nest insight

Exploring practical ways to support self-employed people to save for retirement

Summary of findings from a multi-year research programme

Department for Work & Pensions

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About this report

This report is part of our larger research programme on supporting self-employed people to save for retirement. More information and other reports are available at **nestinsight.org.uk/research-projects/self-employed-pension-saving**

About Nest Insight

Nest Insight is a public-benefit research and innovation centre. Our mission is to find ways to support people to be financially secure, both today and into retirement. We conduct rigorous, cutting-edge research, working collaboratively with industry and academic partners to understand the financial challenges facing low- and moderate-income households. We use these data-driven insights to identify and test practical, real-world solutions. Our findings are shared widely and freely so that people around the world can benefit from our work. For more information, visit: **nestinsight.org.uk**

About our programme partner

Department for Work & Pensions

The Department for Work and Pensions (DWP) is responsible for welfare, pensions and child maintenance policy. As the UK's biggest public service department, it administers the State Pension and a range of working age, disability and ill health benefits to around 20 million claimants and customers. For more information, visit: **gov.uk/government/organisations/department-for-work-pensions**

About Nest Insight's strategic partners

Invesco is an independent investment management firm dedicated to delivering an investment experience that helps people get more out of life. Building on its strong track record in defined contribution research, and its existing partnership with the University of Cambridge Judge Business School, Invesco partnered with Nest Insight to support its ambitious programme of research, publications and events. For more information, visit: **invesco.co.uk**

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Contents

Executive summary

Over several years, in partnership with the UK Department for Work and Pensions (DWP), Nest Insight has explored the varied financial situations of self-employed people and tested ways to support them in saving more for retirement.

These innovative solutions developed through this programme of research have potential to boost engagement and saving behaviours, and in our opinion could be scaled further for greater impact. However, to truly boost retirement saving meaningfully among today's working age self-employed people, more systemic, policy-based solutions are likely to be needed.

Background

The UK's workplace pensions auto enrolment system was launched in 2012. Under auto enrolment, individuals aged 22 years up to State Pension Age who are working for an employer have a pension automatically set up for them when they start a new job and start contributing through payroll, with their employer also putting money in on their behalf. While they can opt out of saving, few do.[1] The success of the system is evident, with participation in workplace pension saving increasing over the past 10 years from 55% of eligible employees in 2012 to 88% in 2021.[2]

The auto enrolment system also relieves eligible workers from having to take numerous, complex decisions to get started with pension saving. Most employed workers no longer need to work out how to save, where to save or when to start setting aside some of their income as retirement savings. They don't need to make an initial decision of how much of their income to put into a pension because there are minimum contribution levels. They don't need to find time to compare pension providers and products unless they prefer to save into a personal pension. Their employer, or the employer's benefits adviser or accountant, does this for them. In these myriad ways auto enrolment supports employed people to save more for retirement.

The power of auto enrolment in increasing pension participation rates for employed people stands in contrast to the situation for those who are working on a self-employed basis. At the start of 2022 about 13% of the UK labour force was self-employed. Only about 1 in 5 of these self-employed people were actively saving in a pension. While some self-employed people may have workplace pensions from previous employment, or may have a personal pension, the majority are not saving into a pension regularly.

The government's 2017 review of auto enrolment committed to the aim of using the principles and learnings from auto enrolment to improve pension participation and retirement outcomes among self-employed people in the UK.[3]

So, how might self-employed people be supported to save more for retirement when they have capacity to save?

Purpose and approach

Starting in early 2019 we have been working with DWP to carry out exploratory research to design and test interventions targeted at building a better understanding of how to support self-employed people to save for retirement, with the ultimate aim of ensuring financial security for this population in later life. In this report we summarise these learnings, including for the first time sharing the results of a round of real-world trials conducted in 2021 and 2022.

Our research programme has comprised multiple stages of exploratory research and trialling, with learnings built iteratively. Self-employed people work in a range of industries and have diverse experiences managing the finances of their business and household. Because they're not a homogenous population, we knew it was unlikely that a one-size-fits-all solution for increasing retirement saving would exist in the current regulatory environment. We therefore explored a range of prompts and behavioural nudges in different settings with different populations.

1 Nest Insight, 'Retirement saving in the UK 2022: Member experience from Nest, the National Employment Savings Trust' (October 2022), **nestinsight.org.uk/research-projects/retirement-saving-in-the-uk**

2 Department for Work and Pensions (DWP), 'Workplace pension participation and savings trends: 2009 to 2021' (June 2022), **gov.uk/government/statistics/workplace-pension-participation-and-savings-trends-2009-to-2021/workplace-pension-participation-and-savings-trends-of-eligible-employees-2009-to-2021**

3 DWP, 'Automatic enrolment review 2017: Maintaining the momentum' (December 2017), **gov.uk/government/publications/automatic-enrolment-review-2017-maintaining-the-momentum**

The research programme has included:

- literature review
- qualitative research to explore messages that connect with self-employed people's needs and mindsets
- quantitative survey research to understand touchpoints for reaching self-employed people
- messaging trials with two different self-employed populations
- quantitative survey research to understand the impact of Covid-19 on self-employed people's saving attitudes and behaviours
- nudge design and timing trials with three different self-employed populations

In the latest trialling stage of our research we collaborated with two delivery partners – Penfold, a fintech pension provider, and Moneyhub, an open data and payments platform – to design and test nudges and tools which might support self-employed people save more for retirement. We also collaborated with Nest Corporation to test the effectiveness of timing messages to different moments in the tax year.

Key findings

An issue of barriers, not attitudes

In our research we repeatedly found that, despite their diversity, self-employed people on the whole do not lack interest or desire in saving for retirement. Instead, behavioural and structural barriers make it more difficult for them to save.

Barriers which were overcome through the introduction of auto enrolment for employed people persist for self-employed people. These include behavioural biases such as inertia and the present bias, where people opt for a smaller reward in the present rather than wait for a larger reward in the future, as well as people's varying levels of knowledge and confidence about pensions and some groups' traditional inaccessibility to or exclusion from the market for financial products.

However, there are also additional barriers particular to self-employed people:

- **Unpredictable income**

  Many self-employed people do not receive a regular, predictable income.

  Their expenses and income vary with their patterns of work. Even where income is more steady, it can be uncertain. This can make it hard to set up a regular amount of money to save. When they do set a regular amount, they may limit it to what is possible in lower-income months and, because of inertia, keep it there in higher-income months – leading potentially to saving less than they can afford over the long run. They may cancel regularly scheduled automatic savings, such as those set up through a Direct Debit mandate, when their income is low and then not get around to restarting saving when their situation improves.

- **Affordability**

  Self-employed people may have less excess income to save on a regular basis.

  While volatility in self-employment income means it's difficult to accurately estimate self-employed people's earnings, research suggests that on average full-time self-employed people earn less than full-time employed workers, and women who are self-employed part-time earn less than women who are employed part-time.[4]

  Self-employed people may rely on more manual approaches to money management, such as contributing to savings on an ad hoc basis when they think it's affordable, and regularly dip into liquid savings to smooth out income volatility. Setting up a pension or other long-term savings mechanism may be viewed as being burdensome, costly or risky in the near term.

[4] Office for National Statistics (ONS), 'Trends in self-employment in the UK' (February 2018), **ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trendsinselfemploymentintheuk/2018-02-07**

Appropriate message framing and timing can boost engagement.

Tailoring messages to self-employed people's starting points and contexts can boost engagement. However, messaging alone is not enough to significantly change saving behaviours.

These learnings can be used most effectively in combination with other interventions to support saving.

In the second stage of our research, reported in 2020,[5] we developed and tested messages that might be used to engage self-employed people in retirement saving. All four of the self-employed saving messages had higher engagement rates than comparable campaign emails on other topics sent to the trial populations. This suggests that tailoring messages to self-employed people's starting points and contexts will support increased engagement with retirement saving.

Our subsequent research, conducted in 2021 and 2022, found that timing messages to moments in the financial year when self-employed people are more likely to be engaged in financial reporting and planning could also boost effectiveness of engagement campaigns. Messages sent around the HM Revenue and Customs (HMRC) Self Assessment tax return deadline in January, and around the end of the tax year in April, had higher levels of engagement than messages delivered at other times.

When talking to self-employed people about saving for retirement, it helps to make messages:

› **Achievable**

Suggesting smaller, more 'palatable' savings goals is more likely to feel achievable than when the same amounts are framed as monthly contributions.

Many individuals, including self-employed people, consider decision-making around pensions to be daunting.

We found that talking about smaller potential daily contributions – such as 'Could you save £2.50 a day?' – rather than larger potential annual contributions felt more manageable and appealing, in particular among low earners and others for whom affordability might be a challenge.

› **Trustworthy**

Self-employed people seemed to be particularly sceptical of marketing communications from financial service providers. Working with trusted bodies and intermediaries could boost their engagement with key information.

Email campaigns can be valuable for imparting complex information. However, we found that some self-employed people dismissed emails about retirement saving options as pension product marketing, even when the emails came from an organisation they were affiliated with.

Many individuals, including self-employed people, turn foremost to family, friends and official authorities for financial information. Employers serve a complementary role in providing pensions information for workers enrolled through auto enrolment. For self-employed people, having a trusted authority, such as an industry body, fill that gap could help to raise awareness of pension saving opportunities and tools.

› **Immediate**

Talking about how the person might immediately benefit from saving was more engaging than a focus on their longer term-benefits.

We found that focusing on the 'here and now' – describing what actions a self-employed person could take and the immediate benefit of tax relief on savings – had more impact than talking about possible future gains such as potential investment returns and compound interest.

[5] Nest Insight, 'Talking with self-employed people about retirement saving' (September 2020), **nestinsight.org.uk/wp-content/uploads/2020/09/Talking-with-self-employed-people-about-retirement-saving.pdf**

Tailored solution designs can support incremental increases in retirement saving.

Through this research programme we have explored what saving solution designs and features might best meet different self-employed people's contexts and needs. We identified some key principles for effectively guiding the design of saving support approaches going forward:

› **Reduce friction with defaults and smart suggestions**

Saving solutions should require minimal time and effort to set up and administer.

Self-employed people are often time-pressed and face many other barriers to getting started with pension saving. Solutions should be designed to reduce potential friction along the person's saving journey, ensuring as few steps as possible are needed to set up a pension and complete a contribution or other transaction.

This could involve automation, so that a person can 'set and forget' a saving approach by setting their own parameters for when and how subsequent contributions will take place. Providing default and 'smart' suggestions, for example around how much to save, may further help to simplify and streamline the experience of saving.

› **Offer flexible autosaving mechanisms**

Flexible approaches can be a better fit with the more uncertain and variable income and working patterns of self-employed people.

We explored different routes to achieving flexibility in saving tools designed with self-employed people's contexts in mind. For example, we looked at design options that support people to 'flex' the amount of their savings contribution each month, or which make it easy for them to see the difference between their income and expenditure over a month or another period. We also explored giving people the opportunity to flex the amount or proportion to be saved at the last minute. These kinds of flexibility have high appeal and could make it easier for different kinds of self-employed people, who are not already saving regularly, to do so.

› **Provide hybrid vehicles combining accessible and 'locked in' saving**

Hybrid approaches have higher appeal for self-employed people than pension only approaches.

Self-employed people recognise that retirement savings need to be set aside for the future and see the value in pensions as a vehicle for achieving this goal. However, they also often look to keep some control over their longer-term saving in case of an unexpected expenditure or income loss.

Saving approaches which offer some built-in liquidity can help to meet this desire for control over savings while balancing it with the need to save for later life. More broadly, designing saving solutions where some funds can be more easily accessed than a pension may assure self-employed people during the decision-making process that the product is tailored to their context. Hybrid savings solutions are not currently commonly available, so market evolution and product innovation would be required to meet this need.

Technology-based trial results

This summary report includes the results from the programme's final three trials which explored new, technology-based ways to encourage saving, building on our previous learnings. These trials were conducted concurrently between December 2021 and June 2022, each involving a different population of self-employed people, different savings solutions and a different research design.

› **Moneyhub saving nudges trail**

Working with data and payments platform Moneyhub, we explored the effectiveness of nudges which prompted users to save any positive difference between their income and expenditure in a month, as well as retirement planning nudges which prompted them to look at information about saving for their future. This was a proof-of-concept trial.

› **Penfold saving mechanisms trial**

Working with digital pension provider Penfold, we tested two different flexible savings mechanisms – autosave, which supported users to automatically save a percentage of excess monthly income, and savings insights, which prompted users to save at moments when it might be more affordable to them. This was a randomised controlled trial.

› **Nest pension scheme message timing trial**

We tested whether emails to self-employed Nest scheme members that prompted them to consider making a pension contribution were more engaging at particular moments in the tax year.

We found that the innovations tested in all three if these trials were relevant to self-employed people to some extent. We observed relatively high levels of interest in the interventions, which prompted increased engagement.

However, while some of these positive results were statistically significant, the effect sizes were small, and engagement did not translate into meaningfully higher levels of saving.

We also found that it's easier to reach self-employed people who exhibit some pre-existing interest in pensions or a propensity to save – a pattern seen in research with the wider general population. Across all three trials self-employed people who had previously started saving for their retirement were more likely to respond to nudges than those who had not. It was particularly difficult to engage those who aren't already saving.

Although interest in the new, technology-based ways of saving was high, take-up was relatively low and the impact on actual pension savings was generally minimal. To go beyond these marginal gains and achieve a step-change in retirement saving among self-employed people will likely require more substantive action and systemic intervention.

Potential touchpoints

Unlike for employed people, self-employed people have no single touchpoint to support and encourage increased saving for retirement, as there is with employers in the auto enrolment system.

In our research, we explored what platforms self-employed people already use to manage their work and personal money. These include resources for finding and selling work, such as payment and invoicing platforms, as well as accountancy software and bank accounts.

While we saw some indication of openness to receiving messages or having access to mechanisms through these touchpoints, there are a multitude of providers with varying types of tools on offer. In addition, there is rarely a strong business case among financial providers for developing tools specifically to support self-employed people to save, in particular when this investment is weighed against initiatives with general reach. Further, it is not always easy to identify who is currently working on a self-employed basis, either full-time or part-time, across a customer base.

Conclusions and next steps

We hope that the learnings from this research programme will help to improve the design and effectiveness of future tools and initiatives to support self-employed people to save for retirement. Some gains could be made from designing message framing and timing around self-employed people's needs, particularly if these tailored communications are combined with solutions to support saving behaviours.

Using timely prompts and personalised nudges such as those explored in our technology-based trials could increase saving if scaled and integrated into more of the platforms and services used by self-employed people to manage their work and money day-to-day. These could include accountancy software and payment platforms as well as both personal and business bank accounts. Such innovations might have a much wider reach if they were part of the Making Tax Digital initiative,[6] and developments in open banking and data science over time could also support such an approach.

However, significant commercial investment is unlikely to emerge organically, and innovation and adoption would take time. It may be more impactful therefore to explore how a retirement saving solution connected to the income reporting and tax system might serve as an analogue to the employer payroll infrastructure for auto enrolment, which has brought the vast majority of employed people into pension saving.

6 HM Revenue and Customs (HMRC), Making Tax Digital, gov.uk/government/publications/making-tax-digital

Chapter 1

The self-employment landscape in the UK

A significant proportion of the UK labour force – about 13% in 2022 –work on a self-employed basis, either full-time or part-time.

Auto enrolment has greatly expanded participation in workplace pension saving. Yet certain groups, including self-employed people, are not currently benefiting from the system. As of the first quarter of 2022, around 4.2 million people were in some form of self-employment. It's estimated that only 18% of them are actively saving into a workplace or personal pension, compared with 88% of the working population eligible for auto enrolment through their employer.[7]

The UK's auto enrolment system

The UK government introduced workplace pensions auto enrolment in October 2012.

Under the legislation, workers must be automatically enrolled in a workplace pension if they earn a salary from an employer equivalent to £10,000 or more a year, though workers can ask to be enrolled by their employer if they earn less. Employers may also choose to enrol those earning less as a worker benefit. Larger employers were brought into the programme first, with employers of all sizes participating by February 2018. Employers make mandatory minimum contributions each pay period into a defined contribution (DC) pension scheme based on the worker's eligible earnings, with the worker making contributions to reach a mandatory minimum total contribution. The level of minimum mandatory contributions was increased in phases, reaching 8% of qualifying earnings with at least 3% contributed by the employer in April 2019.

Workers can receive tax relief from the government on their contributions, so that a gross contribution of 5% made by the employee currently involves a net contribution of 4% for most employed people.

