S AN ADVICE GAP ANYWAY?

Once again we should revisit Citizens Advice's original report, where they identified not one gap but four:

THE AFFORDABLE ADVICE GAP

Consumers who are willing to pay for advice but not at current prices.

THE FREE ADVICE GAP

People who want advice but are unable to pay for it.

THE PREVENTATIVE ADVICE GAP

Those who would benefit from having money advice as a preventative measure.

THE AWARENESS AND REFERRAL GAP

People who are not aware that advice exists, or where to get that advice.

We think those hold as true in 2026 as they did in 2015; and that's depressing in its own right. We know about the "affordable" gap, but let's quickly look at the other three:

A NEW GAP FOR 2026!

We think, as the Advice Gap hits tweenager status, it's time to add a fifth gap to the mix. We're calling it the **AFFLUENT ADVICE GAP (AAG),** and it's defined as people self-managing and not seeking advice who should and could afford it.

This is a combination of underestimating the complexity of the UK personal finance landscape, and an explosion in accessibility of unregulated, probably erroneous sources of financial information from finfluencers, social media and free, poorly-trained AI. With a hat tip to Mr Dunning and Mr Kruger, some of this is doubtless down to overconfidence, but what's really interesting is the contributing factors to that overconfidence.

68%

are unlikely to pay for financial advice

This number falls to 45% for individuals with income about £70,000[3]

71%

were unaware the Government offers free financial guidance

Again, virtually unchanged on the last two years

10%

have turned to social media and finfluencers

31% of these acted on something they saw and 17% bought a product due to a finfluencer's recommendation

39%

say they're confident doing it alone for retirement planning[4]

42% are confident making investments; 70% are confident choosing a savings product[5]

[3] Among those who have not paid for advice in the last two years.
[4] Among those who said they wouldn't pay for retirement planning advice.
[5] Again, among those who said they wouldn't pay for this kind of advice.

SIZING AT LEAST ONE GAP

So we've spent a little time talking about those who receive advice; you will be able to read much more detail in the final, full Advice Gap report. And we've mentioned those who haven't received advice, either free or paid.

But this is the Advice Gap report, not the Advice Received report, and so we should try and get a sense of how big the gap for paid-for advice is. That's important, because a gap won't get filled unless businesses want to fill it[6] and they won't fill it if they can't come up with a business case.

It's hard to do this, and that's why no-one has done it before. But we're going to have a go. What we're really looking at is that **affordable advice gap** plus what we've just called the **affluent advice gap**. So that means we need to work out:

- How many people would benefit from **investment** advice but **can't** afford it, and how much money they've got
- How many would benefit from it but simply **don't** do it for another reason, and how much money they've got

We'll assume a steady state – which is a problem in its own right, but we already have enough variables to contend with. Also, we recognise that there is a cohort of hardy souls who really love handling their own finances and investments, and who would rather have sensitive parts of their bodies sandpapered than darken the door of an adviser or planner.

To do this we'll need to use not only our Advice Gap consumer data, but also look over to the Office of National Statistics and the FCA's Financial Lives survey to fill in some blanks. It's naturally an act of extreme triangulation, but we'll set out our working here and if you disagree with any major part of it then, well, you can do your own sums.

Let's dive in.

- The adult population of the UK is around 50m.
- Those aged 35-70 (the normal spread that covers the vast majority of advisory clients) number around 32m.[7]
- We know there are just over 4m advised clients – (that's 50m x 8.27%). We'll take that off the 32m, giving us 28m adults who aren't advised.
- We'll get rid of the truly self-directed die-hards; let's say that's another three million souls (we're being generous here; AJ Bell Youinvest has around 560,000 customers, Interactive Investor has 750,000 or so and HL has over 2m; our contention is that a good proportion of the D2C market would like to take advice but feel excluded from it).
- So we're down to 26m adults in our target age range.

[6] We're assuming socialised financial planning and advice funded by the taxpayer isn't high up on anyone's list of priorities.

[7] ONS population estimates, 2024
https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/bulletins/annualmidyearpopulationestimates/mid2024

LET'S TALK NUMBERS

That's across all demographic and affluence groups. So it's time to turn to the FCA[8] and ONS to get some more inputs:

We split that group by age band using ONS's population shares, then used the FCA's £10k+ investible assets threshold — the best cut we could manage with the data at hand for 'has enough money that an advice proposition could work' — to divide it in two:

- The **affordable advice gap:** 14.3m adults with less than £10k in investible assets. Not exactly a goldmine for traditional advice; as a cohort they hold only around £32bn.
- The **affluent advice gap:** 11.7m adults with £10k or more in investible assets. Our working assumption is this is where things get interesting.

Using FCA's own band-midpoint conventions[9], 11.7m people are sitting on £708bn in investible assets and £531bn in defined contribution pension wealth[10]. That's £1.24 trillion sitting with people who aren't paying for advice.

