Innovating for financial inclusion:

empowering individuals and improving lender confidence

Millions of consumers could be paying less interest and contributing more to the economy. As the government increases its focus on financial inclusion, Experian is leading the charge to optimise the nation's growing consumer debt.

Read more

The financial inclusion agenda

Driving financial inclusion remains core to Experian's business

At Experian, we are committed to changing lives through financial inclusion. By improving access to financial products and services for people that have traditionally been excluded, we can increase equality and improve their financial resilience. This paper dives into the opportunities for consumers and the wider UK economy through simplified debt consolidation.

Over 20 million people live in financially vulnerable circumstances in the UK. And, while improving financial inclusion undoubtedly improves individual lives, it can also have a huge impact on economies and societies more broadly. Enabling more people to participate fully in the economy allows greater spending and saving, leading to job creation and improved productivity. Put simply, increased financial inclusion could add billions to the UK economy.

Since coming to power in 2024, Sir Keir Starmer's government has been focused on kick-starting economic growth. As a recognition of the impact that better financial inclusion could have on growth, the government formed a new Financial Inclusion Committee in late 2024.

Building on the FCA's work to set higher standards of consumer protection through the Consumer Duty, the Committee has called on consumer groups and financial institutions to deliver a more inclusive financial services sector.

Experian sat as a key member of the Committee. In particular, we have focused on finding ways to tackle problem debt and provide individuals with poor credit histories access to safe and affordable credit. After a year of collaboration, the government launched its new Financial Inclusion Strategy in November 2025.

A key focus

With 15 million users in our ecosystem, we have access to a wealth of consumer data. Through our analysis, we leverage that data to understand the financial challenges that people are facing. For example, we found that debt consolidation is the number one reason consumers search for loans on the Experian Marketplace. This revealed the scale of consumers with unconsolidated debt.

We believe more effective debt consolidation solutions can deliver considerable consumer and societal benefits. In line with the government's financial inclusion agenda, debt consolidation technology could optimise debt for millions of consumers, unlock new opportunities for lenders and significantly boost the UK economy in the process.

Improving access to affordable credit could help those most affected by the increased cost of living

With credit often the only option to manage costly everyday expenses, removing barriers to debt consolidation options could positively impact millions.

Recent years have been challenging for consumers across the UK. Driven by a number of global factors, the cost of living increased sharply in 2021 and remains high today.

Despite brief periods of growth and some easing of inflationary pressures in the years since, many people have been left with significantly less disposable income.

As everyday essentials like energy and food saw severe price rises and continued volatility, the cost-of-living crisis has disproportionately hit low-income households. At the same time, those most affected by the crisis are also the most likely to suffer a lack of access to the financial products and services that could provide the support they need. More than 250 regulated lenders have exited the UK market since 2019, exacerbating the situation further.

When faced with barriers to affordable credit and debt consolidation options, many are likely to turn to potentially problematic alternatives. Research in 2023 found that over three million people had used an unlicensed lender or loan shark, while over 10 million had borrowed from friends and family. Without the ability to secure products and services at a fair and affordable cost, debt can continue to build and a spiral ensues.

Ultimately, poor access to the right financial products and services can have a wider impact on people, affecting their wellbeing. Research found that in 2023, over one in five GP appointments was for a mental or physical health problem caused or worsened by the cost-of-living crisis.

The value of solving debt issues in society

Improving access to a fair and affordable debt consolidation loan could make a big difference for millions of consumers. It can simplify their financial commitments, potentially save them thousands of pounds in interest and give them a clearer timeline for paying off their debt. For society, that could significantly boost financial inclusion and be a lever for growth for the whole economy.

Research from Experian in 2025 found that 41 million UK consumers have credit products. 83% (34 million) of those involve revolving debt that could be more affordable and easier to manage.

Debt consolidation loans are designed to provide a solution to help people reset their financial position while they can still help themselves. The key benefit of this solution is that it allows debts from multiple providers to be settled under one arrangement at an affordable rate to make debts more manageable. Recently, this has been particularly relevant for people with debts that were affordable before rises in interest rates and living costs. However, many people who need these loans struggle to qualify due to affordability restrictions.

As loans are designated 'unrestricted purpose' products in the Consumer Credit Act, the issue is that the lender has no basis to know if the customer will use the loan to consolidate their debt or not. In fact, our research found that only 32% of customers use their new loan for that purpose. Because of that uncertainty, consumers applying for a debt consolidation loan face the issue of lenders 'double counting' their debt, which means adding the original debt and the new consolidation loan together during the affordability assessment.

Debt optimisation as a lever for growth

Direct settlement technology could boost household spending by £15.1 billion a year.

Financial inclusion makes sense for all parties across the financial services sector. Better access and potential savings for consumers, more customers for lenders, more spending for the economy.