Workers can opt out of auto enrolment within one month of being enrolled. They can also stop contributions at any time. However, they can't usually access the money in their pension pot until they reach age 55.

To learn more, see **Essentials of the UK retirement system**

The self-employed workforce

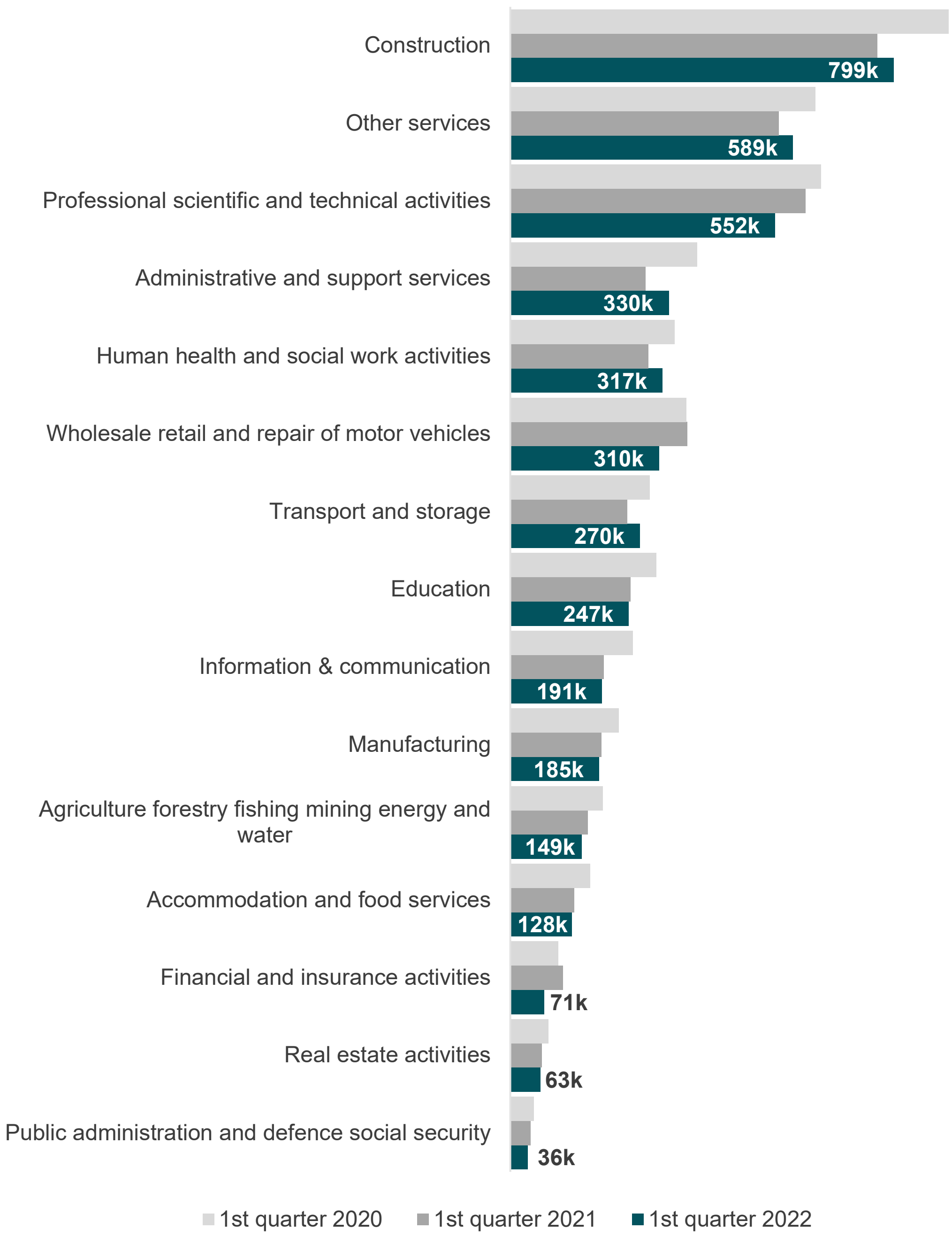
Before the global coronavirus pandemic, the number of self-employed workers in the UK had been steadily increasing, rising from 8% of the labour force in the 1970s to 15%, or about 5 million people, at the beginning of 2020.

The pandemic disturbed this growth. During 2020, for the first time in many years, there was a decline in the numbers of people identifying as self-employed. One suggested explanation is that some formerly self-employed people may have become employed as a way of coping with the impacts of the pandemic. By the end of the first year of the pandemic, the number of people who were self-employed had broadly stabilised.

Despite the slight fall in the volume of self-employment in the labour market during the pandemic, the pattern of distribution across sectors has remained the same, as seen in **Figure 1**. Construction continues to have the largest number of self-employed workers compared with other industries.

7 gov.uk/government/statistics/workplace-pension-participation-and-savings-trends-2009-to-2021/workplace-pension-participation-and-savings-trends-of-eligible-employees-2009-to-2021

Figure 1. Self-employment by industry remained relatively stable during the pandemic



Source: ONS, 'Understanding changes in self-employment in the UK: January 2019 to March 2022' (July 2022), **ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/understandingchangesinselfemploymentintheuk/january2019tomarch2022#sectoral-changes-in-self-employment**

Though in recent years there has been much focus on 'gig workers' – temporary and on-call workers, often engaged and paid for granular tasks via online platforms – this remains a minority form of self-employment. In fact, most of the growth in self-employment between 2000 and 2020 was among people who were 'solo' self-employed, that is, people who work on their own and have no employees. The vast majority (85%) of these solo self-employed individuals operate as unincorporated businesses.[8]

[8] Institute for Fiscal Studies (IFS), 'What does the rise of self-employment tell us about the UK labour market?' (November 2020), **ifs.org.uk/publications/what-does-rise-self-employment-tell-us-about-uk-labour-market**

Men are more likely than women to be self-employed, with men accounting for about two thirds (65%) of the UK's self-employed population. In contrast, there is a more even split across genders in the overall working population.[9]

Self-employed workers are also slightly older than the overall working population, with a mean (average) age of 47.6 years compared with 40.9 years for people working for an employer.[10]

Across all our research and evaluation activities we have seen that these summary characteristics do not fully capture the great diversity of the UK's self-employed population. This is far from a homogeneous group. Self-employed people have a wide range of circumstances, approaches to working and attitudes about work and finances. Experiences vary by sector, as have the impacts of the pandemic.[11] How people see their self-employed work also varies, from those for whom it is a business to those who say it pays the bills and to those for whom it is a passion or a hobby (see **Table 1**).

Table 1. Self-employment has diverse personal and financial purposes

How would you describe your self-employment work?	Percentage
It pays the bills	**38%**
It's a fully professional business	**35%**
I'm following my passion	**34%**
It's becoming a professional business	16%
It's a hobby business (I do it in my spare time)	16%
It's a family business	7%

Source: Nest Insight survey, September 2020. Base: 2,023 self-employed people (479 with no answer were excluded), weighted by sector and working status. Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook: Summary of learnings from UK survey research conducted in September 2020' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Nor is being self-employed a fixed or 'exclusive' state. There is considerable overlap and blur between the employed and the self-employed populations. Among the self-employed sample in our survey research conducted in autumn 2020, just 14% described themselves as only ever having been self-employed during their working life.

This blur is also reflected in pension holdings. One third of the self-employed people we surveyed said they have a workplace pension, suggesting they'd been in a position of employment at some point.[12] While over two thirds (68%) said they planned to continue with their self-employed work and had no plans to seek employment in the next 12 months, around a quarter (23%) said they planned to continue with their self-employed work and also seek employment. Only 3% said they planned to stop being self-employed and solely seek employment instead.

Self-employed people and money management

Other blurry boundaries seem to be common in, if not characteristic of, being self-employed. In our 2020 survey, around half (52%) of self-employed people reported that they do not separate their business and personal finances saying they 'manage the finances related to their personal life and self-employed work together' (see **Figure 2**). Only 42% said they have a current account specifically for their work or business. Even fewer had a credit card (13%) or loan (7%) specifically for self-employment purposes.[13]

[9] **ifs.org.uk/publications/what-does-rise-self-employment-tell-us-about-uk-labour-market**

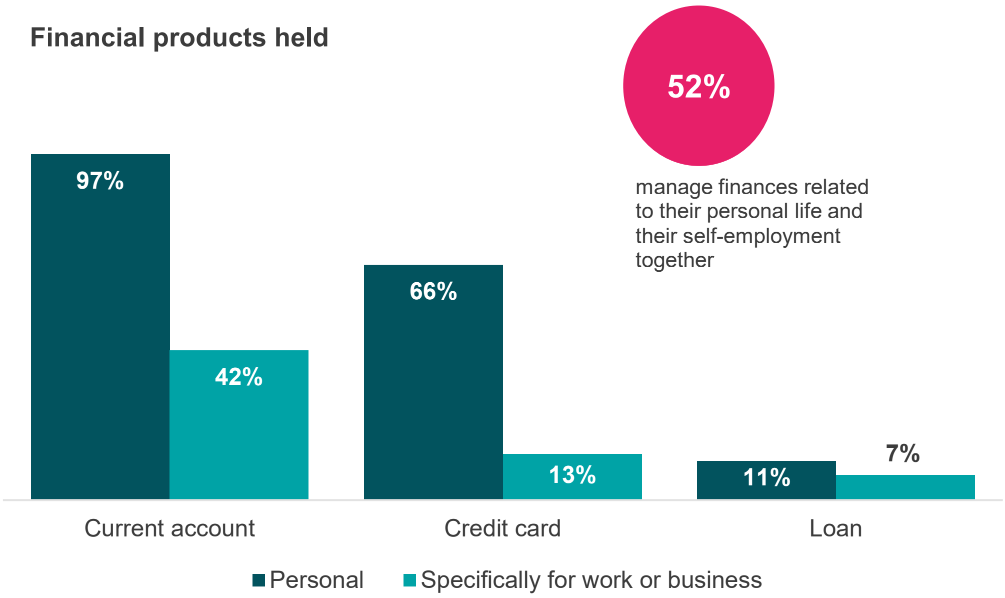
[10] ONS, 'Understanding changes in self-employment in the UK: January 2019 to March 2022' (July 2022), **ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/understandingchangesinselfemploymentintheuk/january2019tomarch2022#sectoral-changes-in-self-employment**

[11] Centre for Economic Performance (CEP), 'Covid-19 and the self-employed – a two year update' (May 2022), **cepcovid-19-028.pdf**

[12] Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook: Summary of learnings from UK survey research conducted in September 2020' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

[13] Ibid.

Figure 2. Most self-employed people intermingle their personal and business finances



Source: Nest Insight survey, September 2020. Base: 2,023 self-employed people. Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook: Summary of learnings from UK survey research conducted in September 2020' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

However, most self-employed people (70%) told us they are confident in handling their self-employment work or business finances. This does not mean that they are as confident about their self-employment income. Around half (55%) of self-employed people said they often worry about their future, with 15% feeling as though they're 'always busy firefighting' and one third (32%) 'never sure when they will have money'.

Despite – or perhaps because of – these challenges, around two thirds (64%) said they were looking to grow their self-employment work or business further.

Self-employed people and retirement saving

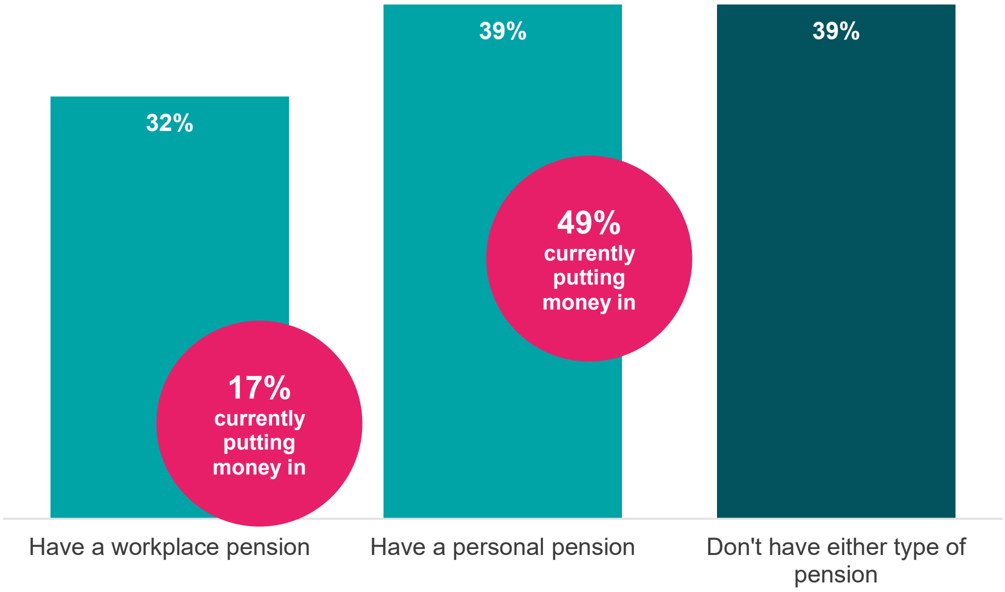
In the 1990s pension participation among self-employed people was on average at a similar level as for private-sector employees. Since then, the proportion of self-employed workers contributing to a private pension has been steadily declining, dropping to just 16% in 2018.[14]

According to the most recent Office for National Statistics (ONS) data, only 18% of self-employed adults are currently contributing to a pension.[15] This low level of pension saving among self-employed people was reflected in our own research: though approximately one third of the self-employed people we surveyed said they had some kind of pension, a lower proportion were actively contributing to it. This is seen in **Figure 3**.

[14] IFS, 'Retirement saving of the self-employed' (October 2020), **ifs.org.uk/publications/retirement-saving-self-employed**

[15] **gov.uk/government/statistics/workplace-pension-participation-and-savings-trends-2009-to-2021/workplace-pension-participation-and-savings-trends-of-eligible-employees-2009-to-2021**

Figure 3. When self-employed people have a pension, they may not be actively contributing to it



Source: Nest Insight survey, September 2020. Questions: Do you currently hold either of the following types of pension, regardless of whether you are paying into them? And are you currently contributing or paying into the pension? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

The pension savings situation for self-employed people stands in contrast to the position for employees eligible for auto enrolment in the UK. According to the latest review of workplace pension participation, 88% of eligible employees – or about 20 million people – were participating in a workplace pension in 2021, up from 55% of employees in 2012.[16]

Auto enrolment has proved to be successful in driving up pension saving among employed people. The persistently lower levels of saving for retirement among self-employed people, who are not covered by the auto enrolment system, reinforce the importance of structural supports in encouraging behavioural change across a population, at scale.

16 **gov.uk/government/statistics/workplace-pension-participation-and-savings-trends-2009-to-2021/workplace-pension-participation-and-savings-trends-of-eligible-employees-2009-to-2021**

Chapter 2

Research approach

This research programme was set up to test real-world approaches that might support more self-employed people to save for retirement and reduce the gap in pension participation between employees, who are automatically enrolled, and self-employed people, who aren't. It recognises that the diversity of experiences among self-employed people demanded a multi-faceted approach.

Programme background

The 2017 Conservative Party manifesto contained a commitment to extend auto enrolment to self-employed people. Later that year the Department for Work and Pensions' (DWP) review of auto enrolment[17] concluded that the system's current framework was not suitable for self-employed people, as there is no entity like the employer to take on the duties of enrolling individuals in a pension scheme.

In addition, DWP's review noted that the diversity of the self-employed population meant that one solution wouldn't necessarily be able to fit all. Several, possibly many, solutions might be needed. The government committed to carrying out trials of a number of different approaches drawing on learnings from the success of auto enrolment and aimed at improving long-term and retirement saving among self-employed people. Since 2019 DWP has been working with Nest Insight and other partners to address this.

This research programme is part of a broader programme of work outlined in the DWP paper 'Enabling retirement savings for self-employed people: pensions and long-term savings trials'.[18]

Objectives and scope

The objectives of this research programme have been to build a stronger evidence base around what is driving the lower rates of retirement saving among self-employed people, and to start to identify potential solutions to any challenges and barriers.

Specifically, the programme sought to address the following research questions:

› Do self-employed people have distinct preferences around saving for retirement when compared with employed people?
› What mechanisms might drive voluntary adoption of saving behaviours among self-employed people?
› What mechanisms might support regular savings contributions within the context of self-employed people's day-to-day management of their finances?

Our research has considered what could be possible within current regulatory frameworks rather than any changes in regulations or other policy levers. This shaped the choice and design of communications, engagement approaches and market innovations that could be developed, tested and trialled.

