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Inclusive Credit Systems: What Opportunities Lie in Designing for Neurodivergence?

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Executive Summary

The UK faces significant levels of financial exclusion, with millions unable to access essential financial services, including personal credit. Among those disproportionately affected are neurodivergent individuals, whose unique cognitive and behavioural traits often clash with the rigid structures of credit decisioning and the design and customer journey of personal credit products.This working paper explores the intersection of neurodivergence and financial exclusion, examining the systemic barriers faced by individuals with conditions such as ADHD, autism, and dyslexia.

It argues for the urgent need to redesign credit decisioning frameworks, credit products and customer journeys to accommodate diverse financial behaviours, presenting inclusive credit frameworks as both a moral imperative and a strategic opportunity. By leveraging behavioural economics, adaptive technologies, and collaborative policymaking, inclusive credit models can empower neurodivergent individuals to achieve financial independence and foster long-term financial resilience. This paper also highlights the potential benefits for businesses, organisations, and social enterprises, including market growth, innovation, and stronger community engagement. Finally, it identifies three key areas for future research: redefining creditworthiness metrics, developing neurodivergent-friendly products and customer journeys, and fostering policy and industry collaboration. Together, these steps can transform financial accessibility, creating a more equitable and inclusive economic system that benefits individuals and society alike.

Neuropsychological Conditions and Financial Exclusion

The UK experiences some of the highest levels of financial exclusion among advanced economies, with millions of individuals unable to access essential financial services required for daily living (Devlin, 2005; Government, 2023; Financial Conduct Authority, 2024). This includes difficulties in accessing credit, or reliance on high-cost credit options due to the presence of non-traditional credit files (Kempson and Collard, 2012). This systemic issue, exacerbated by use of traditional credit scoring (Aggarwal, 2021)and organisations being more risk averse post Covid and the cost-of-living crisis. Addressing this hidden crisis requires a fundamental rethinking of credit accessibility, particularly for marginalised and underserved groups. In the UK, an estimated one in seven individuals is neurodivergent (Westgarth, 2024), yet little is known about how current credit systems frequently overlook the unique cognitive and behavioural profiles associated with neurodivergence(Lurtz and Komarow, 2021). This oversight exacerbates financial exclusion, creating significant obstacles for accessing credit. Conditions such as ADHD, autism, and dyslexia often contribute to financial difficulties, including impulsive spending, overdue payments, and poor credit ratings (Fearn, 2024). These challenges stem from issues like organisational difficulties, avoidance of financial tasks, and a limited understanding of key financial principles. Research highlights the extent of the issue, reporting that 27% of neurodivergent people lack confidence in managing their finances (Perfectly Autistic, 2023). Among this group, reliance on overdrafts (21%), utility payment arrears (17%), and payday loans (11%) are common (Newton, 2023) . For individuals with ADHD, tendencies toward impulsivity and procrastination can lead to financial mismanagement and mounting instability. Those on the autism spectrum may struggle with financial decision-making, exhibit heightened vulnerability to fraud, or develop rigid patterns of spending or saving. Similarly, dyslexia and related conditions, like dyspraxia, can complicate interpreting financial documents, further hindering effective money management (Cheak-Zamora *et al*., 2017). This combination of systemic neglect and individual challenges underscores the need for inclusive credit frameworks (Collard, Kempson and Whyley, 2001) that respond to diverse financial behaviours and needs, a very different prospect from the current rationalised standard mechanisms to access credit (Van Overbeke, 2024). For regulated lenders that rely on credit scores and consistent income and expenditure trends to assess financial eligibility, addressing these systemic barriers presents significant opportunities. By rethinking traditional credit frameworks to accommodate neurodivergent individuals, organisations can tap into an underserved market segment with substantial growth potential.

Bridging the Credit Accessibility Gap

The current UK credit scoring system may inadvertently penalise neurodivergent individuals due to its reliance on rigid financial behaviours that do not account for cognitive and behavioural diversity (Van Overbeke, 2024). Neurodivergent individuals, such as those with ADHD, autism, or dyslexia, often face unique challenges, including impulsive spending, procrastination in bill payments, and difficulties understanding complex financial documents (Newton, 2023). These behaviours, rooted in neurodivergent traits rather than financial irresponsibility, can result in lower credit scores and inconsistent payments on bank statements that lead to automated rejections. The reliance on machine learning algorithms allows for streamlining the access to credit for those customers who are well understood and have an abundance of data, but penalises those who may have unpredictable patterns or are understudied such as this group (Aggarwal, 2018).