We are committed to playing our part in ensuring lending is responsible and tackling problem debt. We are leveraging our unique capabilities and new technologies to offer enhanced support to consumers struggling with debt. At the same time, we are helping lenders to unlock more creditworthy lending opportunities.

Direct settlement technology is an innovative solution to improve access to debt consolidation loans. It enables customers to simplify their finances and save money by consolidating their existing credit commitments, including personal loans and credit cards, into a single, manageable debt consolidation loan.

ReFi™ is our direct settlement technology. It solves the 'double counting' issue by lenders settling a consumer's debts directly with the customer's existing creditors. For lenders, this guarantees that existing debts will be settled so consumers only need to be assessed for the requested debt consolidation loan.

But how significant could the impact be if more lenders adopted ReFi™?

The potential of ReFi™

We believe that more lenders making use of our ReFi™ direct settlement technology could significantly increase household spending and saving, delivering a substantial boost to the economy.

By improving access to affordable credit and reducing interest burdens, ReFi™ could enable UK households to spend an additional £15.1 billion a year. At the same time, it could boost household savings by £2.1 billion per year.

As a result of these increased contributions, over 100,000 jobs could be created and the UK's GDP could rise by approximately 0.4%.

£15.1 billion
in additional household spending

£2.1 billion
increase in household savings

Find out how we calculated the potential of ReFi™

The impact of ReFi™ to date

ReFi™ became part of our Marketplace at the beginning of 2025. And it's already making a tangible impact. ReFi™ is enabling lenders to offer reasonably priced loans to customers they previously would have declined due to affordability concerns. It's helped thousands of people reduce their monthly outgoings and cut the amount of interest they have to pay overall.

Early data showed over half of customers applying for a debt consolidation loan through the Experian Marketplace had their debts automatically settled and received the remaining balance the same day.

As of September 2025, we found that a typical customer taking out a ReFi™ enabled loan on the Experian credit comparison marketplace has saved over £5,000 in interest over the term of a 36-month loan. ReFi™ offers additional benefits to consumers such as checking balances, paying original debts and closing accounts.

Case study

OakbrookOne

In June, Oakbrook and Experian launched 'OakbrookOne', a new type of personal loan and the first to utilise our ReFi™ technology. It helps eligible customers bring their debts together into one manageable payment, with the process handled seamlessly in the background.

In the six months before its launch, Experian and Oakbrook piloted the product with real customers, delivering over £5 million in lending through ReFi™. Consumers benefitting from OakbrookOne said it "gave me a light at the end of the tunnel", "helped me to feel a lot less overwhelmed and more in control of my financial situation" and that it means they "have more money left every month".

> "ReFi™ is helping us approve more applications in a way that's smarter, safer and more affordable."
>
> **Claire Smith**, Head of Marketing at Oakbrook

Maximising the societal impact of debt optimisation

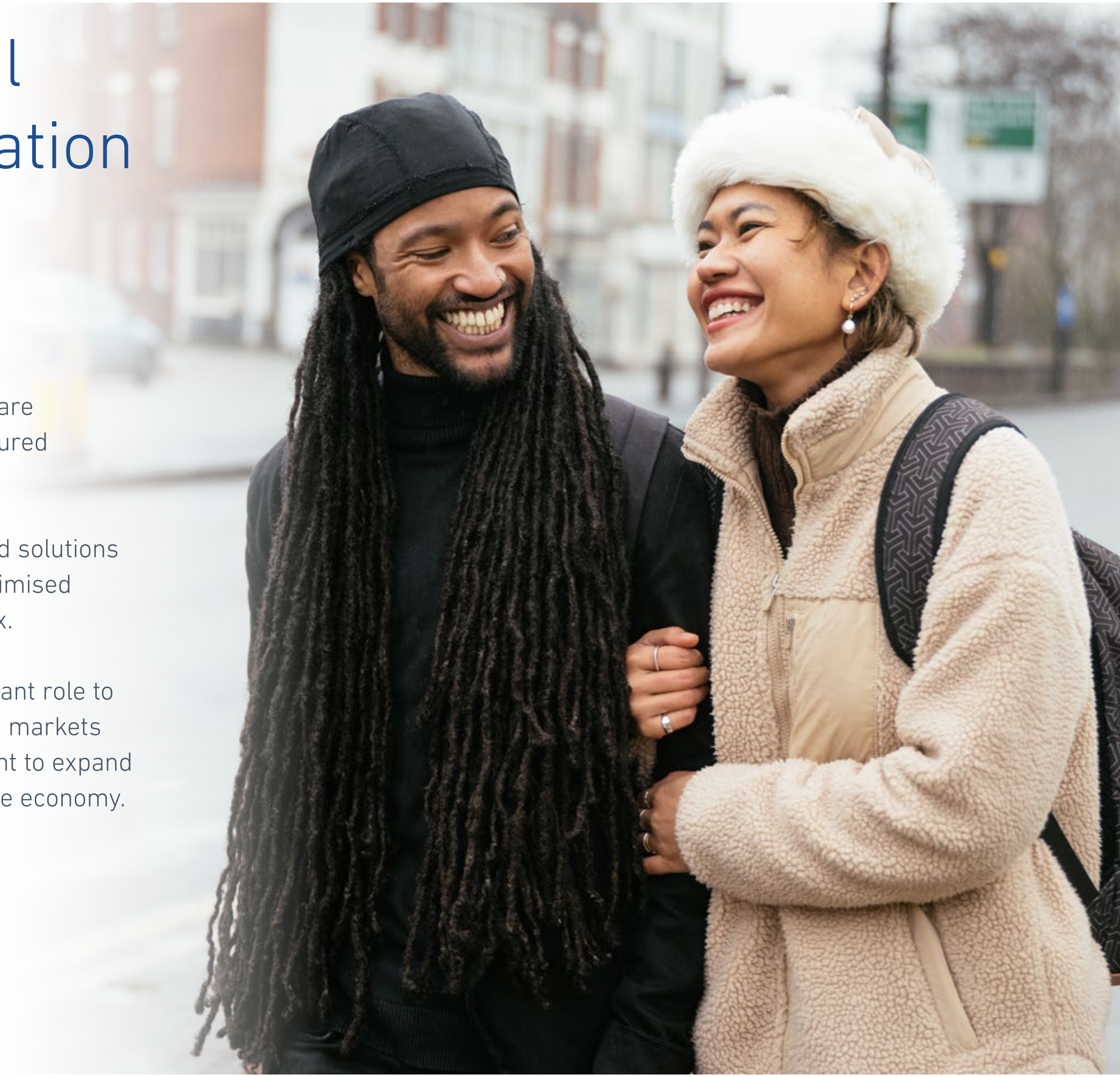
We are committed to improving access and financial inclusion, supporting both lenders and consumers.