[17] DWP, 'Automatic enrolment review 2017: Maintaining the momentum' (December 2017), **gov.uk/government/publications/automatic-enrolment-review-2017-maintaining-the-momentum**

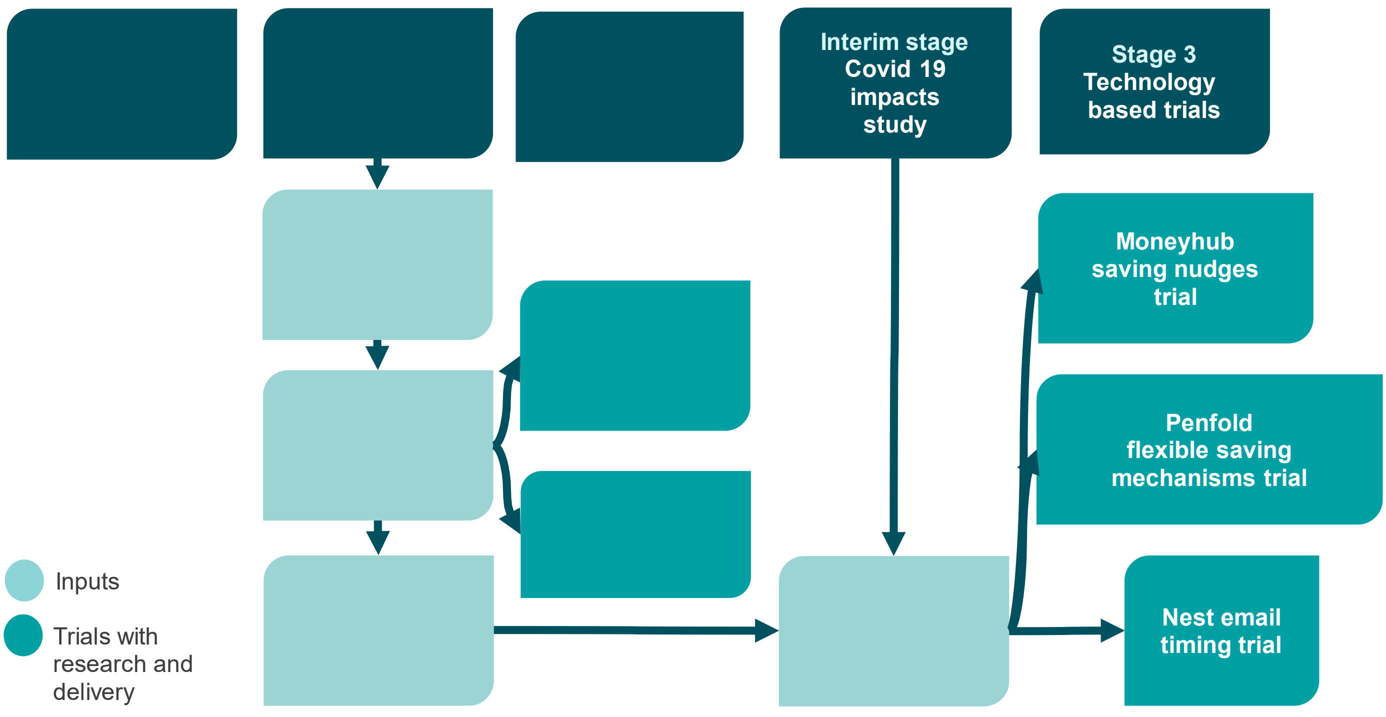
[18] DWP, 'Enabling retirement savings for the self-employed: Pensions and long-term savings trials' (December 2018), **gov.uk/government/publications/pensions-and-long-term-savings-trials-for-self-employed-people/enabling-retirement-savings-for-the-self-employed-pensions-and-long-term-savings-trials**

Methodology

This research programme involved multiple stages, or sub-projects, building understanding of the circumstances of self-employed people iteratively. These included:

- A literature review of published evidence on what works in prompting voluntary take-up of pensions and long-term savings.
- Qualitative exploration and development of a set of messaging concepts designed to encourage pension saving as well as ideas for mechanisms that could enable more saving.
- Quantitative survey research to better understand the saving behaviours and interactions of self-employed people with different online platforms and to test the appetite for different retirement saving mechanisms.
- Messaging trials to test the effectiveness of different message frames with different self-employed populations, with samples drawn from the membership of the Association of Independent Professionals and the Self Employed (IPSE) and self-employed Nest scheme members.
- Quantitative survey research to examine the financial impact of Covid-19 on self-employed people, including in their ability to save and their need for different types of saving solutions, such as emergency and hybrid saving tools.
- Technology-based trials to test the attractiveness and effectiveness of flexible saving mechanisms as well as a range of default pension product and contribution options, carried out in partnership with platforms and services used by self-employed people.

Figure 4. Taking a multi-faceted research approach



Research reports for each of these individual stages of the research can be accessed from Nest Insight's research library at **nestinsight.org.uk/research-library-self-employed**

Unless otherwise stated, statistics shared in this report are taken from Nest Insight's survey of self-employed and employed people conducted in September 2020. For details on our survey methodology please refer to **The impact of Covid-19 on self-employed people's saving outlook: Summary of learnings from UK survey research conducted in September 2020**

The evolving context to this programme

The first piece of research in this programme was carried out in 2019 and our last concluded in 2022. Across this four-year span, there have been significant changes in the economic context of self-employed people and the population generally.

The impact of the coronavirus pandemic

Shortly after the World Health Organisation (WHO) declared a global pandemic in March 2020, the country was sent into lockdown to reduce the spread of the virus and the impact of Covid-19. This of course caused great disruption in working patterns for all, regardless of people's employment status. From May 2020 onwards the lockdown was gradually eased, with a second national lockdown imposed from November to December 2020 and a third from January 2021. Restrictions began to ease again in March 2021, with most lifted by summer 2021. Additional measures were put in place during winter 2021/22 to prevent spread of new virus variants, but these were lifted in January 2022.

The government set up a number of support schemes for workers. Individuals who had earned at least half of their income through self-employment before the pandemic and had lost income due to the pandemic could apply for income support.

We decided to pause our planned research programme in April 2020 and later carried out an additional specific piece of quantitative research to understand the impacts of Covid-19 on self-employed people's finances, wellbeing and savings outlook (see **Figure 4**). This involved adding a survey of both self-employed and employed people, which was conducted in September 2020, while pandemic restrictions were lifted but some support schemes for businesses and self-employed people were still active.

Many studies have shown that the financial impacts of the pandemic have been unevenly distributed.[19] Some households found themselves worse off as their job opportunities and income were reduced, while others found themselves better off than usual as their income was unchanged and they were spending less because of lockdown restrictions. In our survey, around 6 in 10 self-employed people (61%) reported that their income had decreased since Covid-19, 3 in 10 (31%) said it had stayed broadly the same and just under 1 in 10 (8%) said their income had increased. More self-employed people than employed people said that Covid-19 had had a negative impact on their general wellbeing (50%, compared with 41% for employed people) and that uncertainty about their business or work had been a strain during the pandemic (54%, compared with 35% for employed people).

Although some people told us they were saving less at this point in the pandemic, others said they were saving more or had started saving where they previously hadn't been. Around half of self-employed people reported that the amount they were saving for any reason had not changed. Around 1 in 5 said they had decreased the amount they were saving. There were, however, some self-employed people who increased their saving in the first year of the pandemic, with 15% saying they had increased saving for emergencies or unexpected expenses and 9% saying they had increased saving for retirement.

Without doubt, the impacts of the pandemic have continued beyond the time when this research was conducted. Subsequent research has described the manner in which some self-employed people were particularly hard hit, with drops in income and profits proving to be persistent two years on, and low levels of resources in place to cope with any additional financial hardship.[20]

The classification of gig workers

This programme did not focus in particular on the circumstances of so-called gig workers, particularly those working for online platforms, partly because there was some uncertainty about whether this group should indeed be classified as self-employed, and what employment rights they should be afforded, across the period during which we were conducting this research. Indeed, in February 2021 the Supreme Court ruled that a group of Uber drivers who brought a case for employment rights should be classified as workers and were therefore entitled to employee benefits. Uber announced following the judgement that they would be enrolling all their ride-hailing drivers into a pension scheme.[21]

19 See, for example, research conducted for the abrdn Financial Fairness Trust's Financial Impact Tracker, **financialfairness.org.uk/en/our-work/coronavirus-financial-tracker**

20 **cepcovid-19-028.pdf**

21 Sarah Butler, 'Uber to pay pensions to all its UK drivers, backdated to 2017', *Guardian* (24 September 2021), **theguardian.com/technology/2021/sep/24/uber-to-pay-pensions-to-all-its-uk-drivers-backdated-to-2017**

The Supreme Court ruling may have broader implications for gig workers and others working under ‘non-standard’ terms. For example, some self-employed people may combine employment income earned through gig-worker platforms with self-employment. This could lead to further normalisation of the idea of pension saving among a larger portion of the self-employed population.

Cost of living challenges

More recently, starting in March 2022, the cost of living in the UK has increased, with prices of essentials such as food, fuel and energy, as well as the cost of mortgage borrowing, rising significantly. This has put more financial pressure on households and businesses. ONS research conducted from March to June 2022 found that more than one third (35%) of people had cut back on food and essentials, and more than half (51%) had cut back on gas and electricity use at home in response to rising costs.[22]

Many self-employed people will be among those affected, in both their household and their business finances. They may also face increased uncertainty and risk with respect to their self-employment prospects, for example if some of their clients are struggling financially and can’t pay for the same level of goods and services.

We expect that these financial pressures could impact the affordability of saving for at least some self-employed people. However, this is not something we’ve explored within this programme given that our data collection was completed by June 2022.

[22] ONS, ‘What actions are people taking because of the rising cost of living’ (August 2022), **ons.gov.uk/peoplepopulationandcommunity/personalandhouseholdfinances/expenditure/articles/whatactionsarepeopletakingbecauseoftherisingcostofliving/2022-08-05**

Chapter 3

Saving attitudes

Most self-employed people want to save for retirement. Although they may lack confidence about what and how to save, many are open to receiving support and guidance and value pensions as a way of saving for retirement.

Importance of saving

In our autumn 2020 survey research, we found that self-employed people do not differ greatly in their attitudes towards saving for retirement from people working for employer:

- **Saving specifically for retirement** – Both groups think that saving for retirement is important. Three quarters (75%) of self-employed people said 'it's important to put money aside for retirement', which is in line with the proportion of employed people (77%) who said this.
- **Valuing guidance** – Nearly as many self-employed people (53%) as employed people (59%) were open to guidance, saying they would 'welcome more guidance on how best to save for my retirement'.
- **Looking for encouragement** – Nearly as many self-employed people (42%) as employed people (49%) were eager for more support, saying they 'need encouragement to help me plan better for funding my retirement'.

The vast majority of self-employed people believe saving for retirement is important.

In a survey conducted in spring 2022 as part of our email trial to test the timing of retirement saving messages (see **Chapter 5**), self-employed Nest scheme members ranked retirement saving as a high financial priority, with only paying off a mortgage, raising children and growing a business coming before it.

Although self-employed people who don't already have a pension are less likely to say that it's important to put money aside for retirement compared with those who do, the proportion of this group who think it's important is still high, at 65%. This suggests that, for most self-employed people, perceived importance is not a barrier to their saving.

Confidence

While self-employed people and employed people hold similar views about the importance of saving for retirement, self-employed people are less likely to feel confident about saving.

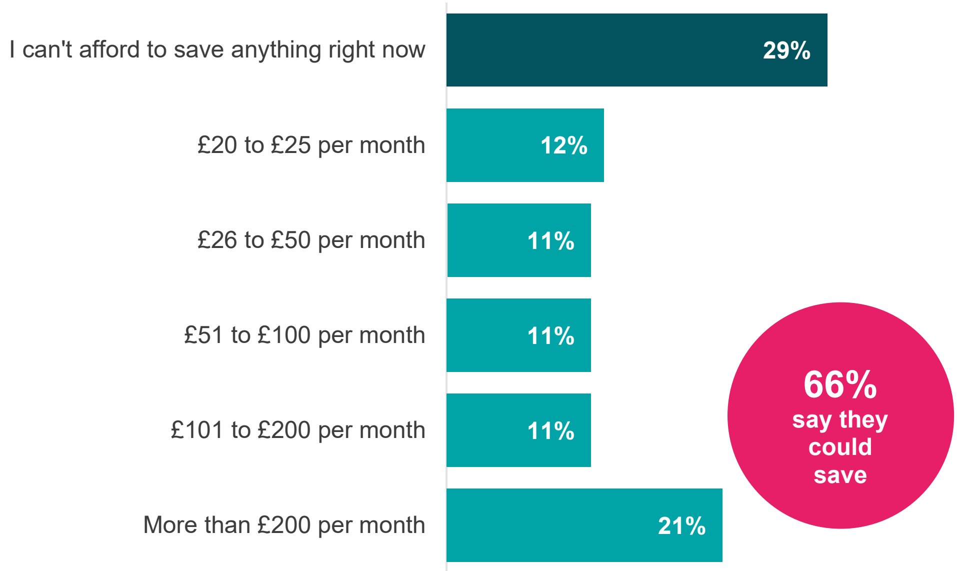
This is not to say that confidence levels are high among people working for an employer. But whereas half (50%) of employed people in our survey said they are 'confident about how they are going to fund my retirement', 4 in 10 (40%) self-employed people felt the same way. Further, around one third (32%) of self-employed people reported that they 'put off thinking about pensions because it makes me feel nervous'. About 1 in 5 (20%) self-employed Nest members said they 'don't really understand pensions' and nearly 6 in 10 (57%) said they have only a 'basic understanding'.

Self-employed people's confidence was more likely to have been impacted by the pandemic, with 37% of self-employed people saying their confidence that they'd be able to financially provide for their retirement had decreased since Covid-19, compared with 22% of employed people.

Perceived ability to save

Most self-employed people said they could afford to save for any reason, whether they were actively doing so or not. In our autumn 2020 survey around two thirds (66%) of self-employed people said they could currently afford to save at least something each month, with around 1 in 5 (21%) saying they could afford to save more than £200 monthly. However, 29% of self-employed people reported that they couldn't afford to save anything (see **Figure 5**).

Figure 5. Most self-employed people said they could save something each month



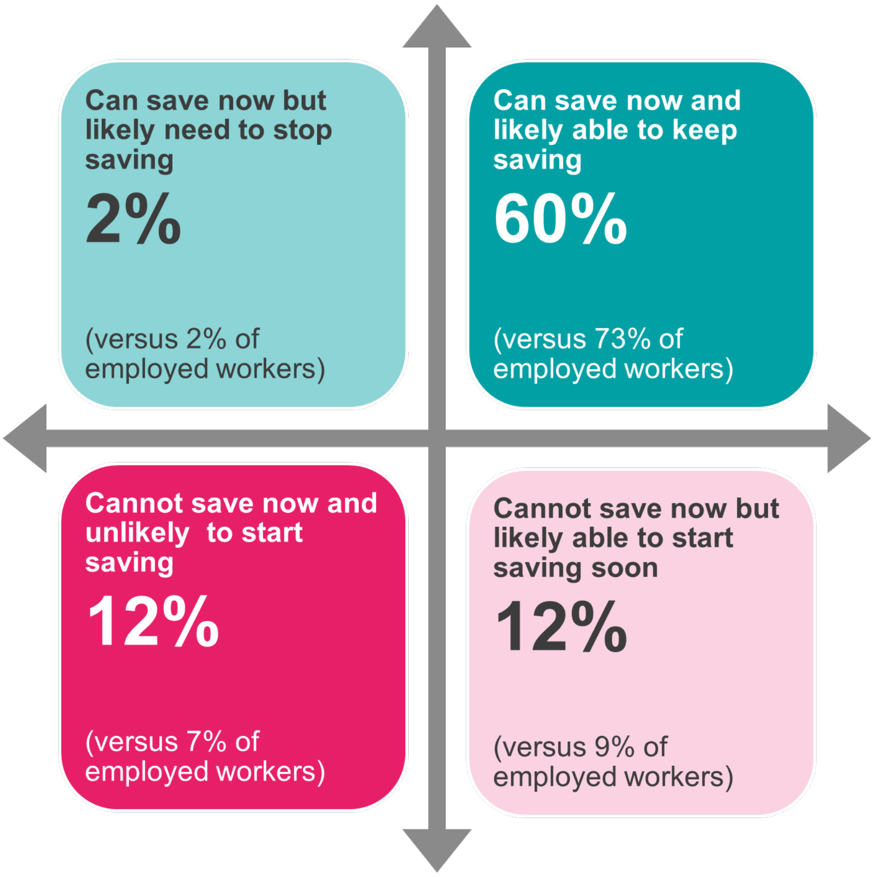
Source: Nest Insight survey, September 2020. Base: 2,023 self-employed people and 1,001 employed people. Question: At the moment, how much of your income do you think you could personally afford to put aside to save for any purpose, regardless of whether you are actually saving at the moment or not? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

When we asked them to consider a longer timeframe for saving, comparing now with next year, over 7 in 10 (72%) self-employed people said they would either be able to start saving or continue to save in this near future. We identified four sub-groups based on people's self-reported ability to save, as seen in **Table 2** and **Figure 6**.

