THE ADVICE GAP

2026

DEEP IMPACTS

THE LANG CAT

SATURN

02

WELCOME

We salute your stamina as we proffer the warmest of welcomes to this penultimate instalment in our Advice Gap 26 series, kindly sponsored by Saturn.

We're doing Advice Gap differently this year, releasing the data in bite-sized chunks – of which this is the fifth. After the final short, data-based paper, on regulation and policy change, you can look forward to the big chonky we know you love. Having set out the data from our consumer and adviser research in our boxset, we'll then think deep thoughts around what we as an industry can do to tackle the Advice Gap.

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".

CONSUMER BARRIERS

3

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

ADVISER BARRIERS

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.

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.

All percentages are rounded to the nearest whole number. As a result, figures in charts and tables may not always sum to 100% or to the totals shown.

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

Very few people pay for advice, a mere 8.27% of GB adults if we're being specific. This is well known already and will probably not be the thing that stays with you after reading this paper.

No, our text for today is how GB adults make financial decisions, whether they feel the need for advice and the information sources they favour.

With apologies for spoilers, the reality is that most (70%) are confident choosing financial products or services. A good number (45%) believe they would benefit from free access to money advice, but an exactly equal number believe they would not.

So there is confidence, but how representative is that confidence of knowledge, understanding and ability? Financial advice professionals study for years to reach the standards required of them to practice and then maintain professional development over their whole career. Can consumers realistically achieve the same outcomes with Google, Chat GPT, a weekend newspaper supplement or Dave down the Red Lion?

Outcomes may be good enough in many cases, but we'd wager the lang cat Christmas party fund that advice professionals with their myriad skills and resources could do better.

There are some very real potential consequences to poorly informed decisions. If people are not aware of, let alone understand, these risks, how can they hope to avoid them?

Not saving enough for retirement

This is the basis of the Pension Commission's work. Nearly 15 million people are under saving for retirement. Retirees in 2050 can expect 8% less each year (£800) than today's.[1]

Relying too heavily on cash

61% of people with more than £10,000 of investable assets hold at least 75% of it in cash.[2] While this may feel 'safe' it's a double whammy of lost growth opportunities and the corrosive impact of inflation.

Pension withdrawals

Just 31% of pension plans accessed for the first time in the year 2025/26 involved regulated financial advice. Drawdown withdrawals of 8% or more are common, raising concerns of paying excessive tax and/or running out of money.[3]

Debt and low financial resilience

While people with less money or simple circumstances may not need financial advice, they would likely benefit from information and guidance. Debt is easy to get into, hard to escape from and could potentially be avoided.

Scams

People who have cash, low awareness and lack trustworthy sources are more vulnerable than ever to scams and fraud. Investment fraud was the biggest scam in 2025 at £221.5m, up 40% from 2024.[4]

Mortgage decisions

With the Bank of England having increased interest rates in November for the first time in three years, those taking out or renewing a mortgage face a difficult choice.

[1] Gov.UK – Pensions 2050: evidence and future priorities - interim report, 19/5/2026
[2] FCA – Financial Lives 2024 survey – Cash savings, 16/5/2025
[3] FCA – Retirement income market data 2025/26, 24/9/2026
[4] Professional Adviser – Advisers need 'robust' scam protections as investment fraud losses hit £221m, 15/5/2026

