Good afternoon, and thank you for us joining here at the Attlee Suite, Portcullis House today (15th July 2026). I'm Gavin Oldham, founder and chair of The Share Foundation, and we're very grateful to Bambos Charalambous for sponsoring this event about delivering HMRC-allocated Child Trust Funds to their young adult owners, and for the support of Lord Blunkett and Ruth Kelly, together with many parliamentarians from both Houses. It's called

Government must open, monitor and then deliver savings accounts to break the cycle of deprivation

'If you could forthwith provide 150,000 low-income young people across the UK with over £400 million at no cost to Government, would you take action?'

Question on The Share Foundation's invitation to MPs for 15/7/26

The introduction of Trump Accounts for young people in American families was welcome, but it lacked a process for Government opening where family opening does not take place. In order to deal with this challenge 24 years ago, HMRC allocation was a key part of Gordon Brown and Ruth Kelly's Child Trust Fund design. 28.4% of accounts were opened in this way: that's for 1.74 million young people, and the proportion from low-income backgrounds was 70% higher in this segment than for family-opened accounts.

This high proportion of disadvantage is why Governments have to take action if they want to break the cycle of deprivation. Tony Blair's Government understood that well, and Chancellor George Osborne also got the message from The Share Foundation, Barnardo's and Action for Children, when he agreed to provide Junior ISAs for all young people in care for at least one year: the scheme which **The Share Foundation** has been running for the past fourteen years on behalf of the Department for Education.

The fact is that only Government knows who are the young people threatened by the cycle of deprivation: public bodies are the **only reliable source of information**, and they must therefore take action.

However, there are two other major responsibilities which come with opening these accounts: they must be monitored throughout the child's journey towards adulthood, and they must be delivered when the time is right.

Unfortunately the monitoring and delivery of HMRC-allocated Child Trust Funds did not receive the same attention as their opening, and that's why The Share Foundation estimates that there are £1.2 billion worth of these now adult-owned accounts sitting dormant with account providers, rather than helping their young owners to achieve their potential in adult life. It's estimated that the proportion of these unclaimed accounts is four times higher than for family-opened Child Trust Funds.

There are now ten HMRC-allocated account providers, and it's thought that all except NatWest are charging the maximum fee of 1.5%: that's nearly £20 million annually in fees. They speak warmly of trying to find their account owners, but in practise they do very little to achieve this, again with the exception of NatWest.

As the trust 'settlor', HMRC should have required records to be maintained of which accounts were HMRC-allocated, notwithstanding account provider mergers over the past twenty years; but

they failed to do this, and they are still not giving priority to carrying out the analysis in retrospect. It was the discovery at The Share Centre which opened my eyes to the problem: our analysis showed that 86% of these accounts were either never registered or 'addressee gone away'.

This is why The Share Foundation set up its free search facility, **https://findCTF.sharefound.org** , in 2018, and so far we've linked 139,000 applicants with about £311 million worth of accounts. In 2019 we encouraged and supported the Westminster Hall debate led by Helen Goodman MP, and **this is what she had to say** about unclaimed low-income Child Trust Funds:

'But for those children from families on Child Tax Credit, the worst-off, struggling families in the lowest 15% of the income distribution there is no contact information for four out of ten of them, and The Share Foundation tell me that on top of that another 40% have been contacted but have not responded. So this is something between 400,000 and 800,000 children with accounts valued at £1,600 — a lost value of £710 million or even £1.4 billion. This is completely disgraceful.'

Therefore, the **monitoring** of which accounts are HMRC-allocated is fundamentally important. 96% of those 139,000 applicants linked through The Share Foundation's search facility were administered by HMRC-allocated account providers: this bears out our estimate that the unclaimed rate for these accounts is so much higher than for family-opened accounts.

Of course, there are considerable differences in the proportion of HMRC-allocated and low-income Child Trust Funds across the country, as the analysis linked through the description of this programme shows. The worst affected areas are the devolved nations — Wales, Scotland and Northern Ireland — and the northern regions of England (including the north-west: Andy Burnham, please take note).