Table 2. What affects self-employed people's perception that they'll be able to save in the future

Sub-group		Characteristics
Those who can save now and will be able to continue saving	60%	People in this group were more likely to have higher personal incomes, more likely to be working full-time, more likely to be men and more likely to employ others. They were also more confident in their retirement plans, although one third of them said they didn't currently have a pension.
Those who can save now but are likely to need to stop saving	2%	This group was too small to profile.
Those who can't save now but are likely to be able to save in the next six months to a year	12%	People in this group were more likely to have seen their finances adversely hit by the pandemic. They were more likely to be younger, although there was a range of ages. They were likely to be freelancers (89%). Although most in this group were men, they were more likely to be women than were the other groups.
Those who can't save now and think they're unlikely to be able to start saving in the next six months to a year	12%	Most in this group had seen their income fall during the pandemic, with over half saying it had gone down by more than 25%. They most commonly worked in the arts, retail and tourism and were more likely to be in lower-income households and to be middle-aged. Most said they worry about their future (76%). They were more likely to think that nothing they do will make a difference to their financial situation – 33%, compared with 15% for the full survey population.

Figure 6. Self-employed people most 'at risk' of not saving, compared with those saving or likely to save



Source: Nest Insight survey, September 2020. Questions: At the moment, how much of your income do you think you could personally afford to put aside to save for any purpose, regardless of whether you are actually saving at the moment or not? And how do you think ability to save is likely to change over the next six months to a year, compared to now? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Clearly, it is likely that this picture would change if we were to repeat this survey today in the context of current cost of living challenges.

Role of pension saving

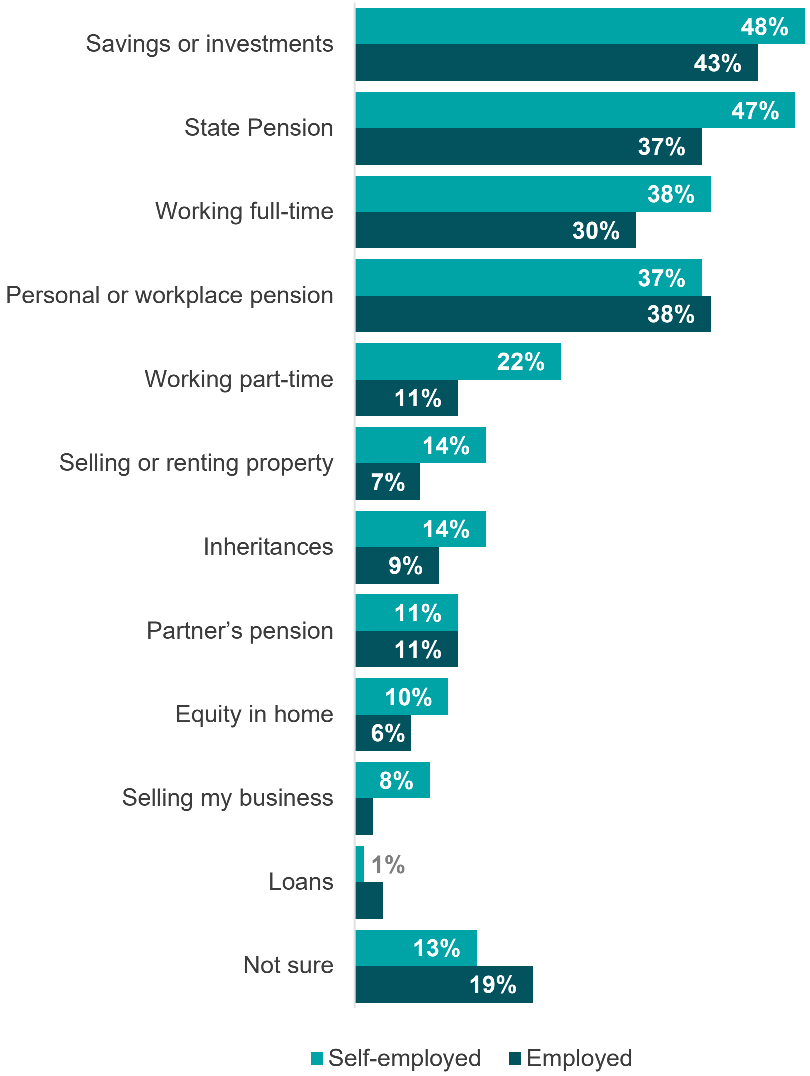
Self-employed people are as likely as employed people to think that a pension will play a role in funding their retirement. Yet, they're also more likely than employed people to look to a broad range of income sources.

Most self-employed people think their retirement income will come from a combination of the State Pension, savings or investments, and pensions, as seen in **Figure 7**. They are also more likely than employed people to think they will fund their retirement by continuing to work, either full-time or part-time, and from selling or renting property or from equity in their home. In addition, 8% of self-employed people anticipate that they'll partly fund their retirement by selling their business.

Some sub-groups of the self-employed population are less likely to think they will use a personal or workplace pension to fund their retirement. These include those aged under 35 (12%), women (20%), those with an income of less than £20,000 (19%) and those who are Asian or Asian British (9%).[23] This is not surprising given the low levels of pension saving among this population more generally.

[23] Data by ethnicity is indicative only, due to small base size.

Figure 7. How people plan to fund their retirement, by employment type



Source: Nest Insight survey, September 2020. Question: Looking ahead, which, if any, of these do you plan to use to help fund your retirement? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

It's sometimes stated that self-employed people are less likely than employed people to want to use a pension to fund their retirement. We found the views of self-employed people on the suitability of pensions as vehicles for retirement saving to be mixed:

- **Put off by inaccessibility of savings** – About 4 in 10 (39%) of self-employed people said they're put off saving into a pension scheme because they couldn't easily access the money they've saved if they need it. This is similar to the percentage of employed people (40%) who said the same thing.
- **See the long-term benefits of inaccessibility of savings** – Nearly half (47%) of self-employed people agreed that in times of crisis, it's a good thing they don't have easy access to their retirement funds to protect their retirement income. This is less than the percentage of employed people (58%) who said the same thing.

While some people – whether employed or self-employed – are reluctant to 'lock' their money away in a pension until their retirement, there is recognition that this protects their future financial position in a way that is desirable even in the face of immediate, short-term pressures.

Chapter 4

Retirement saving barriers

While self-employed people see the importance of saving for retirement, structural and contextual barriers make it more difficult for them to save.

Self-employed people are not covered by the auto enrolment system. The structures and processes underpinning auto enrolment for workplace pensions were designed to address workers' challenges to saving for retirement, and these challenges are not unique to employed workers. Indeed, many of the general barriers that hampered participation in pension saving among employed people before auto enrolment are pertinent to self-employed people.

Behavioural biases

People are hampered by many cognitive biases which present barriers to retirement saving. These include behavioural biases such as inertia and the present bias, where people opt for a smaller reward in the present rather than wait for a larger reward in the future. Other factors include people's varying levels of knowledge and confidence about pensions, and some groups' traditional inaccessibility to or exclusion from the market for financial products.

Thinking about, and then taking steps, to address an often-distant future is behaviourally difficult for people. Auto enrolment addresses these biases by removing the need for employed individuals to actively think about saving for retirement, or to actively take steps to get started saving. It also overcomes loss aversion by putting a percentage of an employee's income into their pension before they have the opportunity to see that money as 'take-home' pay deposited into their current account.

These barriers to retirement saving continue to exist for self-employed people.

Our research suggests that self-employed people do indeed struggle to 'get around to' pensions. In our autumn 2020 survey, 1 in 10 (10%) self-employed people said they feel too busy to sort out their finances. This was echoed in our qualitative interviews with self-employed people, who repeatedly said they have limited bandwidth to engage with anything beyond what's strictly necessary. It was also confirmed in a follow-up survey to our email timing trial conducted with Nest scheme members in 2022. The most commonly cited reason for not having logged in to their account after receiving the email was having 'just not got around to it'. Half (50%) of respondents said this was the case for them.

Varying levels of knowledge and confidence

Even when behavioural barriers are overcome and people get to the point of trying to set up a pension, it can be hard for them to know how to do it and where to go to get started. As described in **Chapter 3**, there are varying levels of confidence, knowledge and awareness of pensions across the population of self-employed people. While some are sophisticated and confident consumers of pensions and other investment products, many lack belief in their ability to navigate the market or to put a robust retirement plan in place. This can cause anxiety and lead to inaction.

In the auto enrolment system, minimum pension saving levels are set as defaults. Age limits, earning thresholds and an earnings trigger are all laid out in the regulations. To begin saving for retirement outside of this system, an individual must make a series of complex decisions – including when to start saving, where to start saving, how much to save and how often to save. We know that decisions like these introduce friction and cognitive load, and can cause people to drop out of a set-up journey for a pension or other retirement savings vehicle.

When we asked about sources of guidance related to business or personal issues in our 2019 survey, self-employed people were more likely to say they turned to family or friends (52%) or peers ('people like me') (32%) than to an accountant (29%) or their bank (20%). DWP's Planning and Preparing for Later Life survey, which was conducted with 40- to 75-year-olds, found that self-employed people were less likely than employees to have sought information, advice or guidance to plan for retirement.[24] While some self-employed people are connected to good quality advice and support, many have not yet found a good source of guidance to help them navigate the multitude of retirement saving decisions.

Inaccessibility and exclusion

Before the introduction of auto enrolment, some employers may not have been able to find a workplace pension scheme that would serve their employees, particularly if their headcount was small. The pension providers market was more focused on large employers and catering to high-income employees, because these were generally seen as being more profitable. With auto enrolment, all employers have a duty to enrol their employees in a pension and a new market of pension master trusts has emerged to serve a broader population.

However, self-employed people may still find it difficult to put a retirement savings vehicle in place. There are some high-quality, good-value pension options available but not all pensions are open to self-employed people. Additionally, some of the providers that do offer pensions to the self-employed do so only where the individuals already have a high level of pension savings, commit to a high minimum contribution per month or are set up by an independent financial adviser.

Indeed, whereas employers find and put in place a pension scheme on behalf of their employees, self-employed people have no such support. The self-employed don't have an employer to automatically transfer contributions into their pension pot every time they're paid. And, of course, they miss out on getting 3% of their qualifying earnings as a minimum pension contribution from their employer. The employer's share of the overall 8% minimum contribution into a workplace pension can be an extra incentive for employed people to stay in, rather than opt out of, the auto enrolment system.

In our trials we often observed high levels of initial interest in saving among self-employed people, followed by much lower levels of follow-through action to ensure mechanisms for regular saving were in place. It was easier to stick with the status quo than to navigate the complexity of choosing a pension product and provider. For employed people, the status quo has become saving in a pension.

Self-employed people who say they struggle with saving, or report that they're not sure they could ever start to save, tend to be younger and on lower incomes than the overall population who are self-employed. Those who have not yet taken any steps towards setting up a pension or savings will need more support to encourage them to start. They may not know where to go to set up a pension or how to manage saving into it.

Unpredictable income and affordability

Additionally, there are particular characteristics of self-employed work and earnings that can create barriers to saving.

Many self-employed people do not receive a regular, predictable income. Often their expenses and income vary with their patterns of work. Even where income is more predictable, it can be uncertain. For example, there may be a fear that a major client will not pay, or that regular work could dry up in future. As one self-employed person told us during previous research, 'People who work for a company, they have the same pay from month to month. But I don't know what I'm going to make so I can't plan ahead.'[25]

[24] DWP, 'Planning and preparing for later life: Findings from the 2020/21 survey' (June 2022). **gov.uk/government/publications/planning-and-preparing-for-later-life/planning-and-preparing-for-later-life**

[25] Nest Insight, 'Retirement saving and the self-employed: A research summary' (May 2018), **nestinsight.org.uk/themencode-pdf-viewer/?file=https://www.nestinsight.org.uk/wp-content/uploads/2021/02/Retirement-saving-and-the-self-employed.pdf**

While volatility in self-employment income means it's difficult to accurately estimate self-employed people's earnings, research suggests that on average full-time self-employed people earn less than full-time employed workers. Women who are self-employed part-time also earn less than women who are employed part-time.[26] Some saving is affordable for most self-employed people, but at the lower end of the income spectrum, financial pressures can be more intense for self-employed people than they are for employed people. Additional uncertainty may arise from having less of a statutory safety net in place than employed people. For example, there is no statutory sick pay for self-employed people if they are unable to work for an extended period because of illness.

Under auto enrolment, employed people contribute a percentage of their income to their pension. This means that the actual contributions vary each pay period if their income goes up or down. For self-employed people there are commonly two ways to save – either setting up a fixed amount of money to be automatically saved each month or contributing on an ad hoc basis. While these approaches do work for some self-employed people, the first option may be unappealing for those who worry about affordability, while the latter option may involve cumbersome steps and be unreliable. If a self-employed individual has set up automatic saving, they may be inclined to cancel it when income is low and then not restart it when their situation improves. An additional nuance here is that some self-employed people feel that, given the amounts they could put aside are likely to be small, it's not going to be worth putting that money in a pension.

How barriers to saving add up

Together, these barriers can make it more difficult for some self-employed people to get started with retirement saving and commit to saving a regular amount of money. Where this does happen, the regular amount saved may be suppressed to what is possible in lower-income months. Self-employed people may also be more likely than employed people to rely on more manual approaches to money management and financial planning, such as contributing to savings on an ad hoc basis. In our 2022 survey of self-employed Nest members, half (51%) said they saved into their pension manually, 13% said they saved into it automatically and 9% said they did a mix of both. Although ad hoc saving can be responsive to income, it also has a drawback – people have to remember to save and get around to actually doing it. That habit can be hard to form: 60% of the self-employed Nest members saving automatically in our sample had a history of regular saving, while 58% of manual savers didn't.

We also found that some self-employed people prefer to save money, including for retirement, in other ways which they feel align better with their lifestyle and financial options. Some said they look for saving and investment options with greater flexibility and liquidity that may be a better match to their uncertain income patterns. By putting retirement savings in more liquid vehicles, self-employed people would conceivably be able to dip into those funds to smooth out volatility in their income. However, it doesn't seem to be the case that self-employed people are more likely to save in such products than employees, which questions a long-standing assumption that self-employed people have a particular preference for financial products such as individual savings accounts (ISAs).

26 ons.gov.uk/employmentandlabourmarket/peopleinwork/employmentandemployeetypes/articles/trendsinselfemploymentintheuk/2018-02-07

Chapter 5

Talking about retirement saving

Tailoring messages to self-employed people's starting points and contexts can boost engagement. Messaging alone is not enough to significantly change saving behaviours, and tailored communications should therefore be combined with other interventions to support saving.

Message framing

Throughout this programme we have used different research approaches to understand how communications and message frames might be used most effectively to encourage self-employed people to save, with an eye to identifying the effect of different frames on their saving behaviours. In the first stage of our research we reviewed the existing literature on the attitudes and behaviours of self-employed people towards their finances and retirement planning. Based on our learnings, we conducted qualitative research to explore possible message frames to test in a trial.

In 2020, as part of the second stage of research, we ran an email-based trial of four distinct message frames in collaboration with Nest and the Association of Independent Professionals and the Self-Employed (IPSE) members.[27] For the Nest portion of the trial, Nest sent emails only to individuals who had joined the scheme on a self-employed basis. This population tended to be made up of sole traders and lower earners and had a near equal gender split. IPSE sent emails to their self-employed members, who tended to be operating as limited companies. These individuals were more likely to be higher earners and men.

The four message frames were:

› **Palatable contributions** – 'Could you save £2.50 a day?'
Describing contributions as a daily rather than a monthly amount

› **Flexible contributions** – 'Flexible pension options for the self-employed'
Emphasising that you can pay 'what you can, when you can'

› **Tax relief** – 'A tax-free way to save for your retirement'
Highlighting tax relief you can get on pension contributions

› **Loss frame** – 'Don't miss out on pension returns'
Framing the act of not saving into a pension as an opportunity cost

All four saving messages had higher engagement rates than comparable campaign emails on other topics sent by the organisations to the trial populations. This suggests that the messages were salient for self-employed people and have the potential to engage them in considering pension saving.