LET'S TALK NUMBERS

31%

of GB adults find managing money and making financial decisions challenging

Just under two thirds (64%) do not

70%

are confident choosing financial products or services for themselves

Confidence does not necessarily lead to good outcomes

36%

favour their own research for financial information or guidance

There's a generation gap between digital/AI and 'human' sources

96%

of those who conducted personal research trust the information they found

DIY means no sense check or outside opinion

45%

believe they would benefit from free access to money advice

But another 45% feel they would not

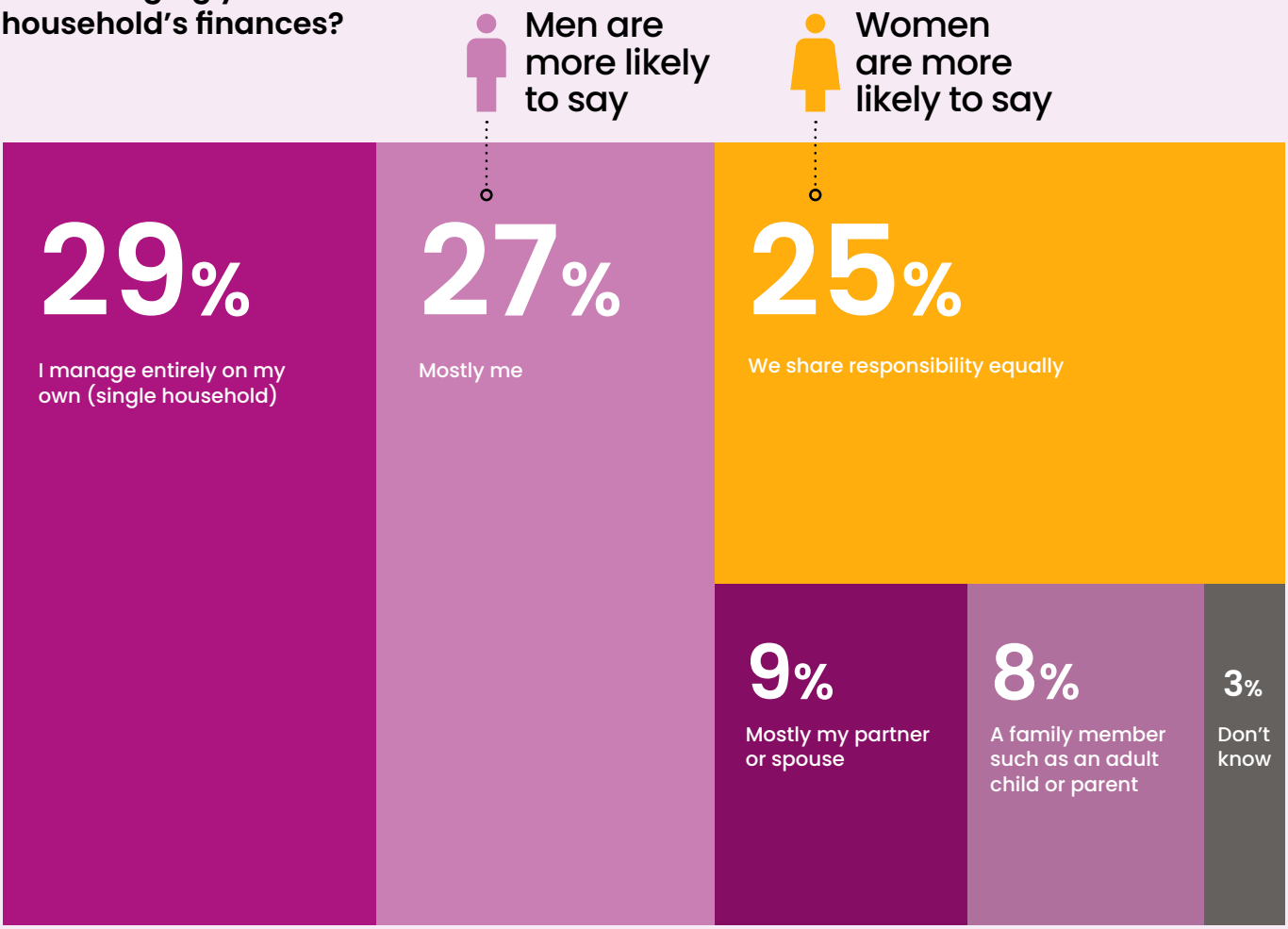
RESEARCH

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

In most households the respondent is at least partly in charge of the finances.

Who is primarily responsible for managing your household's finances?



Base: All GB adults

The transition into taking on adult responsibilities at age 25 stands out. This is the point at which more people are leaving the family home and dealing with their own finances.

As age increases, GB adults are more likely to manage finances themselves (entirely or mostly). This pattern is the same whether they use paid-for advice or not.

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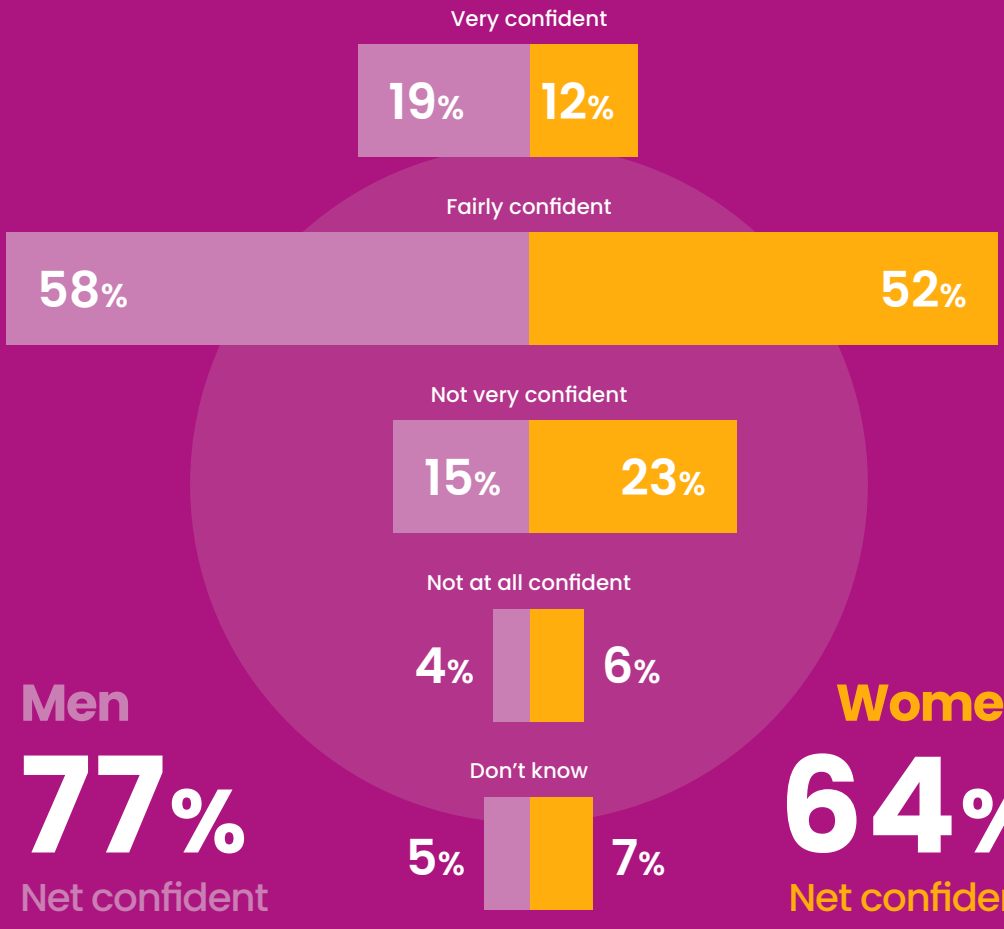
GOOD VIBES ONLY?