Almost half of the UK population – 34 million people – has debt that could be more affordable and easier to manage. Millions of households, already struggling with high costs, are spending their finite disposable income on servicing unsecured debts. For many, that problem could be avoidable.

As the government looks to businesses like Experian to find solutions to improve financial inclusion, we have identified under optimised debt as a huge issue. And it's one that we are working to fix.

We believe debt optimisation, or refinancing, has an important role to play within the financial inclusion agenda. Commonplace in markets including the US, refinancing is a win-win approach we want to expand across the UK to help consumers and lenders and boost the economy.

By solving the systemic issue of 'double counting' within the lending space, we can make life easier for consumers and lenders, and contribute to the goals of the government's Financial Inclusion Strategy.



Partnering with more lenders

We are committed to using our knowledge and capabilities to benefit society and contribute to the government's financial inclusion agenda.

Across their time on our Marketplace so far, there is clear evidence of the positive effect ReFi™ products can have. Over £70 million in debt consolidation loans have been enabled by Re-Fi™ to date, unlocking a huge number of opportunities for lenders and helping millions of consumers.

We are already working with lenders such as Oakbrook and many others on ReFi™ powered loans; lenders recognising the value of the technology and launching innovative new products to serve customers they would historically have declined.

We have recently announced a new partnership with Fair4All Finance to help more people access affordable credit. And we are onboarding new lenders and encouraging them to build on ReFi™ capabilities and Experian data to pioneer new solutions.

With the potential to add more than £15 billion to the economy, we want to build more partnerships across the sector and ensure debt optimisation can help as many people as possible.

How we calculated the potential impact of ReFi™

We believe ReFi™ adoption could add more than £15 billion to the UK economy by reducing for consumers the interest paid on debt. Here's how we came to that figure.

We worked out how many households could be eligible to use ReFi™ (approximately 40% of the 84% of UK households that hold unsecured credit with a balance) and then used Experian and Bank of England data to work out their average debt balance. We used that figure to calculate an average interest saving that could be achieved with ReFi™.

With that figure in place, we worked out the proportion of those savings that households would likely allocate to consumption. This is called the marginal propensity to consume (MPC).

By multiplying the MPC by the interest saved for the households we estimate would be eligible for ReFi™, we reached the £15.1 billion increase in spending figure. Using the MPC figure and the total interest saving figure, we can also calculate how much more households would save, resulting in the £2.1 billion boost for household savings.

We modelled the impact of higher consumer spending on the UK economy using a heavily customised version of NiGEM (National Institute Global Econometric Model). When spending rises, it lifts overall demand, encouraging businesses to produce more goods and services, which increases GDP. As companies expand output, they also need more workers, creating jobs. This effect is reinforced as extra spending circulates through the economy, supporting growth in both GDP and the labour market.

Registered office address:
The Sir John Peace Building, Experian Way,
NG2 Business Park, Nottingham, NG80 1ZZ

www.experian.co.uk

ED26-346