When talking to self-employed people about saving for retirement, we found that it helps to make messages:

› **Achievable**

Helping self-employed people, in particular low earners, to feel that saving is truly achievable may reduce some of the barriers to getting them started.

This principle was developed from learnings from our literature review, where we considered previous field trials investigating the impact of suggesting smaller and more 'palatable' contributions on people's saving behaviour.[28] The authors of that research found that, among users of a savings technology app, framing deposits as a daily amount as opposed to a monthly amount quadrupled the number of people who enrolled. Framing deposits in these more granular terms also reduced the gap in participation between lower and higher income app users. Three times as many people in the highest rather than the lowest income bracket participated in the saving programme when it was framed as a $150 a month deposit. This difference was eliminated when it was framed as being $5 a day.

[27] Nest Insight, 'Talking with self-employed people about retirement saving' (September 2020), **nestinsight.org.uk/wp-content/uploads/2020/09/Talking-with-self-employed-people-about-retirement-saving.pdf**

[28] Hal Hershfield, Stephen Shu and Shlomo Benartzi, 'Temporal reframing and participation in a savings program: A field experiment' (February 2019), **papers.ssrn.com/sol3/papers.cfm?abstract_id=3097468**

In our programme we used a similar message frame, suggesting smaller, more palatable savings goals – 'Could you save £2.50 a day?.' We explored this qualitatively and then tested it behaviourally in our email trails. This framing was considered manageable and engaging by focus group participants. The message also performed well in the trials. In particular, Nest members who opened the palatable contributions email and then clicked a link to the scheme website spent more time on average on the website than those who opened and clicked through from other emails in the trial. A higher proportion of those who clicked a link also went on to log in to their Nest account. This suggests that a palatable contributions messaging frame could potentially encourage deeper engagement among self-employed people.

Moreover, talking about 'manageable' daily savings amounts may be more likely to reach people with small pots and those who are not saving regularly, including those for whom perceived affordability is a barrier to pension saving. On average those in the sample who were making irregular contributions and opened the email had lower pot sizes than those who didn't open the message.

Putting pension saving into achievable terms appears to resonate more among self-employed people who have the greatest need to save.

› Trustworthy

Self-employed people tend to be particularly sceptical of marketing communications relating to money.

Email campaigns can be valuable for imparting useful information, but we found that self-employed often dismissed emails about retirement saving options as 'salesy', even when the emails were coming from an organisation they were affiliated with and contained information rather than product marketing. In our email message trials with self-employed Nest members, 1 in 10 (11%) said they did not take or were not taking further action because they 'would think the email message was a sales email and ignore it'.

As previously mentioned, self-employed people are more likely to trust family, friends and peers than providers for information. There were also high levels of trust in HMRC and gov.uk as sources of guidance relating to business or personal financial decisions. Half of self-employed people said they considered these to be trusted sources. Including information about government resources and impartial sources of information, such as Pension Wise and MoneyHelper, may help increase the impact of communications sent by financial providers.[29]

Employers have become a trusted and regular communications channel for providing pensions information to workers enrolled through auto enrolment. For self-employed people, having a trusted authority, such as a union or industry body, could help to raise awareness of pension saving opportunities and tools. Linking to official sources might bestow additional authority to information about saving options.

› Immediate

Talking about immediate benefits – including tax relief – is more engaging than a focus on longer-term benefits.

We found that describing what actions a self-employed person could take 'here and now', as well as the immediate benefits they might see in the form of tax relief on savings, had more impact than talking about possible future gains such as investment returns and compound interest.

We found that discussing pension saving benefits in the present – rather than in the past or the future – can increase the saliency of messaging. Self-employed people are keen to know what they can do now, not what they should have done before or what might happen someday down the road. For example, when we qualitatively tested messages about potential investment returns, these were not as appealing as those explaining contributions. This may be because the investment return messages were necessarily caveated to ensure recipients were aware of risks, and were perhaps viewed as being more complex, and thus harder to convert into an action that could be taken now.

Across the different lines of research in which we tested messaging effectiveness, some self-employed people said they do not like 'loss frame' messages – that is, messages which might frame the act of not saving into a pension as a missed opportunity with a cost in terms of 'lost' investment returns or retirement income. While people may not like them, such messages can be effective. They can attract attention and even, potentially, drive them to take action. We observed this in our field research. Although respondents to follow-up studies said that the loss-frame message was less motivating and engaging, in our email trials, these messages had similar levels of engagement and inspired similar levels of action when compared to more positively framed messages.

[29] MoneyHelper a free, independent financial information and guidance service provided by the Money and Pensions Service, which is an arm's-length body sponsored by DWP. Pension Wise is an offering of MoneyHelper. For more information visit **moneyhelper.org.uk**

Message timing

In addition to effectively framing messages for self-employed people's starting points and contexts, timing messages in ways that are relevant to them can also increase impact. Three timing approaches with promise were identified through our research:

› **Tax-year relevant**

Timing saving messages to moments when self-employed people are primed to think about finances can boost their engagement.

Pension providers see higher than usual additional pension contributions at the end of the tax year.[30] Some self-employed people may be self-motivated or advised by their accountants or other advisers to pay into their pension before the end of the tax year when they know what their income for the year is, or to maximise tax efficiency. Background research suggests that messages aligned with the tax year are likely to be highly relevant more generally, as people are primed to think about and deal with their finances then.

We explored sending messages at relevant moments in the tax year in our message timing trial with self-employed members of Nest (see the box **Trial learnings – Nest scheme member message timing**). Overall we found that self-employed people's engagement levels with emails timed around the end of the tax year were relatively high, with higher open rates than for a previous email campaign they'd received at different time of year.

› **Regular reminders**

Reminders may go some way towards overcoming behavioural and contextual barriers and helping self-employed people feel more in control of their finances.

Reminders highlighting the financial incentives to save, the goals of saving and current saving balances can be effective in increasing long-term saving, including saving for retirement.[31] For example, research with low-income self-employed people in Kenya found that sending two reminders – the first at the beginning of the week to remind participants to make deposits and the second at the end of the week to inform them of the amount they'd saved and their current balance – more than doubled the average savings among participants, compared with a control group who did not receive any reminder.[32]

In our follow-up survey to the Nest timing trial the most common reason given – cited by half (50%) of the respondents – for not logging in to their account after receiving the trial emails was that they'd not got around to it. Given the intense time and headspace constraints that many self-employed people describe, it may be appropriate to provide more reminders than usual for this audience.

Where there is already a desire to save, reminders could have some impact. Additionally, reminding self-employed people of how much they've already saved, or how much tax relief they've already received, could help them to feel more in control of their retirement saving.

› **Advance commitment**

People who cannot save today may be more likely to do so in future if they commit to it now.

Around 1 in 10 (12%) self-employed people in our autumn 2020 survey said they couldn't save at that time but were likely to be able to save a little further off in the future. A growing body of evidence shows that commitment devices, where people commit in advance to allocating a portion of their future salary increases towards retirement savings, can have a positive effect on savings levels. For example, the well-known Save More Tomorrow programme found that allowing people to pre-commit to increasing their retirement saving in line with a future pay rise had high take-up (78% joined) and increased saving rates (the average savings rate for participants increased from 3.5% to 13.6% over 40 months).[33]

30 See, for example, Jack Gray, 'Self-employed favour last minute pension contributions', *Pensions Age* (25 February 2019), **pensionsage.com/pa/Self-employed-favour-last-minute-pension-contributions.php**

31 Dean S. Karlan, Margaret McConnell, Sendhil Mullainathan and Jonathan Zinman, 'Getting to the top of mind: How reminders increase saving', *Management Science* 62:12 (December 2016), pages 3393–411, **jstor.org/stable/44166531**

32 Merve Akbas, Michael Weber, Dan Ariely and David A. Robalino, 'How to help the poor save a bit: Evidence from a field experiment in Kenya', Institute of Labor Economics (IZA) discussion paper no. 10024 (June 2016), **econpapers.repec.org/paper/izaizadps/dp10024.htm**

33 Richard H. Thaler and Shlomo Benartzi, 'Save More Tomorrow: Using behavioral economics to increase employee saving', *Journal of Political Economy* 112:S1 (February 2004), pages S164–87, **journals.uchicago.edu/doi/10.1086/380085**

While pre-commitment devices such as this could be introduced into saving solutions for self-employed people, a softer version could also be used in targeted messaging. For example, an email or pop up could allow self-employed people to choose to either 'save now' or 'save later', with the option to schedule a reminder communication for when they think they will be ready to save – 'Remind me in a month / three months / six months'.

Trial learnings – Nest scheme member message timing

What did we want to explore in this trial?

We wanted to understand whether sending messages about pension saving to self-employed people might be more relevant to them at particular times in the financial year. Based on our background research, we chose two key periods which we believed would have very wide saliency:

- **January** – before and after the 31 January deadline to file a Self Assessment tax return with HM Revenue and Customs (HMRC)
- **April** – before and after the 5 April end of tax year, which many sole traders also use as their accounting year

What did we do?

In 2022 a sample of 15,000 self-employed Nest members were randomised between four treatment groups and a control group. The trial was split into four email deployments – 19 January, 16 February, 23 March and 20 April.

The Nest Insight team worked with the Nest scheme's customer experience team to design an impactful message based on learnings from our previous message framing research. The email's subject line was focused on testing the saliency of receiving a nudge at the right time:

  – **Self-employed? It could be a good time to save for your future.**

The preview, or secondary subject, line put forward the idea of 'free money' in the here and now, taking into consideration the boost that tax relief gives to pension contributions:

  – **How to get extra money for your pension pot**

We expected that coupling this tax relief message with the larger message about pension saving timed to tax deadlines would create more incentive to make a contribution. The motivation to receive tax relief in the short term might counteract any loss aversion if money put into a pension was interpreted as being locked away, potentially for decades.

After the messages had been sent, we analysed member behaviour, such as log-in and contribution rates, and compared these to a control group who did not receive the message. A follow-up survey was sent to both the treatment and control groups to collect further demographic and self-reported behavioural data during the surrounding period.

What did we find?

We found that sending a salient message at a generally 'good time' does make a difference. Overall engagement levels with the emails were relatively high, with 60% of recipients opening the email and 10% of them clicking a link to take them to the Nest website, where they might act on the message. Notably, the open rates for the timing trial emails were meaningfully higher than a 2021 email campaign, carried out at a different time of the year, with a similar group of self-employed Nest members, where open rates ranged between 46% and 51%.

There were also some signs of positive downstream effects on different behaviours.

As a whole the campaign did increase account logins, with some evidence that there was also a small impact on the likelihood of the person making a contribution to their pension pot. However, although the effect sizes were statistically significant, the effect was small, and the timing did not appear to influence the size of those contributions which were made.

In the follow-up survey some people who received a timing email were more likely to report that they'd contributed to a pension other than Nest compared with those in the control group.

Those who received the email before the Self Assessment deadline were more likely to say they had used a pension calculator or looked for information about retirement saving online.

In line with our earlier research findings, those individuals who had already engaged with their pension saving in some way, for example by making regular contributions or a recent ad hoc contribution to their pension, were more likely to engage with the email. These individuals were more likely to open messages, click links and log in compared with those who had never made a contribution. However, about 31% of self-employed Nest members in the sample had a ‘zero’ pot balance.

A more detailed report on the timing trial, including technical information about the approaches used and a profile of the sample, is available at **nestinsight.org.uk/wp-content/uploads/2022/11/Timing-retirement-saving-messages-for-self-employed-people.pdf**

Chapter 6

Designing approaches to support saving for retirement

Tailoring communications to self-employed people's starting points and contexts may go some way towards improving engagement with retirement saving and nudging people to save when they're already inclined to do so. But communications alone cannot overcome fundamental behavioural and structural barriers to saving among self-employed people.

For this reason we also began to explore how saving products and mechanisms might best be designed to meet self-employed people's needs. We identified some key principles from our learnings to guide the design of saving support approaches for self-employed people.

Reduce friction with defaults and smart suggestions

Savings solutions should require minimum time and effort to set up and administer.

Self-employed people are often particularly time-pressed and face many other barriers to getting started with pension saving.

In our research we have seen that any friction in the process of setting up a savings vehicle or completing a transaction causes people to drop out of the journey. Streamlining the process and ensuring as few steps as possible to complete account set-up and transactions is particularly important for many self-employed people.

Whereas employed people saving in a pension through auto enrolment can rely on their employer to set their default minimum contribution level out of each pay, self-employed people need to actively consider how much and when to save. Presenting a default saving amount suggestion early in the saving journey can reduce the cognitive load and complexity of decision-making, so that it's easier for people to follow through on their intentions to set aside some money as retirement savings.

We explored this approach in the trial we conducted with digital pensions provider Penfold: when users signed up to the flexible autosave solution, a default value of 50% of excess income was offered as the amount to be saved. This default percentage could be changed using a slider bar, giving the user control over their savings level. Though the default was editable, 30% of those who responded to the autosave nudge email stuck with the 50% setting. The default either resonated with them, or it provided a shortcut in the decision to save. (For more information on this trial, see the box **Trial learnings – Penfold flexible saving mechanisms**.)

Helping people work out how much they can afford to save is another way of making the decision to save easier.

In our trials we tested new ways of calculating 'smart' suggestions – personalised and appropriate saving suggestions made through open banking applications. In both the Moneyhub and Penfold trials, data on an individual's income and expenditures across any linked accounts were analysed to identify the amount of excess income the person might be able to save. (For more information on potential designs for smart nudges, see the box **Trial learnings – Moneyhub saving nudges**).

The evolution of open banking and machine learning should present further opportunities for leveraging data to offer smart, personalised suggestions which are both helpful and actionable to individuals.

Offer flexible autosaving mechanisms

Flexible approaches can be a better fit with the more uncertain and variable income and working patterns of self-employed people.

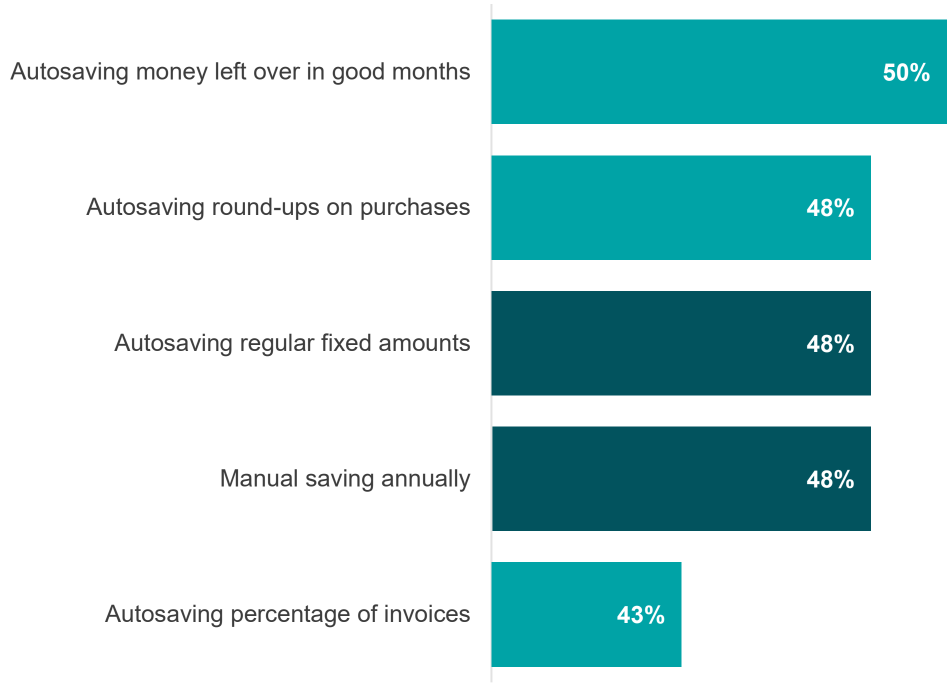
Self-employed people are more likely than employed people to value flexibility around ways to save for retirement. In our autumn 2020 survey, 1 in 3 (29%) of self-employed people ranked an email subject line 'Flexible pension savings options' as being one they would be most likely to read, compared with only 11% of employed people. In our 2019 messaging trial with self-employed Nest members, messages about flexible saving were also positively received.

Interestingly, they appeared to be particularly impactful among younger people – open rates for emails about flexible savings were higher for those aged 20 to 39 than for other age groups.

As we saw in **Chapter 4**, self-employed people's often variable and uncertain income can make it difficult to commit to saving a regular amount of money each month. But saving on an ad hoc basis can be difficult to get around to, and to do regularly. Many self-employed people say they like the idea of flexible autosaving mechanisms, which allow flexibility in the amount or timing of contributions while also preserving the automatic nature of saving.