When it comes to choosing financial products and services net confidence is an impressive 70%. But if we look below the surface there's a lot going on.

Overall, to what extent are you confident, if at all, when choosing financial products or services for yourself?



Base: All GB adults

First, only 16% overall are "very" confident. "Fairly" is firmly tasked with the heavy lifting when it comes to confidence.

There's a pronounced gender gap in action, with women consistently less confident in their own abilities. This is despite managing finances either on their own (28%), mostly on their own (24%) or equally with a partner (27%).

Our youngest cohort stands out for their awareness of what they don't know; this is no bad thing. Net confidence dips in the middle years; potentially as respondents are facing important decisions around investing, retirement planning and family protection. There may well be conflicts of interest between mortgages, living for today (or just making ends meet) and planning for those all-important but still quite far off later years. None of this is easy, it's all high stakes and our mid-years cohorts are feeling the weight of those decisions.

GOOD VIBES ONLY?

Top reasons for feeling confident



44% of those who said they are confident in choosing financial services

Already having a savings /emergency fund pot



39%

Discussions with family



32%

Gaining the self-awareness that money can be a tool to help me reach my goals

Browsing online material from regulated sources



29%

Having my own financial strategy in place

Growing up having financial conversations within the household

Social media and AI tools/chatbots don't rate well here (12% and 10% respectively). Sadly, neither does financial education at school or through a course (12%).

The good news is that financial confidence is a self-perpetuating positive spiral: awareness, familiarity and financial conversations being the norm coupled with the security that comes with having some money to fall back on and a sense of where you want to get to. The bad news is that these are (or feel) inaccessible and unachievable to many. The sooner people feel comfortable with money and financial decisions the more likely they are to make good decisions leading to good outcomes. The picture in the negative space here tells its own story.

> ***If you grow up without money and assets then it's likely your parents never had an adviser or a reason to go to one. This filters down and if access to housing is not fixed and costs keep increasing, there will not be enough people with assets to warrant an advice industry.***
> *(Adviser research verbatim)*

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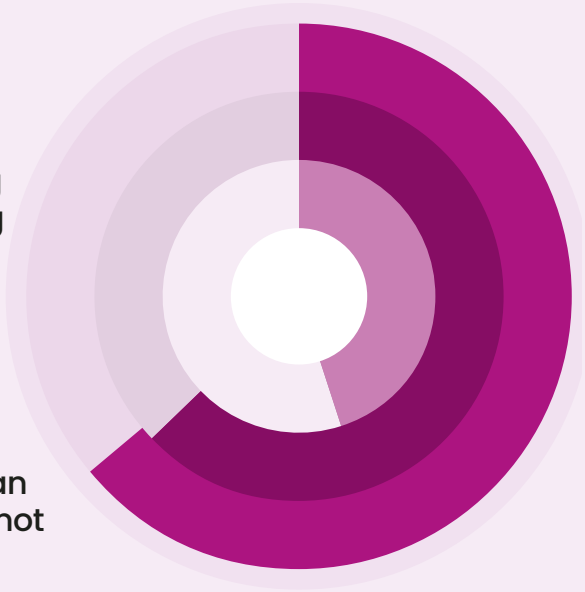
I'M FINE, THANKS

Most GB adults are generally happy managing their money and making financial decisions.