Traditional scoring models primarily evaluate consistent payment histories, credit utilisation, and financial stability, leaving little room for nuanced considerations of neurodivergent circumstances. For instance, individuals with ADHD may struggle with organisation, leading to missed deadlines, while autistic individuals may avoid financial negotiations, limiting credit opportunities(Fearn, 2024). Additionally, a lack of accessible financial tools and inclusive policies compounds the problem. As a result, neurodivergent users are disproportionately excluded from personal credit products, perpetuating financial exclusion and systemic inequity (Aggarwal, 2021).Assessment of an individual’s ability to afford credit using open banking is a growing part of the credit framework for many lenders, however the same problems identified in producing lower credit scores, also lead to inconsistent spend on bank statements, it can be the dark side of utilising machine led analysis (Wagner and Eidenmuller, 2019). Ensuring appropriate credit products are accessible to neurodivergent customers is crucial for promoting financial equity, independence, and social inclusion. Neurodivergent individuals often face systemic barriers, including higher rates of financial exclusion due to cognitive and behavioural traits that traditional credit systems fail to accommodate. Accessible credit empowers them to manage unexpected expenses, invest in education or training, and build financial stability—key factors in achieving long-term financial resilience. Recognition of this fact is enshrined in the Financial Conduct Authority's principles, which aims to ensure fairness and prevent discrimination in algorithmic credit scoring (PRIN 2.1 The Principles- FCA Handbook)

Moreover, inaccessible credit options can force neurodivergent customers into relying on inappropriate credit products, very high-cost lenders or at the extreme end, illegal money lenders, perpetuating cycles of debt and financial instability. Inclusive credit systems not only prevent this exploitation but also foster a sense of autonomy and dignity by recognising diverse financial behaviours. Financial exclusion has been highlighted as a key issue as individuals without access to basic financial services are often excluded from other areas of society, further deepening their social marginalisation('Exploring financial exclusion').From a societal perspective, enabling neurodivergent individuals to participate more fully in the economy benefits everyone. By addressing the unique needs of this population, financial institutions can drive innovation, reduce inequality, and create a more inclusive and resilient economic system.

Inclusive Credit Systems: A Path to Equitable Solutions

The design of inclusive credit systems provides a significant opportunity to address these structural inequities. Credit models tailored to neurodivergent needs could improve accessibility and reduce dependence on predatory lending practices.
Technological innovations, such as fintech solutions, could play a pivotal role. Tools like apps with visual aids, automated reminders sent multi-channel, flexible credit products and breathing space before issuing credit could mitigate common challenges like impulsivity or task paralysis, improving financial stability and creditworthiness for neurodivergent users(Aggarwal, 2018). In providing fairer options, these systems could empower neurodivergent individuals to achieve greater financial independence, fostering long-term resilience and reducing the likelihood of financial crises('Exploring financial exclusion', no date). The move toward inclusivity would also benefit the broader financial system, creating pathways for increased economic participation and reduced inequality. Inclusive credit models could leverage insights from behavioural economics and neuropsychology to support vulnerable groups, ensuring that financial services are designed to empower rather than exclude.

Opportunities for Organisations and Enterprises

These inclusive systems are not just about fairness; they are about recognising untapped market potential and driving growth. By reimagining how credit is assessed and accessed, organisations can expand their customer base while contributing to a more equitable economy.

Expanding Market Reach

By adopting inclusive credit systems, businesses and financial institutions can unlock an untapped customer base of neurodivergent individuals who may currently be excluded due to rigid credit models. This not only increases market share but also drives brand loyalty among a growing population seeking accessible financial services.

Driving Innovation and Competitiveness

Organisations that lead the way in developing inclusive credit frameworks can position themselves as innovators within the financial sector. This differentiation can enhance competitiveness, attract socially conscious investors, and build partnerships with advocacy groups and social enterprises focused on inclusion.

Strengthening Financial Resilience in Communities

Taking the time to build relationships that help understand customer needs and tailoring the products and customer journeys to their needs can help increase financial resilience in whole communities.