Around half (50%) of self-employed people like the idea of automatically saving money left over in their accounts during months with good or higher than average income and nearly as many (48%) like the idea of automatically saving an amount rounded-up from the price of their purchases (see **Figure 8**). These approaches have similar appeal to the conventional savings approaches that are currently commonly available to self-employed people – automatic saving of a regular fixed amount (48%) and manual annual saving (48%) – and are likely to appeal to particular sub-groups of the self-employed population. Automatically saving a set percentage of invoices charged also had quite high appeal, with around 4 in 10 (43%) expressing interest in this approach.

Figure 8. Flexible autosaving mechanisms appeal to self-employed people



Source: Nest Insight survey, September 2020. Question: Thinking again about saving for retirement, here are a few descriptions of how people who are in similar circumstances to yours, could automatically save funds for retirement. Please indicate the extent to which the following sound interesting to you, if at all, in principle? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Solutions that trigger repeated savings transactions as and when appropriate, even though the frequency of such transactions might be very different from the weekly or monthly saving pattern we have come to expect in the auto enrolment system, would allow self-employed people to 'set and forget' their retirement saving in a manner that fits their circumstances.

We explored flexible saving mechanisms in the Penfold trial, where pension members could sign up to save a proportion of the difference between their income and expenditure in a month. People who signed up to save in this way also had the flexibility to adjust the savings amount if they wanted to before the transaction took place (see the **trial learnings**). Another form of flexibility offered by some providers that could be particularly relevant to self-employed people in the context of the current cost of living and doing business challenges is the option to pause regular savings for a period, with an automatic recommencement date set by the saver.

Provide hybrid vehicles combining accessible and 'locked in' saving

Hybrid approaches have higher appeal for self-employed people than pension only approaches.

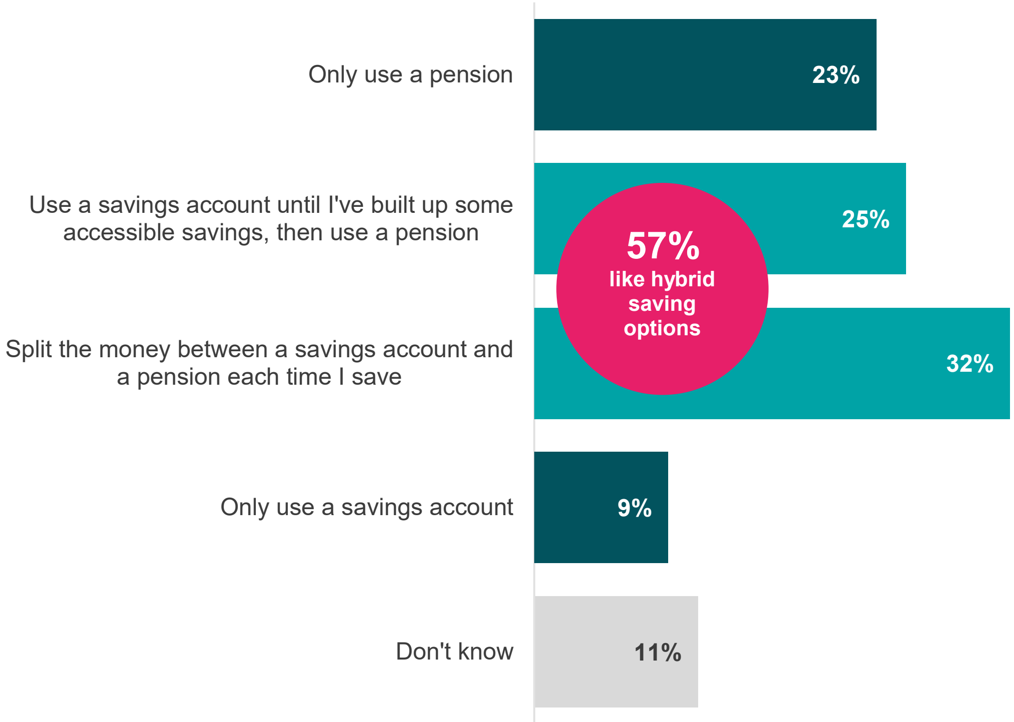
We've seen that self-employed people recognise that retirement savings need to be set aside for their later life and they see the value in pensions as a vehicle for achieving this goal. However, they also often look to keep some control over their longer-term saving in case of unexpected expenditures or income loss.

Savings approaches that offer some liquidity built into the solution help to meet this desire for control while balancing it with the need to focus on retirement outcomes. Introducing liquidity into retirement saving propositions could broaden the appeal of pension saving by allaying concerns that money saved in a pension pot couldn't be easily accessed if needed in an emergency. About 1 in 4 (39%) self-employed people told us they were put off pension saving because of such worries.

In our autumn 2020 survey, a savings approach which combines liquid savings with a pension had greater appeal to self-employed people than a pension-only or savings account-only option. About 23% said they'd want to use a pension-only option while only 9% said they'd want to use a savings account-only option (**Figure 9**). A much larger proportion would like to use an option that combined accessible and pension saving, by either:

- **Splitting their savings** – Around one third (32%) said they'd want to split their savings between an accessible savings account and a pension pot each time they saved.
- **Building accessible savings first** – One quarter (25%) said they'd want to use the savings account option initially until they had built up some accessible savings, and then put their savings into their pension option thereafter.

Figure 9. Self-employed people want flexibility in where they put their savings



Source: Nest insight survey, September 2020. Question: You just mentioned that you would be interested, in principle, in being able to set up automatic saving as a way of saving for retirement. Please imagine that you were going to set this up in future, in addition to anything you may already be saving. If you were saving automatically in this way for your retirement, which of the following best describes how you would prefer to save into these two options? Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Given the level of appeal and relevance of hybrid savings approaches to self-employed people, we were keen to trial hybrid designs in real-world settings. Although several potential trial collaborators expressed an interest in developing different hybrid products and savings approaches, it was not possible to achieve this during the timeframe of this research programme. This is an area we aim to explore in future research.

Trial learnings – Moneyhub saving nudges trial

What did we want to explore in this trial?

We wanted to understand the impact of relevant and tailored prompts to encourage positive saving attitudes and behaviours on self-employed people, and to compare their responses with those of employed people.

The Moneyhub open data and payments platform prompts users to review their finances, including incomings, outgoings and savings, across their linked personal and business accounts. Nudges can be tailored to each individual's financial situation.

What did we do?

We explored a variety of saving nudges with Moneyhub self-employed and employed users. The nudges can be broadly grouped into two categories:

› **Income nudges** – prompting users to save any positive difference between their income and expenditure

These nudges displayed the difference between monthly income (or regular salary, if applicable) and expenditure calculated over all linked accounts. If there was a positive difference between the two, indicating surplus income and at least that amount was present in the account, the user saw a message suggesting that some or all of the amount could be 'swept' into an account designated for savings. For those with a secondary 'savings' account already set-up and linked in the app, the journey from nudge to action involved very little friction – just clicking on the next page to authorise the payment.

The user journeys are outlined in **Table 3**.

The design of these nudges was highly personalised. They required analysing the user's transaction data across all their accounts and assessing whether the user had an account appropriate for saving linked in the app, which would enable them to complete the saving journey in a few clicks.

Some of these nudges used a relatively new feature to Moneyhub – the ability to make payments, including transfers from one account into another – directly through the app. This feature was introduced only six months before the launch of the trial.

› **Retirement planning nudges** – prompting users to look at information about saving for their future

These nudges shared messages about retirement planning with users accessing the app to review their finances and manage their money – a context when they were primed to engage with financial decision-making. The nudges were scheduled so they were shown at an appropriate time – around the day in the month when the user might be most able to save – and to an appropriate audience – only those who were in a financial position to save. For users whose earnings were greater than their expenditure, retirement planning nudges appeared in the user's nudges inbox immediately after the income nudges.

The user journeys are outlined in **Table 4**.

The nudges were focused on raising awareness of different retirement planning tools and information. These included pointers to information to help people understand how to set up a linked account for savings, seeing what money they could expect to have available in retirement using Moneyhub's retirement modeller and linking to external sources of guidance, such as MoneyHelper's retirement information.

How did we do it?

Moneyhub sent over 32,000 nudges to around 8,000 users over a period of six months from December 2021 to May 2022. During the course of the trial, users may have received both types of nudges, depending on their financial situation. An identification strategy was developed to allow us to segment our sample of Moneyhub users by employment status, using data markers to identify a subset of 887 people likely to be self-employed.

We analysed users' behaviour on the app, including which nudges they viewed and clicked as well as their savings transactions. After the completion of the nudges trial, we conducted a follow-up survey with users.

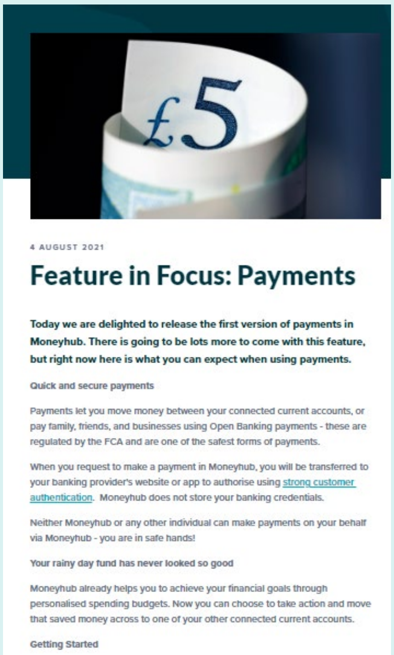
Nudge card	Income-expenditure version	Salary version	Onward journey
 **Sweep** higher than spending and a sweepable account	Last month's spending In the last month you received £4,800, and had outgoings of £3,800. You could put the £1,000 to work. You can tap here to move it now.	You've been paid You just recieved £4,800, and since your previous pay check you only spent £3,915. You could put the £885 to work. You can tap here to move it now.	Payments hub with auto filled amount
 higher than spending and sweepable account	Last month's spending In the last month you received £4,800, and had outgoings of £3,800. Now could be a great time to move some of what is left to make it work for you.	You've been paid You just recieved £4,800, and since your previous pay check you only spent £3,915. Now could be a great time to move some of what is left to make it work better for you.	Spending analysis page
 **Spending nudge** Income lower than spending	Last month's spending In the last month you received £4,800, and had outgoings of £4,900. You can tap here to head over to your spending analysis to check out where it went.	You've been paid You just recieved £4,800, and since you were previous pay check you have spent £4,915. You can tap here to head over to your spending analysis to check out where it went.	Spending analysis page

Note: All Moneyhub screenshots courtesy of Moneyhub. © 2022 Moneyhub Financial Technology Ltd

Table 4. Moneyhub retirement planning nudges

Payments nudge	Pension article nudge	Retirement modeller nudge
Dates implemented		
December 2021 and March 2022	January and April 2022	February and May 2022
Nudge copy		
Moneyhub can help you save for your future. You can tap here to find out about setting up payments	Looking to build your pension pot for retirement? Tap here to read a range of useful guides from Money Helper.	Saving the right amount now is key to an easy retirement. Tap here to see what your future might look like.
Clicking the nudge sent users to		
Payments blog post	Pension saving blog post	Retirement modeller

Payments blog post



4 AUGUST 2021

Feature in Focus: Payments

Today we are delighted to release the first version of payments in Moneyhub. There is going to be lots more to come with this feature, but right now here is what you can expect when using payments.

Quick and secure payments

Payments let you move money between your connected current accounts, or pay family, friends, and businesses using Open Banking payments - these are regulated by the FCA and are one of the safest forms of payments.

When you request to make a payment in Moneyhub, you will be transferred to your banking provider's website or app to authorise using strong customer authentication. Moneyhub does not store your banking credentials.

Neither Moneyhub or any other individual can make payments on your behalf via Moneyhub - you are in safe hands!

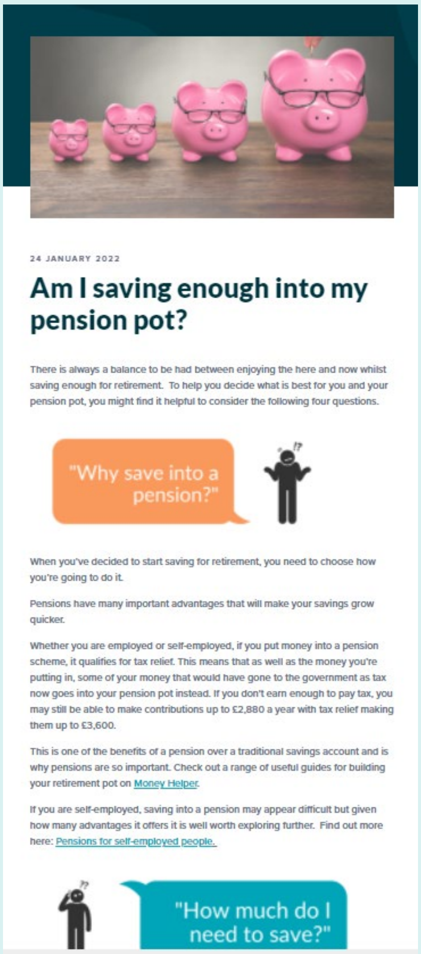
Your rainy day fund has never looked so good

Moneyhub already helps you to achieve your financial goals through personalised spending budgets. Now you can choose to take action and move that saved money across to one of your other connected current accounts.

Getting Started

Available at **moneyhub.com/blog/feature-in-focus-payments**

Pension saving blog post



24 JANUARY 2022

Am I saving enough into my pension pot?

There is always a balance to be had between enjoying the here and now whilst saving enough for retirement. To help you decide what is best for you and your pension pot, you might find it helpful to consider the following four questions.

"Why save into a pension?"

When you've decided to start saving for retirement, you need to choose how you're going to do it.

Pensions have many important advantages that will make your savings grow quicker.

Whether you are employed or self-employed, if you put money into a pension scheme, it qualifies for tax relief. This means that as well as the money you're putting in, some of your money that would have gone to the government as tax now goes into your pension pot instead. If you don't earn enough to pay tax, you may still be able to make contributions up to £2,880 a year with tax relief making them up to £3,600.

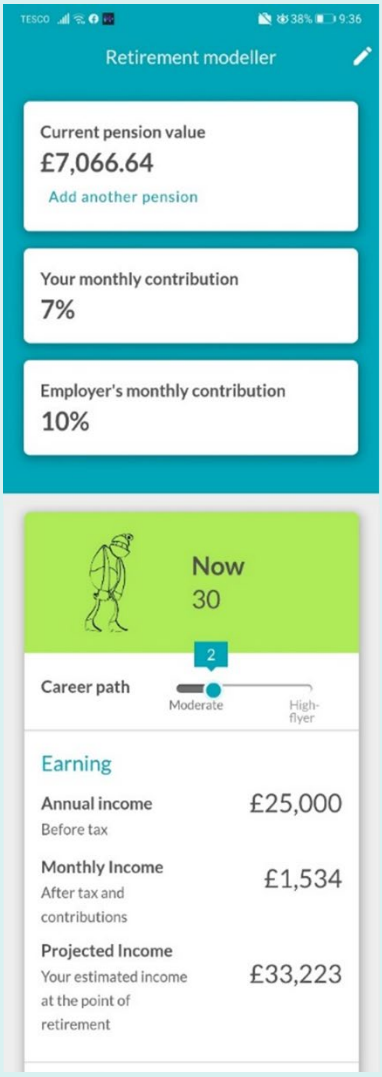
This is one of the benefits of a pension over a traditional savings account and is why pensions are so important. Check out a range of useful guides for building your retirement pot on Money Helper.

If you are self-employed, saving into a pension may appear difficult but given how many advantages it offers it is well worth exploring further. Find out more here: Pensions for self-employed people.

"How much do I need to save?"

Available at **moneyhub.com/blog/2022/1/24/am-i-saving-enough-into-my-pension-pot**

Retirement modeller



What did we find?

There were relatively high levels of interest in both types of nudges, as measured through view and click rates. This suggests nudges have value in getting self-employed people to think about saving more.

- **Income nudges** – View rates were 50% to 60% and click rates were 15% to 20%, both of which are broadly in line with response rates to other Moneyhub nudges. However, this was coupled with a low payment completion rate (1.5%).

  This completion rate makes sense in the context of the novelty of Moneyhub's payment and transfer function. At the time of the trial, relatively few users were using this functionality within the app. It's not clear if this was because not all their accounts could be linked, they weren't aware of the feature or some other reason.