With 71% of Child Trust Fund owners now having reached adulthood, and with half of these being aged between 21 and 23, the emphasis now needs to be placed on **delivery**. This is why The Share Foundation has been pushing so hard for the 'Automatic Release at 21' process for HMRC-allocated accounts to be introduced, over the past two years. They estimate that the system would immediately release £600 million-worth of accounts for nearly 300,000 young people, two-thirds of which would go to low-income young people, in order to transform their lives.

The Share Foundation estimates that 62.7% of all unclaimed CTFs are HMRC-allocated, compared with 28.4% at issue. The Automatic Release process would allow three years for a young person to claim or manage their account, after which the majority of unclaimed accounts would be automatically delivered. After the initial catch-up, we estimate that it would release a further £0.25 billion worth each year until 2031.

- Child Trust Fund account providers with HMRC-allocated account owners who had reached their 21st birthday would identify these unclaimed accounts and notify HMRC of that identity, including their National Insurance Number.
- HMRC would establish whether those individuals are benefit recipients, on a company payroll or in the student loan system, or through any other current relationship involving Government receipt or payment.
- HMRC would then confirm that the accounts should be closed and the proceeds paid to an HMRC transfer account for onwards payment as appropriate. HMRC would, if at all possible, notify the young adults of their impending receipt. And The Share Foundation has offered to manage this operation for HMRC, if that would help.
- All identified accounts for which HMRC have no current links would be informed as such to the account provider, who would then re-test on a quarterly basis going forwards.

At least five Economic Secretaries to the Treasury, under both Conservative and Labour administrations, have thus far refused to activate the Automatic Release proposal, citing 'legal, data and operational issues'.

On the legal aspects, The Share Foundation has sought legal advice and considers that automatic release is not just lawful, but is required to give effect to the various duties on the Government, including not further handicapping those who are already disadvantaged. A two-hour meeting with our barrister and nine HM Treasury staff and lawyers took place on 27th March '26.

For the data issues, the fact that all Child Trust Funds are directly referenced by the owner's National Insurance number enables direct access to up-to-date knowledge of these individuals' contact information through the benefits, payroll and student loan channels. HMRC is now using these channels to write to unclaimed account owners; so it has already accepted this use of data.

In a question tabled in the House of Lords, a suggestion was made in the HMRC response that the scheme was likely to 'interfere with an individual's right to manage their own financial affairs'. It is hard to accept this, when these individuals have no knowledge of the existence of their accounts!

So, where are we now?

- HMRC proposes to write to all unclaimed Child Trust Fund owners on reaching 21, using those up-to-date contact details. These letters are not expected to be sent until early '27.
- A '**CTF Taskforce**' has been established with account providers and The Share Foundation.
- Given the clear evidence both at formation — that is, lack of family action: hence their HMRC-allocation — and in communications from account providers over the years (for example, The Share Centre's analysis in 2018) we don't believe that the letter-writing campaign will work for HMRC-allocated and low-income account owners.

We are therefore asking that the new administration under Andy Burnham will activate 'Automatic Release at 21' for HMRC-allocated accounts.

The need for joined-up thinking to accommodate the opening, monitoring and delivery of savings accounts for young people, over a timespan of twenty years, illustrates the challenge of implementing long-term policies with Governments dependent upon a maximum five-year electoral cycle.

All the biggest challenges facing humanity, including inter-generational rebalancing and climate change, are, by definition, long-term. That's why we need a second chamber elected on the basis of how people want to see the country — and the world — in fifty years' time, in order to provide long-term oversight of short-term executive decisions in the House of Commons.

Gavin Oldham OBE

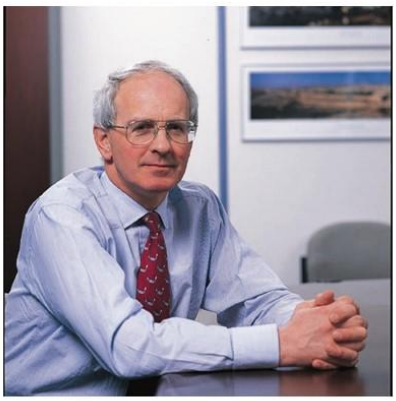
The Share Foundation

July 2026

The following pages are the slides presented at the Attlee Suite event on 15th July 2026 —