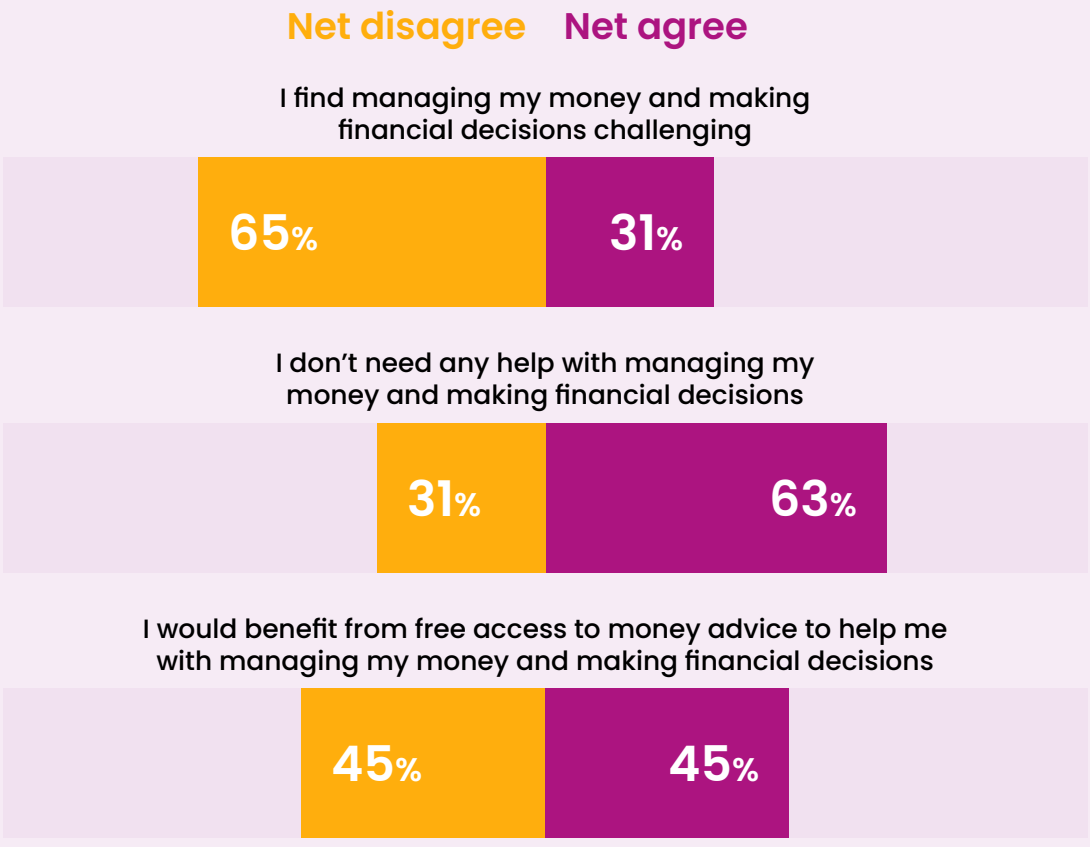
65% of GB adults don't find managing money and making financial decisions challenging

63% don't need any help managing money or making financial decisions

45% agree they would benefit from free access to money advice; an equal number say they would not



To what extent do you agree or disagree with each of the following statements?



Base: All GB adults

I'M FINE, THANKS

> ***Traditional advice isn't for everyone. Full financial planning can be expensive to deliver, making smaller cases commercially unviable, even when the client could benefit significantly.***
> *(Adviser research verbatim)*

On the surface things all seem hunky dory. But if we take a closer look at the data there's a little more to it than that.

Women are more likely to find managing money and making financial decisions challenging (34% vs 28%), while men are more likely to state that they don't need help (65% vs 61%). Despite this, men are also more likely to say they would benefit from free advice (47% vs 42%). It's driven by "tend to agree" but we'll take it.

With age and experience the feeling that managing money is challenging wanes (18-24: 50% vs 55+: 20%). The real movement is between 24 and 25, which appears to be the point at which many take on the role of fully fledged 'adult', and then between 54 and 55, where there may be a greater feeling of knowledge and control as they approach retirement.

Here we also see a big jump in those who don't believe they need any help (45-54: 59% vs 55+: 74%). The appetite for free advice also drops away with age.