  Indeed, in the follow-up survey 34% of users who received income nudges and had sufficient funds to make a contribution to their savings reported that they chose to make a saving directly in their banking app instead of using the Moneyhub payments function. This suggests that the impact on savings may have been greater than what was recorded in the trial. It also reinforces our earlier learnings that approaches which are designed to be 'friction free' have greater impact.

  As open banking services become more common, we expect issues around novelty and friction will become less prevalent. It's also likely we would have seen higher response levels over time had the trial continued for a longer period.

- **Retirement planning nudges** – View rates were 79% on average, higher than for the income nudges, and 13% clicked a link to retirement planning information, tools or the external guidance sites.

  We found that those who sought further information were more likely to be employed than self-employed.

On the whole, response rates to the nudges were similar for employed and self-employed people. This supports our learning that self-employed people are not any less interested in pensions than people who are employed but instead are held back by structural barriers.

We should also keep in mind that the people involved in this trial had chosen to download and use a money management app. This naturally led us to consider whether there was a self-selection bias in the sample – these individuals may be more engaged with their finances than the general population, and therefore perhaps less likely to require nudges around retirement saving. We would like to explore the application of this kind of nudge in other environments with broader reach, where people are managing their money day-to-day, such as current accounts and accountancy software, in future research.

The mean income level of the sample indicates that these users were likely mid- to high-income earners. Self-employed people earning lower incomes and those who don't already have a savings plan in place might benefit more from pension nudges. It's encouraging that we observed higher click rates for the income nudges among women and younger people, groups which were underrepresented in the trial.

A more detailed report on this proof-of-concept trial, including technical information about the approaches used and a profile of the sample, is available at **nestinsight.org.uk/wp-content/uploads/2022/11/Exploring-retirement-planning-and-saving-nudges-tailored-to-self-employed-people.pdf**

Trial learnings – Penfold flexible saving mechanisms trial

What did we want to explore in this trial?

From our exploratory research, we understood that self-employed people struggle with putting aside a set amount of money for savings on a regular basis because of volatility in their income. We wanted to understand whether more flexible and responsive saving plans could encourage more self-employed people to save.

We worked with fintech pension provider Penfold to explore flexible and responsive saving solutions to see if their users found them appealing and engaging.

What did we do?

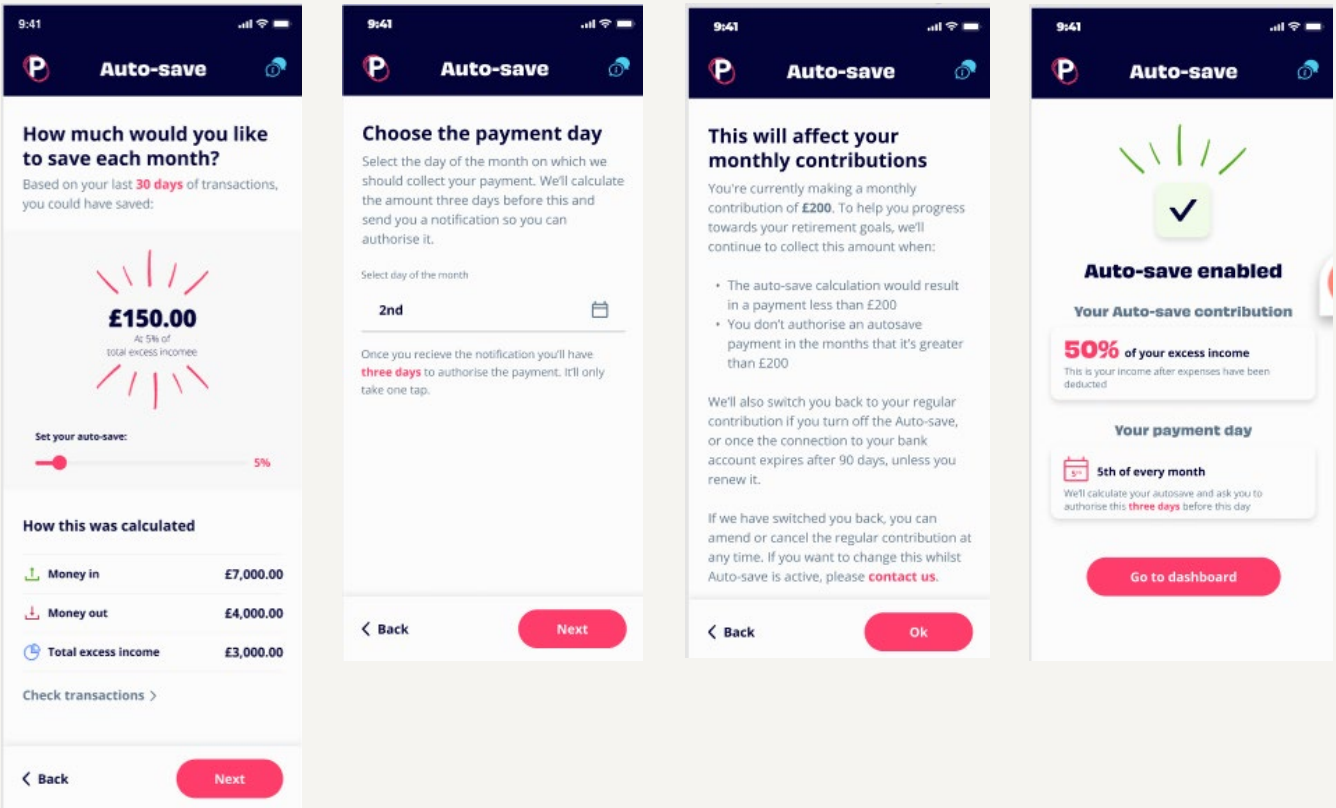
The trial tested two different flexible pension savings tools and mechanisms:

› **Autosave** – supporting users to automatically save a percentage of any excess monthly income into their pension

  Users could choose to work through a number of key parameters to set up a saving plan, including the percentage of income they wished to be calculated for 'autosaving' – for example, 50% of their excess income – and the day of the month on which calculations should be made (see **Figure 10**).

  Subsequent nudges automatically suggested an amount to be saved based on an understanding of the user's financial situation. However, the solution was designed so that users had the power to approve, change or dismiss the calculated amount each time their appointed saving date arrived each month. In this way the benefit of offering a 'friction free' approach was balanced against keeping users in control of their financial transactions.

Figure 10. Penfold autosave set-up screens



Note: All Penfold screenshots courtesy of Penfold. © 2022 Penfold Savings Ltd

› **Savings insight nudges** – prompting users to save at moments when it might be more affordable for them

By using data collected about users' financial transactions and monitoring changes in income and expenditure, it was possible to have alerts timed to coincide when users might be most able to save.

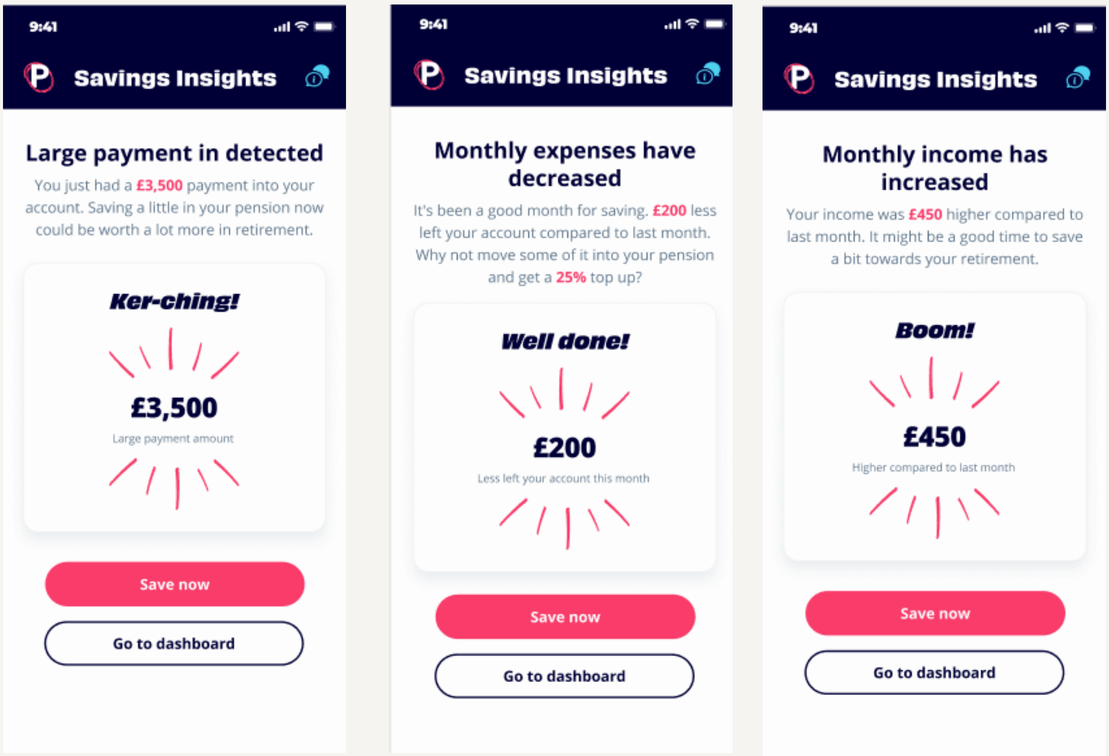
Users could choose to enable any or all of three types of insight, as shown in **Figure 11**:

- money in has increased
- money out has decreased
- a large payment has been received

Users received nudges that were tailored to their personal transaction history, which should have made them more relevant to their current circumstances. Multiple versions of the nudges were created to account for different customer scenarios such as for active users with a regular Direct Debit, inactive users and individuals who had not yet completed the app registration process.

The solutions were delivered as a reminder email nudging the user to engage on a customer journey within the Penfold environment that would lead them to screens where they could take action to 'save now'.

Figure 11. Penfold savings insights screens



How did we do it?

A randomised controlled trial was run for six months from 14 December 2021 to 31 May 2022. It was conducted with a self-employed sample of 19,000 active Penfold users and 26,000 individuals who had started to sign up to Penfold but had not yet created an account.

Only including active Penfold users would have risked being unrepresentative of the overall self-employed population as active users are already engaged in saving for retirement, having registered with the app specifically for pension saving. Including those who had not yet completed registering their account allowed us to explore how a group of people who were somewhat engaged but not committed to retirement saving might be supported to get started.

The sample was split between three treatment groups to allow us to isolate the effect of the autosave mechanism and the 'save now' email nudges:

1. were made aware of traditional saving options
2. received the 'save now' savings insights nudges
3. received an email about the new autosave mechanism

All three treatment groups along with the control group received the normal schedule of Penfold communications.

What did we find?

In our analysis, we were interested in understanding people's levels of engagement with the different messages and types of flexible saving approaches. We also wanted to follow any downstream impact on their saving behaviour, as picked up in their account data.

Engagement in messaging

Interest levels in the new autosave and savings insights mechanisms were relatively high, with open rates for the trial messages ranging from 35% to 50%. The highest open rates were for the first follow-up email.

Users were as likely to open communications about novel ways of saving as to open communications about established ways of saving, despite the fact that their awareness of established approaches would have been higher. There was little difference in the open rates for the autosave and savings insights features.

Click rates were also in line with the norm for Penfold marketing campaigns, ranging from 2% to 5%, with the rates for the autosave and savings insights approaches lower than for established saving options. Again this might be expected given that the new mechanisms were unfamiliar and would have required more attention to understand what was involved, and very likely more friction to take the next step.

In line with findings from our other research, users who were already more engaged in pension saving – those who had active Penfold accounts, particularly those who had a regular Direct Debit saving contribution in place – were more likely to respond to messages and to sign up to a new way of saving.

Impact on savings behaviour

The impact on self-employed people's saving behaviour during the short trial period was limited. Few people who received information about the new flexible saving solutions went on to make one-off contributions, set up Direct Debit mandates or activate an unregistered pensions account. However, other behavioural data we were able to gather about how users engaged with the mechanisms will be valuable for designing solutions in the future. It's also likely we would have seen higher levels of adoption over a longer period of time.

Putting forward a 'suggested' amount to save is a powerful nudge, with 30% of people who took up the autosave solution sticking with the default proportion. Having an amount automatically populated in the screen field may have reduced the cognitive load of decision-making as well as the friction of taking action.

It might also be that these mechanisms could encourage self-employed people to save more than their own 'play it safe' approach. Among those who already had an active Direct Debit for saving, around half (48%) confirmed to save an amount using autosave that was higher than the regular monthly contribution they had previously set up.

The trial also gives us an insight into the income volatility faced by self-employed people. When looking at those who were nudged to save more, the majority (61%) were triggered by being notified of a large, one-off payment landing in their account, one quarter (25%) by a total monthly income increase and only 4% by a total monthly expenses decrease. This suggests that income fluctuated more than outgoings for this sample population.

There are some indications that the autosave approach has wider appeal than the savings insights approach, and that it's more likely to lead to real-world saving behaviours. However, among those who signed up to the savings insights programme, the vast majority were well established savers – 94% had an active Direct Debit mandate. Therefore, the value in the nudges might have been to reinforce and validate people's existing saving habits.

A more detailed report on this randomised controlled trial, including technical information about the approaches used and a profile of the sample, is available at **nestinsight.org.uk/wp-content/uploads/2022/11/Exploring-flexible-saving-mechanisms-designed-for-self-employed-people.pdf**

Chapter 7

Touchpoints

Auto enrolment relies on employers to connect their employees to retirement saving. Although there is no such touchpoint for reaching self-employed people outside of the tax system, associations, and platforms and services used to manage work and money, might fill some of the gap.

It's been suggested that self-employed people might be automatically enrolled into pension saving like eligible employees, though they lack an employer to do this on their behalf. As part of this research programme we sought to understand whether, in the absence of an employer route, there is an identifiable touchpoint, or collection of touchpoints, which could be used to reach self-employed people and support them in saving for retirement. We explored different routes including representative bodies, intermediaries, platforms and services that self-employed people use to conduct their work, as well as pension, banking and money management providers.

Because the self-employed population is such a diverse group, no one touchpoint within the current regulatory frameworks will reach all self-employed people. However, even if widespread coverage is difficult to achieve, each of these routes has the potential to reach different sub-groups of self-employed people.

Representative bodies

Only 1 in 5 (19%) of self-employed people said they were affiliated with a trade body or representative organisation in our 2019 survey.[34] Those who were members were similar demographically to non-members. However, members were attitudinally more confident about pensions, which suggests non-members may be more in need of guidance when it comes to saving for retirement.

Some trade unions, trade bodies and representative organisations have links with pension providers and provide information on retirement saving to their members. However, in this model members still need to actively seek out or respond to such information, and take steps to actually set up their pension and a mechanism for saving into it. Most organisations we spoke to seemed unclear whether they could do more to support retirement saving among their members. They were wary of straying into regulated territory, such as the possibility of being deemed to be providing financial advice.

Accountants

About 1 in 3 (29%) of self-employed people said they turned to an accountant for guidance relating to their business or for personal financial decisions. Among self-employed Nest members we surveyed, nearly half (46%) said they had help from an accountant with their Self Assessment tax return, or that an accountant filed their return for them. A similar proportion (44%) said they had professional help in preparing their annual accounts.

Curiously, the people in the sample who were most likely to report having made a one-off contribution into their Nest pension in the last year were those who had completed their Self Assessment without input from an accountant. This might indicate a level of confidence in making financial decisions, or perhaps that accountants are not engaging and communicating with their clients about contributing to their retirement savings.

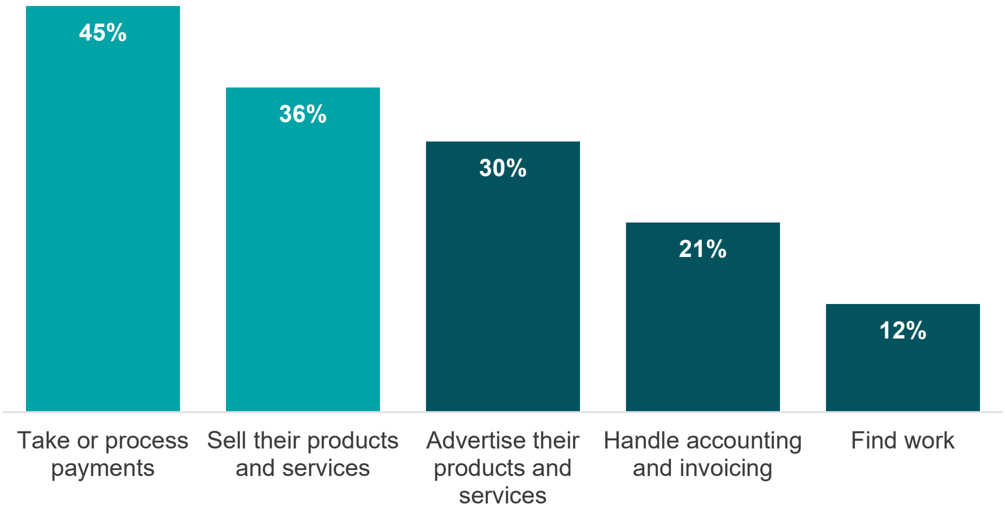
Although accountants could potentially be a route to reaching self-employed people where their services are being used, this was not something we explored as part of this programme.