Building Customer Trust and Reputation

Businesses that prioritise inclusivity can improve their reputation and customer trust. This is particularly relevant in a socially conscious market where consumers and investors increasingly value ethical practices. Inclusive credit systems demonstrate a commitment to equity, fostering long-term relationships with customers.

Reducing Risk Through Tailored Solutions

Inclusive credit systems that account for diverse financial behaviours can help reduce the risk of defaults by providing tailored credit options that better meet individual needs. For example, adaptive payment plans, or personalised financial tools can improve repayment rates, benefiting both customers and businesses.

Transforming Financial Accessibility

To foster a truly equitable society, the UK must address financial exclusion at its roots. Inclusive credit systems that consider neurodivergent experiences and behaviours are a critical step in transforming the financial landscape. This approach requires collaboration between policymakers, financial institutions and advocacy groups to ensure services are accessible and fair for all. By enabling individuals to navigate financial challenges more effectively, these efforts can lead to a more inclusive and resilient economic future.For businesses and social enterprises, this transformation represents an opportunity to grow while aligning with ethical and social impact objectives. By enabling neurodivergent individuals to navigate financial challenges more effectively, organisations can foster economic inclusion and resilience, benefiting both society and their bottom lines. Whilst it is included as an element of regulation, there is a responsibility for the providers to think about approaches that may lead to greater inclusion (Powley and Stanton, 2020)

Future Research

This working paper highlights the potential need for further research into credit for neurodivergent customers. Three key areas of research are highlighted, with a focus on actionable outcomes. This research should Investigate how traditional metrics of creditworthiness can be redefined to incorporate the financial patterns and challenges unique to neurodivergent individuals. This builds on the concept that standard credit scoring models and automated bank statement assessments often penalise behaviours like inconsistent payments or reliance on overdrafts, which may not fully reflect an individual's long-term financial reliability or intentions. Research could explore alternative frameworks that evaluate resilience, adaptive behaviours, or patterns of recovery from financial setbacks. The aim is to develop a reimagined credit scoring approach that aligns with neurodivergent behaviours while promoting fair access to financial resources.

The second potential research area should examine the role of technology and innovative financial tools in creating accessible pathways for neurodivergent individuals to build and maintain good credit. Fintech innovations, such as adaptive apps, multi-channel automated payment reminders, and flexible products, could be pivotal in supporting neurodivergent users. Research could assess how these tools integrate with credit systems to mitigate challenges like impulsivity, disorganisation, or task paralysis. The insights could offer scalable, inclusive financial technologies that enable neurodivergent individuals to navigate and improve their credit standing effectively.

The third potential research area should explore the opportunities for collaboration between policymakers, financial institutions, and advocacy groups to develop inclusive credit systems tailored to neurodivergent needs. Current financial regulations and institutional practices often fail to accommodate neurodivergent customers, leading to systemic exclusion. Research could identify gaps in existing frameworks and propose policy reforms or industry standards that mandate inclusivity in credit systems. A roadmap for fostering partnerships that drive systemic change, ensuring credit systems are designed to empower rather than exclude neurodivergent individuals.

Conclusion

The financial exclusion from credit products of neurodivergent individuals in the UK highlights a pressing need for systemic reform. Current credit systems, designed around rigid metrics, fail to accommodate the diverse cognitive and behavioural profiles of neurodivergent individuals, exacerbating inequality and limiting economic participation.
By addressing these barriers, inclusive credit systems offer a transformative opportunity to empower neurodivergent individuals, enabling them to access fair credit, build financial independence, and contribute to a more resilient economy.

For businesses, organisations, and social enterprises, inclusive credit systems unlock untapped market potential, fostering growth, innovation, and stronger community ties. Tailored credit frameworks not only meet the needs of neurodivergent individuals but also enhance customer trust, reduce financial risks, and drive competitiveness in an increasingly socially conscious market.Collaboration among policymakers, financial institutions, and advocacy groups is essential to ensure these systems are effective, equitable, and sustainable. Future research will play a pivotal role in redefining creditworthiness, advancing technological innovations, and fostering systemic change. By prioritising inclusivity, the UK can lead the way in creating a financial ecosystem that benefits everyone, demonstrating that equity and economic growth are not mutually exclusive but mutually reinforcing.

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