66% → **27%**

18-24 55+

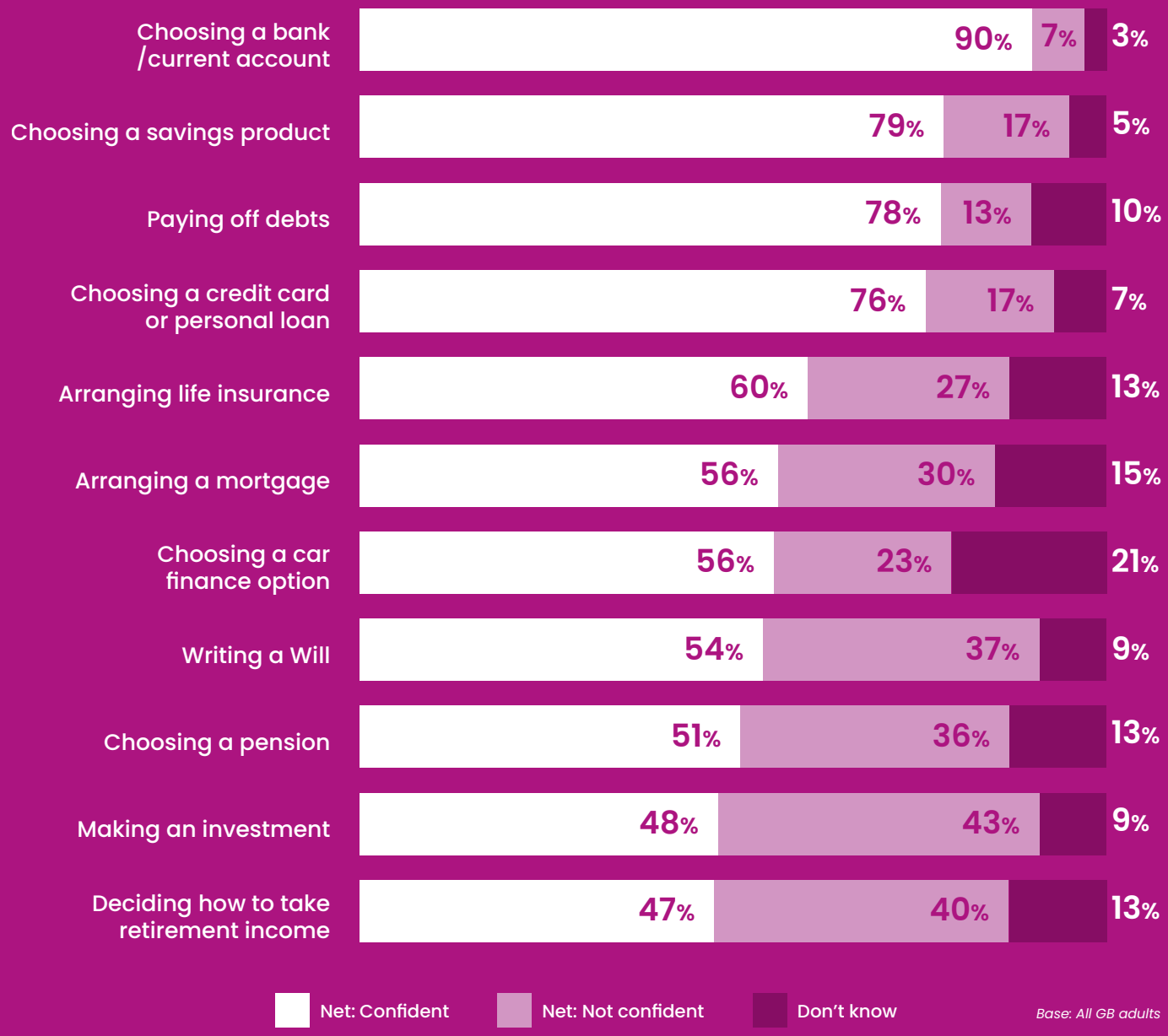
The highest score for this point is among those aged 18-34 who "tend to agree" that they would benefit from free advice (45%). This reflects a sense of realising they need to put a solid plan in place for their later years but not having the knowledge or resources to get there.

I WANT THAT ONE

GB adults take day-to-day financial admin tasks in their stride but find life-event decisions and long-term planning more challenging.

Choosing a bank account (90%), savings product (79%) or credit card/personal loan (75%) are things the vast majority of GB adults are confident taking on themselves. As is paying off debt (77%).

Overall, to what extent, do you feel confident when doing the following?



Base: All GB adults

I WANT THAT ONE

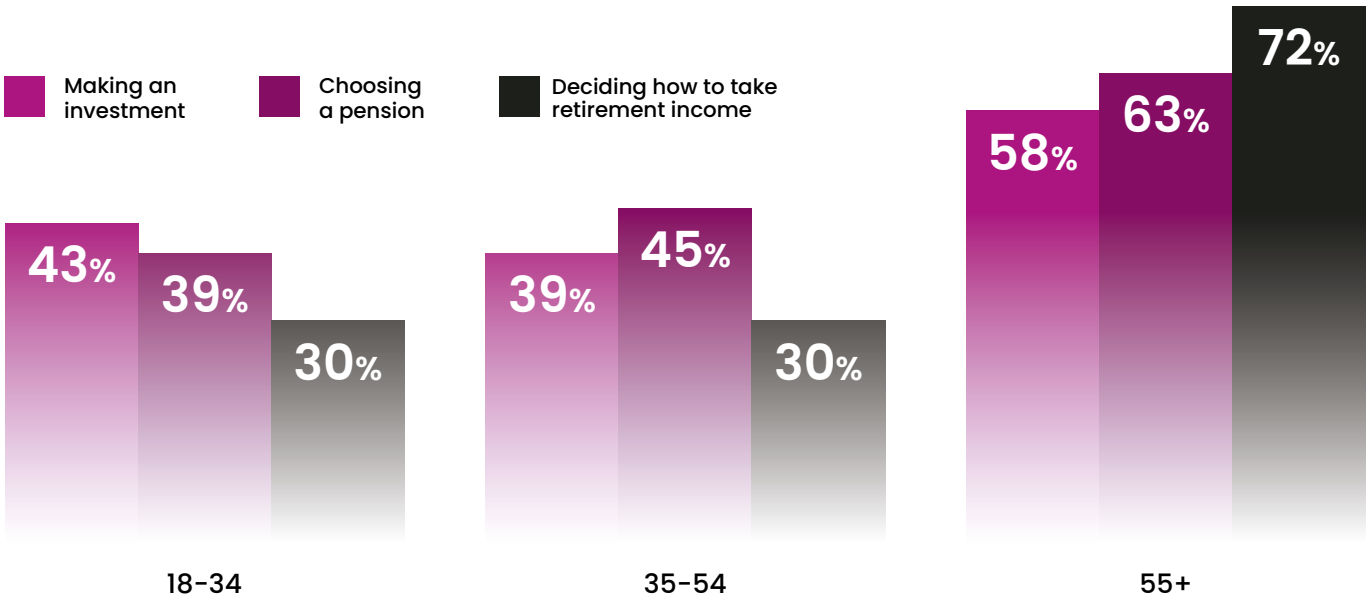
While confidence is comparatively lower for more complex, life-planning focused tasks like arranging a mortgage (56%), writing a Will (54%) or choosing a pension (51%), it remains robust. Deciding how to take retirement income has the lowest level of confidence at 47%.