When we run the same sums off ONS's precise, rather than rounded, population figures we get £1.14tn so we have confidence we are somewhere in the right vicinity.

This is not the same thing as our YouGov finding that 16% of all UK adults wanted advice but didn't get it. That's a sentiment number, taken across the whole adult population regardless of wealth or age. This number measures money that already sits with a specific pool of people who clear a basic wealth bar, are the right age, and aren't advised.

Segment	Headcount	Investible assets	DC pension wealth	Total
Affluent advice gap (£10k+ investible)	11.7m	£708bn	£531bn	£1.24tn
Affordable advice gap (<£10k investible)	14.3m	£32bn	not sized	£32bn

[8] https://www.fca.org.uk/publication/financial-lives/financial-lives-survey-2024-tables-volume-4-assets-debt.xlsx

[9] Most consequentially, FCA's own convention assumes £400,000 for the open-ended £250k+ investible assets band and £1,250,000 for the £1m+ DC pension band. These tails do a lot of work in the total, so worth stress-testing with a more conservative assumption if this number goes external.

[10] This DC pension figure almost certainly understates the true number: people with more liquid assets are probably also disproportionately likely to have bigger pensions, but we can only use the population-average DC pot size, not one conditioned on also holding £10k+ in liquid assets, since that joint data isn't published. Separately, the 65-70 age band uses FCA's 65-74 wealth data as a proxy throughout, a four-year mismatch.

WHY IT ALL MATTERS AND WHO NEEDS TO TAKE NOTICE

It turns out that, when sufficiently motivated, lots of people can get over their reticence and find a way to get in front of an adviser. We saw a huge spike in demand around the time of pensions freedoms (around the early to mid 2010s; too early to be part of this study), and again during the DB transfer bonanza years.

So it's not the case that demand can't be stoked, it's that advice is too often perceived as a crisis purchase when in fact it's at its most beneficial when it's preventative. That's as true for free advice on debt, household finance and saving as it is for investments, wealth and pensions.

Speaking of pensions, so much is changing as they come under the IHT regime from April 2027, that we think there may be another bulge in demand coming. The FCA Financial Lives study suggests that 35% of household wealth is in pensions, second only to property at around 40%. Total household wealth is £13.6trn, which suggests pension wealth is just under £5trn. There is always an argument about the exact DB/DC split, but 2/3 to 1/3 will do us for this work, which suggests that around £1.5trn is in assets that could reasonably be advised on. We'll spare you the sums for now, but trust us when we say that the current proportion of that which is under "active" advice is a lot less than 100%.

An HMRC paper published in July 2025[11] suggests that around 213,000 estates will have inheritable pension wealth in 2027/28. Of these, 10,500 will have a new IHT liability as a result of the changes; that is to say the pension reforms will tip those estates into IHT when they would have avoided it otherwise. 38,500 estates will have more tax to pay than they would have done before the reforms. The same paper reckons that the Exchequer will benefit to the tune of £640m in that tax year; which is another way of saying that good financial planning could save around 49,000 families up to £13,000 each in tax. Of course, the 10,500 newly liable estates will form a relatively small proportion of that, meaning that at the higher end the potential impact will be tens of thousands, which suddenly makes a few grand in adviser fees look like spectacular value.

More fundamentally, though, every change like this knocks confidence in pensions and drives more individuals to try and bail on the system entirely. That's happening already - FCA data for retirement income access shows that 176 pension pots above £250k were encashed in full in Q1 2025 (the last period data available), without taking any advice[12]. We estimate that these individuals have incurred approximately £30k to £40k in avoidable tax each.

[11] Inheritance Tax on unused pension funds and death benefits, HMRC, 21 July 2025 *https://www.gov.uk/government/publications/reforming-inheritance-tax-unused-pension-funds-and-death-benefits/inheritance-tax-on-unused-pension-funds-and-death-benefits*

[12] FCA retirement income data 2024/25 *https://www.fca.org.uk/data/retirement-income-market-data-2024-25/interactive-analysis#advice pension-funds-and-death-benefits/inheritance-tax-on-unused-pension-funds-and-death-benefits*

WHY IT ALL MATTERS AND WHO NEEDS TO TAKE NOTICE

But irrespective of wealth level, times like these often lead to a capacity crunch for advice, and when people can't get advice from professionals, they turn to less trustworthy sources – and this is where the all-new Overconfidence Gap rears its head, if it had a head, which it doesn't. Though where AI is involved you can never be sure – and we'll cover that in our next instalment.

So we need to work out what to do in three key areas:

- Making professional paid-for advice as accessible, understandable and affordable as possible
- Making step-down assistance genuinely accessible, trustworthy and useful
- Helping those not in a position to pay for advice or struggling financially to access free assistance.

Much of what you read in the other five papers in this series and the main Advice Gap report will be dealing with exactly these issues.

THE LANG CAT

THE ADVICE GAP 2026

1

SIZING THE ADVICE GAP