Gavin Oldham OBE

- Founder & Chair, The Share Foundation
- Former founder & CEO of The Share Centre

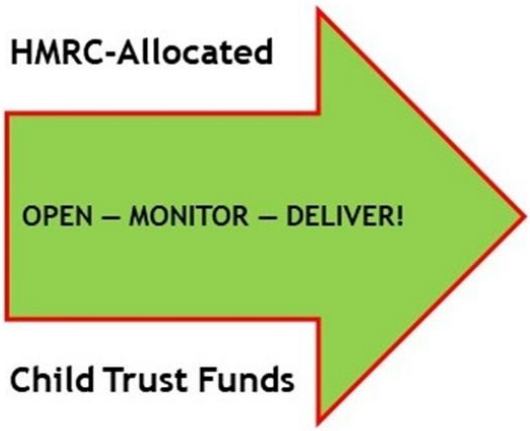


The £1.2bn challenge of unclaimed, adult-owned, HMRC-allocated Child Trust Funds

15th July 2026
The Attlee Suite

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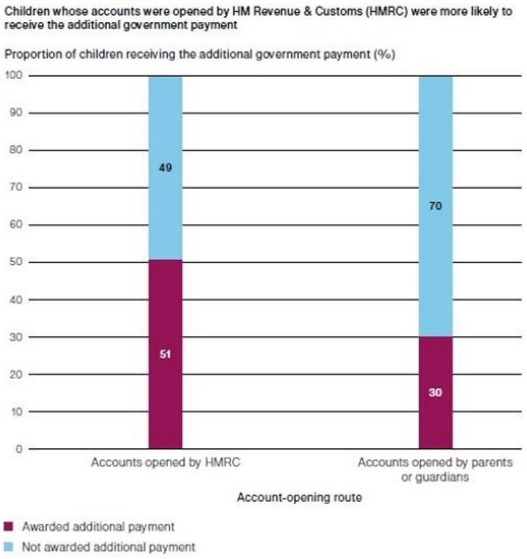
If you could forthwith provide 150,000 low-income young people across the UK with over £400 million at no cost to Government, would you take action?



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HMRC-Allocated Accounts – the core of the CTF problem

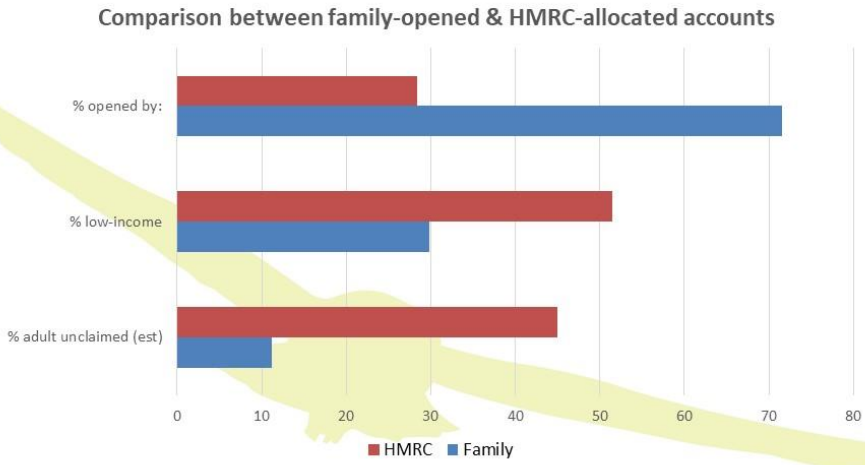
- HMRC set up 28.4% of CTF accounts on children's behalf, a total of over 1.74 million CTF accounts, because parents or guardians did not do so by the child's first birthday: i.e. HMRC was the 'settlor'
- Parents of children from low-income families were much less likely to open accounts. 51% of the accounts set up by HMRC were for children from low-income families, compared to 30% of accounts opened by families – **i.e. a 70% higher proportion**



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HMRC-allocated accounts

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Who are the HMRC-Allocated Account Providers?