With age comes experience, and often some harsh financial lessons, which can help to build confidence. Those aged 18 to 34 are noticeably less confident across most financial activities, particularly how to take retirement income (26% not at all confident), writing a Will (25%) and arranging a mortgage (23%).

The middle years (35 to 54) are just that, middle age and middle levels of confidence. Net confidence around making an investment dips but increases for choosing a pension.

Over 55s are noticeably more confident on all points. The step-change in confidence as retirement approaches and becomes a reality is hard to miss.

Net confidence for three key tasks by age group



Base: All GB adults

But what nurtures and informs this confidence? Experience is one thing but doing a thing doesn't automatically make you good at it. Karaoke bars up and down the country can attest to this fact. Information and opinions drive action. And when it comes to investing and retirement decisions there can be a good few decades between decisions and their consequences.

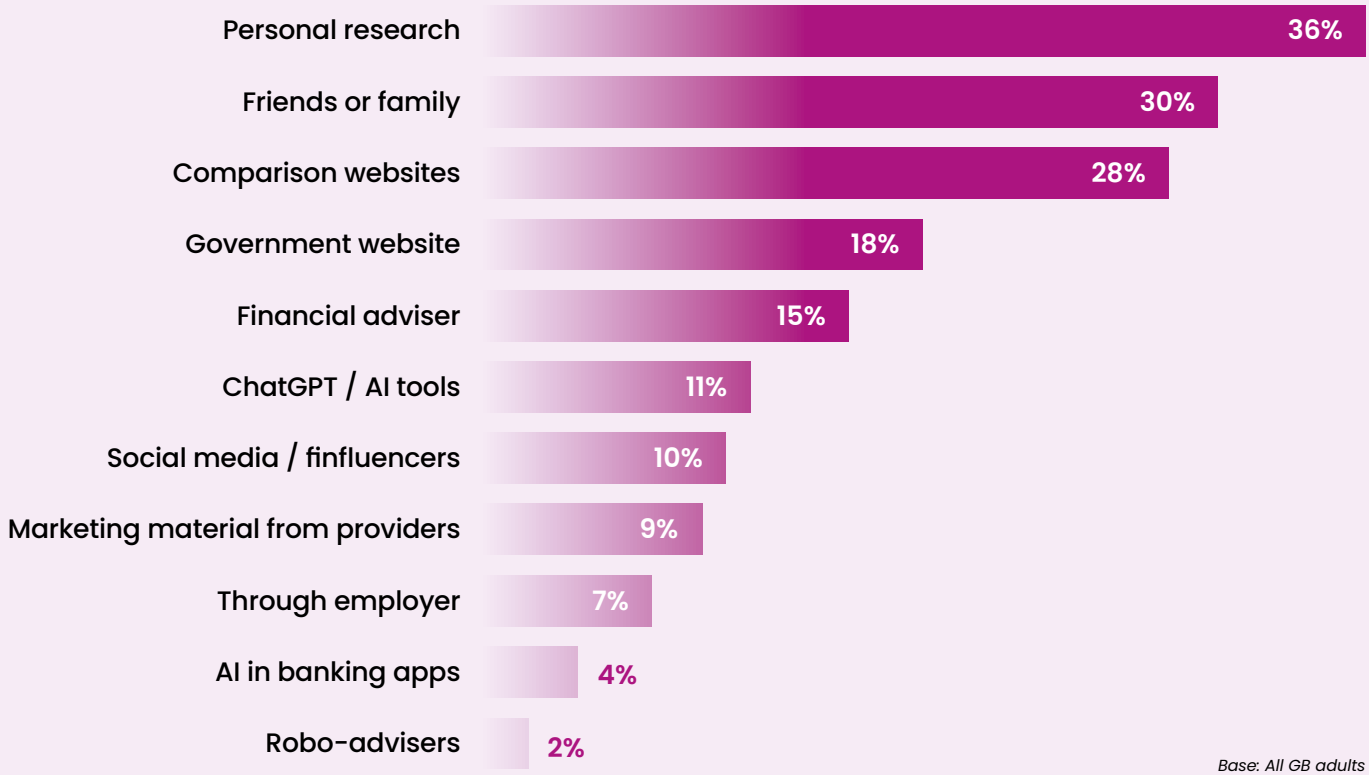
> ***Many individuals with lower savings even if they have higher incomes are not aware of the benefits of advice and how that can help them in the long term. They are often looking for short-term solutions or leave getting advice to late in their careers.***
> *(Adviser research verbatim)*