- One Family, Foresters Financial, NatWest, Unity Mutual, Pilling, Scottish Friendly, Foresters Friendly, Shepherds Friendly, Healthy Investment, Sheffield Mutual. With the exception of NatWest, we understand they all charge the maximum fee of 1.5%
- There has been no statutory guidance over the past 21 years requiring identification of HMRC-allocated accounts, notwithstanding the fact that HMRC is the 'trust settlor'. Over the past 21 years there have been many provider mergers, and several say that they don't have this analysis. HMRC undertook to re-establish these records last December, but haven't done so yet
- The Share Centre did maintain this analysis: in 2018 we reviewed our 83,000 HMRC-allocated accounts and discovered that 86% were either 'never registered' or 'Addressee Gone Away' – i.e. effectively lost to the provider.

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- **That set alarm bells ringing for me ..**

Our journey at The Share Foundation

- Since 2012 we've managed the DfE Junior ISA programme for young people in care, and in 2017 we took over the same CTF programme from the Official Solicitor
- Following that revelation about the scale of lost accounts, we set up the free search facility findCTF.sharefound.org in 2018: so far, we've linked 139,000 applicants
- We encouraged and supported the Westminster Hall debate in 2019
- In 2024, we hosted a conference on unclaimed adult-owned CTFs at Church House, Westminster
- In 2025 we started pushing for automatic release at 21 for HMRC-allocated CTF, and for a new 'Child Trust Fund Mark 2'

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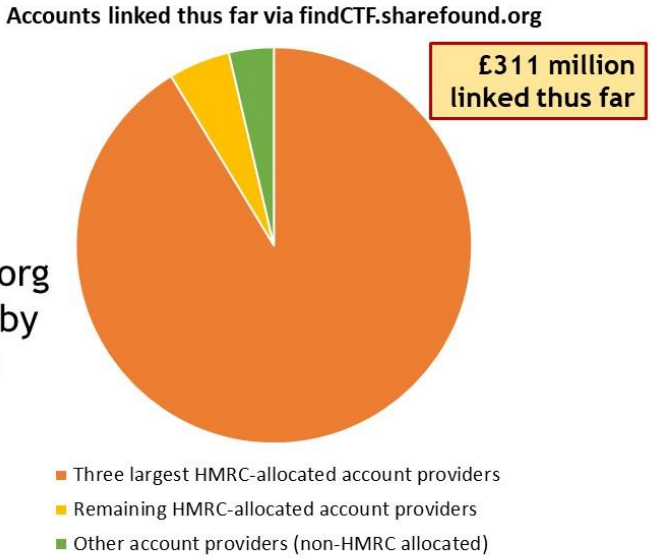
Extract from Westminster Hall Debate on 13th March 2019 – Helen Goodman MP speaking



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The core of the problem

96% of the unclaimed accounts owned by the 138,728 applicants linked via our findCTF.sharefound.org search facility were administered by HMRC-allocated account providers



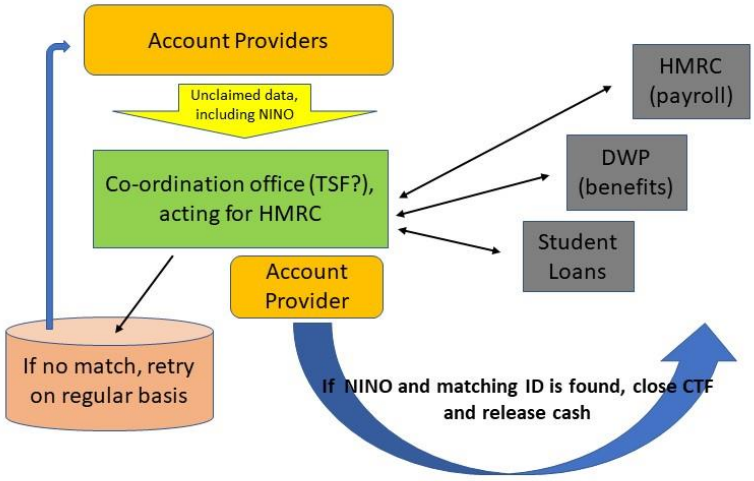
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Regional Analysis of HMRC-allocated & low-income CTFs

as at 31 May '26 *CTF numbers: ,000*	Young adults with CTFs	% of HMRC-allocated	% with addl. payments
North East	166	32.6%	45%
North West	480	32.0%	43%
Yorks & The Humber	361	31.1%	42%
East Midlands	301	27.8%	36%
West Midlands	392	30.5%	42%
East	398	23.3%	29%
London	612	28.6%	40%
South East	582	22.5%	26%
South West	331	22.7%	30%
England	3617	27.5%	36%
Wales	194	30.0%	42%
Scotland	319	33.6%	36%
Northern Ireland	135	36.2%	38%
Overseas and unknown	116	29.6%	24%
United Kingdom	**4381**	28.4%	36%