ACCORDING TO MY SOURCES...

The primary, immediate consequence of not having access to advice is people find, use and rely on their own sources of information. But nearly a third (30%) use no sources at all

Personal research is the most used source of information (36%), followed by friends and family (30%) and then comparison websites (28%). AI chatbots (11%) and banking apps (4%) are much lower down the scale.

Thinking about the last two years (i.e. since July 2024)...Which, if any, of the following have you used to get financial information or guidance?



Base: All GB adults

It's concerning to see so many people (30%) who have not sought any financial information or guidance in the last two years. It would be reasonable to assume this is weighted towards our youngest cohort, but they in fact score lowest here.

Age, however, is the big story when it comes to information sources. There's a distinct AI/human age gap (18-24: 20% for Chat GPT etc vs 4% of over 55s), and older people are, as we would expect, most likely to take financial advice (21% vs 7% for 18-24). They also have the strongest tendency to paddle their own informational canoe with personal research (40%).

ACCORDING TO MY SOURCES…

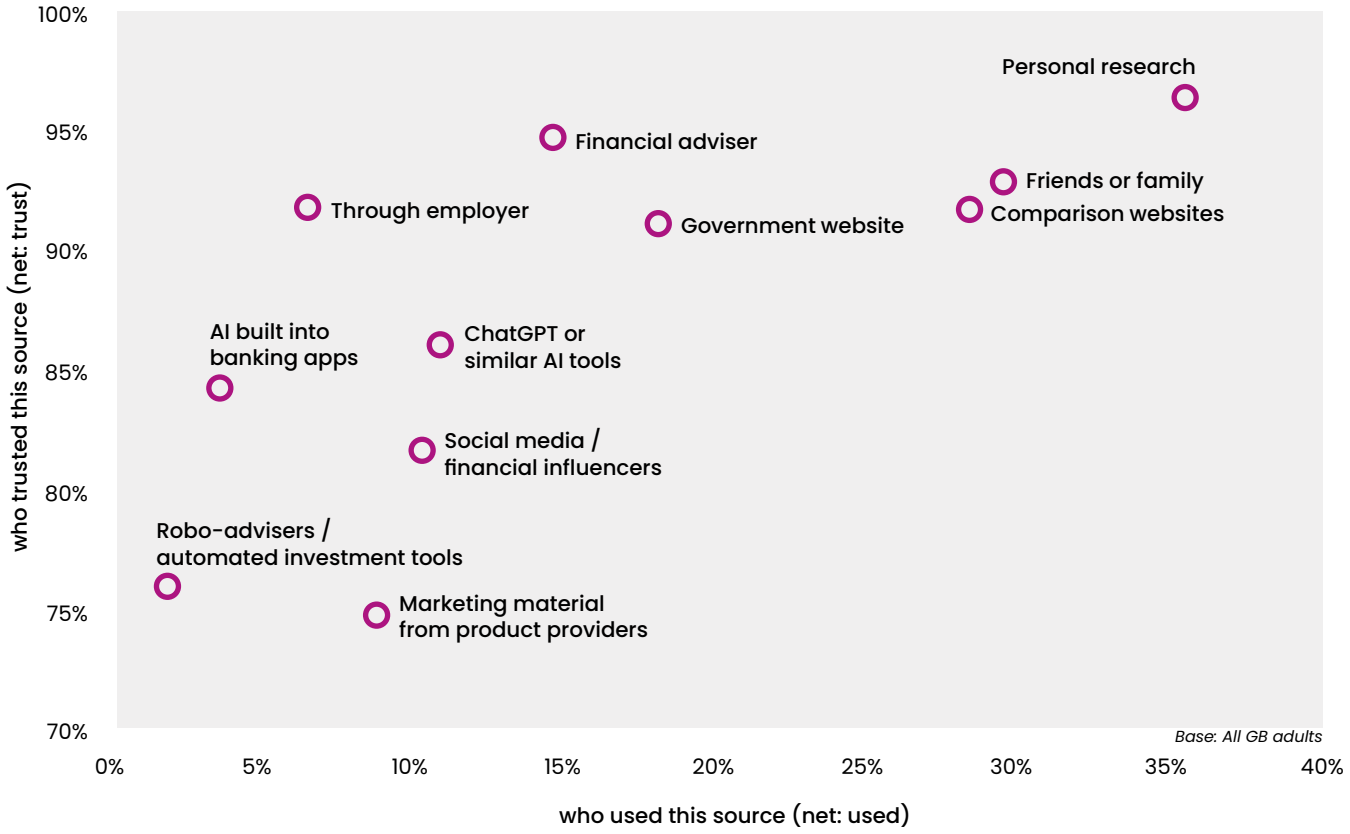
Gender too is instrumental in how people access financial information or guidance. Women are more likely to speak to family/ friends (33% vs 26%), while men are more likely to take financial advice (17% vs 13%) or conduct their own research (38% vs 34%). There's no difference in AI chatbot use (11%) or AI banking apps (4%).