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Proposal for Automatic Release at 21 for HMRC-allocated accounts



- If this proposal was introduced as at 31st July, c. 296,000 accounts with a value of over £600 million would be released forthwith, over £400 million of which would go to low-income young adults
- The proposal has been with the Chancellor and Economic Secretary for nearly two years

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Automatic Release at 21 for HMRC-allocated accounts

The Share Foundation estimate that 62.7% of all unclaimed CTFs are HMRC-allocated, compared to 28.4% at issue. This process would allow 3 years for a young person to claim or manage their account, after which the majority of unclaimed accounts would be delivered. After the initial catch-up, we estimate that it would release nearly £0.25 billion each year until 2031.

- CTF account providers with HMRC-allocated account owners who had reached their 21st birthday would identify these accounts and notify HMRC of their identity, including their NINO.
- HMRC would establish whether those individuals are benefit recipients, on a company payroll or in the student loan system, or through any other current relationship involving Government receipt/payment. HMRC would then confirm that the accounts should be closed and the proceeds paid to an HMRC transfer account for onwards payment as appropriate. HMRC would, if at all possible, notify the young adults of their impending receipt. The Share Foundation has offered to manage this operation for HMRC, if that would help.

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- All identified accounts for which HMRC have no current links would be informed as such to the account provider, who would re-test on a quarterly basis going forwards.

The struggle with HM Treasury to date

- At least five ESTs, under both Conservative and Labour administrations, have thus far refused to activate the automatic release proposal citing 'legal, data and operational issues'
- On the legal aspects, The Share Foundation has sought legal advice and considers that automatic release is not just lawful, but is required to give effect to the various duties on the Government, including not further handicapping those who are already disadvantaged. A two-hour meeting with our barrister and nine HM Treasury staff and lawyers took place on 27th March '26
- For the data issues, the fact that all Child Trust Funds are directly referenced by the owner's National Insurance number enables direct access to up-to-date knowledge of these individuals' contact information through the benefits, payroll and student loan channels. HMRC is now using these channels to write to unclaimed account owners, so has already accepted this.
- From the operational perspective, The Share Foundation has volunteered to carry out the work involved

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Written Q&A: House of Lords, February 2024

Q: What are the reasons for declining the 'Default Withdrawal at 21' proposal for unclaimed and unregistered HMRC-allocated child trust funds? [Baroness Ruth Lister]

A: The Share Foundation have proposed a complex scheme which would require the co-operation of ISA and Child Trust Fund (CTF) managers, other Government Departments and banks and building societies to identify the relevant young people (and whether they are in receipt of benefits or government payments) and to facilitate the transfer of information and funds between those agencies. Such a scheme is likely to engage with data protection issues and interfere with an individual's right to manage their own financial affairs.

Comment: In a consequent discussion with HMRC, there was acceptance that The Share Foundation would seek legal advice to explore the viability of the proposal. This answer was a helpful summary of the issues to be tackled in that consultation but, by definition, it is hard to accept that 'interference with an individual's right to manage their own financial affairs' can apply when that individual has no knowledge of the existence of their account.

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The current state of play

- HMRC proposes to write to all unclaimed CTF owners on reaching 21, using those up-to-date contact details. The letters are not expected to be sent until early '27
- A 'CTF Taskforce' has been established with account providers and The Share Foundation
- Given the clear evidence both at formation (hence the HMRC-allocation) and in communications from account providers over the years (e.g. The Share Centre analysis in 2018) we do not believe that the letter-writing campaign will work for HMRC-allocated and low-income account owners
- **We are therefore hoping that the new administration under Andy Burnham will activate automatic release at 21 for HMRC-allocated accounts**

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