People trust their sources. Net trust doesn't fall below 75% in any case. The degree to which people trust these sources is where things get rather more illuminating.

> ***People with modest assets still need help. Pensions, investment and retirement decisions can have major consequences regardless of the amount of money involved.***
> *(Adviser research verbatim)*

Usage vs. trust

Thinking about the sources you have used to get financial information or guidance...To what extent, if at all, did you trust the information you received from each of the following sources?



ACCORDING TO MY SOURCES…

In spite of its low level of usage, financial advice has the highest overall "trust a lot" score (70%). There's considerable airspace between that and personal research (50%) and then family and friends (45%).

Financial information or guidance via an employer or government website are each trusted a lot by 49% of those who used them. Compare these to the shinier options of Chat GPT (other AI tools are available) at 30% and social media/finfluencers (17%). The message here is that if people use government resources, they trust in them. Fostering that use is the challenge. One for the squirrel to ponder over a hazelnut latte.

Product providers may wish to ponder the reality that their marketing material is trusted a lot to the same extent as finfluencers. However well produced it is (and we know there's a lot of thought and effort involved) these companies have skin in the game. There's a reasonable expectation of being sold to in one form or another, and no-one loves that. Might targeted support help bridge this perception gap? We'll pick up that thread in our next (and final) paper.

> ***Consumers need to be given the confidence to invest without incurring significant costs. Once they see the benefit of investing they will continue to do so, but they have to start somewhere.***
> *(Adviser research verbatim)*

IT'S A LOT TO ASK OF A SQUIRREL

GB adults are generally not lacking in confidence when it comes to making most financial decisions. But that means precisely nothing in terms of the outcomes of those decisions.

In the case of day-to-day tasks (bank accounts or credit cards) jeopardy is low and poor choices are easy enough to rectify. Don't like your bank account? On to the next one, maybe even with a cash lure to seal the deal.

The bigger ticket, 'life' items are a very different story. Mortgages, Wills, investments, pensions and retirement income choices can dictate in no small way how the rest of your life plays out, not to mention the lives of the people you love.

You don't know what you don't know and you can't protect against something you don't know might trip you up in twenty years' time. This applies across mortgages, protection, retirement planning and taxation – particularly as we enter the era of most unused pensions falling into a person's estate for IHT. These are important decisions which are made once and cannot be rectified if they're poor. Fraud and scams are prolific and largely originate online, where much of DIY research takes place.

That better access to financial advice and guidance is needed is not up for debate. But more desperately needs to be done to improve awareness and visibility of impartial, trustworthy resources.

Not everyone who doesn't have a lot of money will need advice, but anyone can benefit from unbiased information and guidance. Too many people have little or no savings and are vulnerable to easily falling into debt, which is closely associated with poor mental health.

The industry is gradually taking steps along that road. Simplified advice is in the works; targeted support is already in the wild; a certain hoodie-clad rodent has branched out[5] into TV ads.

> ***I still think lower value clients generally require guidance and education rather than advice unless their needs become more complex. Advisers help overcome client inertia more than anything.***
> *(Adviser research verbatim)*

The government also recently announced two consultations into workplace DC schemes offering a set income for life and the mechanism for delivery. A 'tail', if you like, to go alongside the 'top' of auto-enrolment.

But there's a great deal still to do.

Financial confidence isn't lacking in GB adults but, in many cases, it is misplaced. And that's a dangerous situation.

Then we have people who are paralysed, scared to take steps which could be beneficial. They are equally at risk of poor outcomes. We're in a high inflation environment and cash simply won't cut it over the longer term. This is the happy hunting ground for targeted support and, in time, simplified advice.

Targeted support is waiting patiently in the wings for its moment in the spotlight. That moment is our very final paper in this series where we'll explore both consumer and adviser views on it and simplified advice. We hope you'll join us.

Do get in touch with any questions or feedback on this or any of our Advice Gap 26 papers.

[5] Sorry

THE LANG CAT

THE ADVICE GAP 2026

5 DEEP IMPACTS

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