[34] Nest Insight survey of self-employed people, May and June 2019.

Platforms that self-employed people already use

Many self-employed people use online platforms to conduct their work or business. We were interested to understand the coverage of platforms where money is either received or accounted for, as these touchpoints have clear potential to be used for earmarking or diverting money into retirement saving. Nearly half (45%) said they use payment processing tools such as PayPal or Worldpay, and 1 in 5 (21%) said they use online tools such as Sage, QuickBooks or Xero for business accounting and invoicing, as shown in **Figure 12**.

Figure 12. More tend to use online platforms to sell work and process payments



Source: Nest Insight survey, September 2020. Base: 2,023 self-employed people and 1,001 employed people (2020). Question: Thinking about the following tools and services you may use for your business or being self-employed, which statement is most applicable? I use online tools to… Nest Insight, 'The impact of Covid-19 on self-employed people's saving outlook' (December 2020), **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Those most likely to use these tools and services include those under age 35 and those earning less than £20,000 a year, suggesting that supports for retirement saving provided through these platforms could reach groups of self-employed people who are less likely to be saving currently.

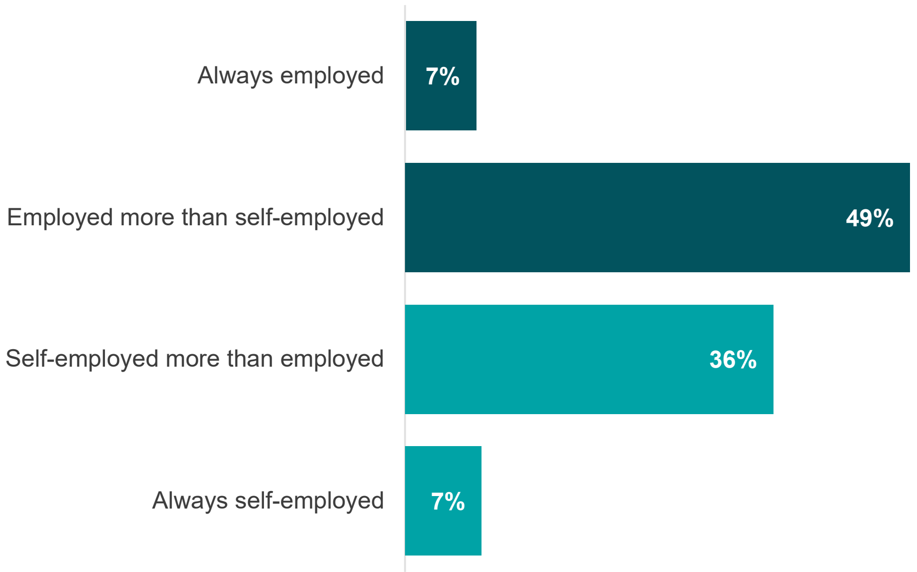
About one third (34%) of self-employed people report that they don't use any type of online platform or tool as part of their business. These individuals were more likely to be men, older and working in professional services. They were also more likely to say they are confident they'll be able to fund their retirement.

There are quite high levels of openness to some sort of retirement saving support being integrated into these environments, with about 2 in 5 self-employed people saying they think these sorts of platforms could be suitable for providing guidance about retirement. Platforms used to take or process payments, or for business accounting, were considered the most suitable for providing actual tools for retirement saving. Around half (50%) of self-employed people said that business accounting and software organisations would be suitable providers of retirement savings tools, and a similar proportion (48%) said this of platforms that take or process payments.

Pension providers

Most self-employed people have been employed at some point in their working life. Increasingly this means a proportion of the self-employed population will have been eligible for auto enrolment at some point and will have or had at least one pension set up on their behalf through this route. For example, in our 2022 survey of self-employed Nest members, around half (49%) said they'd been employed, not self-employed, for the majority of their career. Relatively few (7%) said they'd never been employed (**Figure 13**).

Figure 13. Many self-employed people have been employed during their career



Note: Numbers do not add to 100% due to rounding. Source: Nest Insight survey, 2022. Nest Insight, 'Timing retirement saving messages for self-employed people to the tax year: Learnings from a randomised controlled trial with self-employed members of the Nest pension scheme' (November 2022), **nestinsight.org.uk/wp-content/uploads/2022/11/Timing-retirement-saving-messages-for-self-employed-people.pdf**

There is an opportunity here to reach self-employed people who have previously had a workplace pension set up for them but who aren't currently saving into it, or saving into it regularly. However, people may not know they can keep saving into their pension, and not all workplace pension providers in the UK make it easy for people to keep contributing once they have left their employer.

In addition, some self-employed people combine self-employment with employment. In our 2020 survey of Nest members, 17% of people who said they were employed also said they were self-employed. Some in this group may be saving through an employer under auto enrolment but the contributions made automatically into their pension pot would be calculated only on earnings with their employer. Others in this group may fall below the auto enrolment annual income threshold of £10,000 in earnings from an employer. This group may offer opportunities to support more saving among self-employed people, for example by supporting workers to set up additional contributions which take into account any self-employment income that they have.

Any opportunities here may be tempered by the fact that it may not be straightforward for workplace pension providers to identify their self-employed members. Nest, for example, is likely to have around half a million self-employed members based on responses to its regular customer surveys in which respondents self-report their employment status. However, only 20,000 Nest members have joined Nest through the route offered to self-employed individuals. The remainder have gained a Nest pension, likely through employment prior to or alongside their self-employed work and so are difficult to identify as self-employed. As part of the 2022 Nest timing trial, we used data markers to try to identify the broader self-employed population in the Nest membership, with some success. For example, we hypothesised that some of the members who are no longer employed by the organisation which automatically enrolled them but who have continued to make contributions could be self-employed. From our follow-up survey we were able to understand that one quarter (25%) of this group are indeed self-employed.

This demonstrates that there is potential for pension providers to reach lapsed savers, and to encourage additional saving from members who combine employment and self-employment, where identification issues can be resolved. This could involve, for example, prompts at points of transition, such as when employer contributions cease or when people stop contributing themselves.

Banking and money management providers

Of course, pension providers can only reach self-employed people who already have a pension in place. Broader reach might be realised if retirement saving could be better integrated into current accounts and day-to-day money management.

Almost all (97%) self-employed people have a current account, though not all have a separate account set up for their work, with only 42% reporting they have a current account specifically for their self-employment business. Given the blurring between personal and business finances, an approach that only targets small to medium enterprise (SME) or business bank account customers would risk excluding much of the self-employed population most in need of support with retirement saving.

The open banking integrations explored in the Moneyhub and Penfold trials demonstrate some of the potential for closer integration between current accounts and pension accounts. As open banking evolves and is more widely adopted, it will become more feasible for current account providers to offer personalised, ‘smart’ saving nudges to their customers. These nudges could then be combined with tools and mechanisms for sweeping money from a person’s current account into a linked savings account or pension to reduce friction on the journey to increased saving.

Chapter 8

Conclusions and next steps

Market-based solutions could encourage some increase in retirement engagement and saving among self-employed people. However, these changes are likely to take time, and against the low base of existing retirement saving among this population, are not going move the dial to the extent that is likely to be needed. To truly support more retirement saving among today's working-age self-employed people, systemic, policy-based solutions are likely to be needed.

The aim of this research programme was to build a better understanding of why most self-employed people are not saving for retirement and what could be done to support higher levels of saving within the current regulatory framework.

We now understand that the barriers to self-employed saving are, for the most part, not attitudinal. Self-employed people want to save for retirement. Most believe they could afford to do so either now or in the near future.

Rather the barriers are behavioural and structural:

1. **It's difficult to get started with retirement saving** – Self-employed people still suffer from many of the barriers to retirement saving which were largely overcome for employed people through auto enrolment. Low levels of knowledge and confidence, combined with inertia and present bias, mean that people don't get around to it. Even where they do attempt to put something in place, they may be hampered by not knowing how to get a pension, or by pension saving being inaccessible to them. This is the most important barrier to address. It's much more difficult to reach self-employed people who have not yet started saving for retirement, and this group is most at risk of being financially insecure in later life.
2. **Retirement savings mechanisms are often not suited to self-employed people's needs** – People with variable and uncertain incomes may struggle to commit to automatically saving a regular amount of money each month. Saving on an ad hoc, manual basis is unreliable and cumbersome. Whereas workplace pension saving contributed through an employer's payroll process automatically flexes to changes in income and sets money aside for saving before it's seen as take-home pay, no such mechanism currently exists for self-employed people.
3. **Retirement savings vehicles can be off-putting** – Self-employed people recognise that retirement savings need to be set aside for their later life and they see the value in pensions as a vehicle for achieving this goal. However, they also often look to keep some control over their longer-term saving in case of unexpected expenditures or income loss. About one quarter say they are put off pension saving because the money can't be accessed in an emergency.

We also explored and tested several different approaches to encouraging and supporting more retirement saving among self-employed people, including through communications, engagement techniques and product and solution design innovation. We tested and learned iteratively, and we are very grateful to our collaborators for facilitating this evidence building. A fully rounded retirement saving solution for self-employed people would build on these learnings and holistically address all of the behavioural and structural barriers we identified.

The scope for a big step-change in levels of self-employed retirement saving as a result of messaging is, as we expected, limited. The self-employed population is diverse and parts of it can be hard to reach. Some marginal gains can be made by communicating more effectively, framing and timing messages to self-employed people's needs and contexts. These approaches are more likely to support those who are already engaged. The learnings from our messaging trials are perhaps most relevant to developing communications around more fundamental, behaviour-based saving solutions.

There is also potential to increase retirement saving to be found in the solutions, design principles and product innovation territories we identified. Over a short time period and in a research trial context, we were able to explore some parts of the landscape that may emerge with open banking and other financial service innovations. Reducing friction with defaults and smart suggestions and offering more flexible autosaving mechanisms are approaches that show potential to boost both engagement and saving behaviours. The next step would be to join up the different parts of such a solution into a more holistic approach located more prominently within the platforms and services self-employed people most frequently use day-to-day to manage their money. Progress in this area will be facilitated by advances in data science and machine learning and the wider adoption and normalisation of open banking account integrations.

Though this research programme has concluded, Nest Insight aims to continue to explore solutions which have promise to support self-employed people to achieve financial security both today and into later life. We believe future research should focus on:

- **Hybrid savings vehicles** combining accessible and 'locked in' saving, to allow self-employed people to lock money up for the long term while also preserving some control in case of more immediate need.
- **Flexible retirement autosaving** integrated within payment and accountancy software platforms and current accounts, building on the learnings from the Penfold and Moneyhub trials. In particular, the integration of retirement saving nudges into the evolution of Making Tax Digital could reach a large number of self-employed people as increasing numbers of them adopt accountancy software platforms to manage their reporting duties.
- **Better identification by pension providers** of self-employed people who have gained a workplace pension under auto enrolment and development of savings supports targeted to this group, including making it easier for someone who has previously been automatically enrolled in a workplace pension as an employee to continue saving when they are self-employed.
- **The potential connecting role** of representative bodies, trade unions and other organisations, including exploring the relevant regulatory considerations around this approach.

However, innovation takes time, and even with everything aligned and working well, adoption would take still longer. Additionally, there is a lack of market appetite for investing in innovations to support self-employed saving. There is rarely a strong business case for doing so, particularly when this investment is prioritised against other innovations in a roadmap. Commercial investment in solving this problem is likely to be difficult to unlock organically without some support or incentive. Market-based solutions are therefore unlikely to bring about the kind of step-change in behaviours for today's self-employed people that we have seen with their employed counterparts through auto enrolment.

To address the issue more urgently and move the dial more meaningfully, bigger, systemic intervention is likely to be required. We would therefore also look to explore the potential of:

- **Incentives** – Communicating the immediate benefit of tax relief on pension saving proved to appeal to self-employed people in this research programme. Employed people benefit from a larger incentive receiving employer contributions into their pension on top of their own contributions. We have not yet explored the role that analogous incentives might play in boosting saving by self-employed people.
- **Integration of retirement saving into the tax system** – Beyond our own research exploring saving among self-employed people, early learnings from a study carried out by the Department for Work and Pensions (DWP) and HM Revenue and Customs (HMRC) show the potential reach of the income reporting and tax payment system. The experiment involved a pop-up message for self-employed people completing a Self Assessment tax return who reported they had not made any pension contributions in the past year. The pop-up had a link to the Money and Pensions Service (MaPS) website information on pensions and retirement saving. It was delivered to about 2.1 million self-employed people between October 2021 and March 2022. Because almost all self-employed people need to declare their income via Self Assessment (and in future via Income Tax Updates under Making Tax Digital), the tax system could be a powerful touchpoint for supporting their retirement saving, particularly if a smooth and straightforward journey to saving in the moment could be put in place.
- **Retirement saving defaults** – Opt-out approaches have been successful in supporting pension saving for employed people, and an opt-out approach to payroll cash saving trialled by Nest Insight has shown promising early results.[35] Employers have the duty to automatically enrol their eligible employees into pension saving if the workers don't opt out because of the regulations first set out in the Pensions Act 2008. It could be possible for some of the touchpoint organisations identified in our research to automatically enrol self-employed people into retirement saving, but it's not clear that they currently have the legal grounds to do so. Additionally, as highlighted above, this ecosystem is fragmented and many actors lack a commercial driver to actively target self-employed retirement saving. Alternatively, and perhaps more appropriately, this approach could be combined with integration of retirement saving into the tax system, with self-employed people defaulted into retirement saving in a default vehicle at a default rate if they don't opt out or make other active choices.

[35] Nest Insight, 'Does payroll autosave support employees to get started with saving: Preliminary results from a trial of an opt-out approach to workplace saving' (September 2022), **nestinsight.org.uk/wp-content/uploads/2022/09/Does-payroll-autosave-support-employees-to-get-started-with-saving.pdf**

Detailed work on the feasibility and optimal design of such approaches has not been conducted as part of this research programme, but we believe this should be a priority for future research and trialling activity. This would be in line with the recent recommendations of the Work and Pensions Select Committee.[36] We hope to be able to continue research to this end beyond the programme reported on here, applying the learnings around communications and behavioural nudges our research, as well as the broader understanding of self-employed people's contexts, needs and preferences, to developing future solution designs.

36 House of Commons Work and Pensions Committee, 'Protecting pension savers – five years on from the pension freedoms: Saving for later life' (September 2022), **publications.parliament.uk/pa/cm5803/cmselect/cmworpen/126/report.html**

Our research and delivery partners

Nest, the National Employment Savings Trust, is a defined contribution (DC) workplace pension scheme established by an Act of Parliament (the Pensions Act 2008) to help support the introduction of auto enrolment in the UK. The scheme is authorised as a master trust by The Pensions Regulator (TPR) and its trustee is a public corporation operating at arm's length from the government. It established Nest Insight in 2016. As of 2022 the Nest scheme has over 11 million members. For more information, visit **nestpensions.org.uk**

The Association of Independent Professionals and the Self-Employed

IPSE's mission is to represent and promote the interests of the UK's self-employed population. It does this through a comprehensive policy agenda, research programmes and services to members which aim to make the lives of self-employed professionals easier. For more information, visit: **ipse.co.uk**

Moneyhub is a data and payments company that develops ISO 27001 certified software for open banking, open finance, and open data applications. Its Financial Conduct Authority (FCA) regulated open data platform enables companies to quickly and easily transform data into personalised digital experiences and initiate payments. Hundreds of organisations, spanning finance to media and retail, rely on Moneyhub's award-winning technology. For more information, visit: **moneyhub.com**

Penfold is an award-winning digital pension designed to help everyone take control of their savings and grow their wealth. Founders Pete Hykin, Stuart Robinson and Chris Eastwood set up Penfold in 2018 to bring the pension industry into the 21st century. Today, Penfold offers a tech-first auto enrolment scheme for UK businesses as well as a powerful, easy-to-use pension for private savers looking to combine all their pots. For more information, visit: **getpenfold.com**

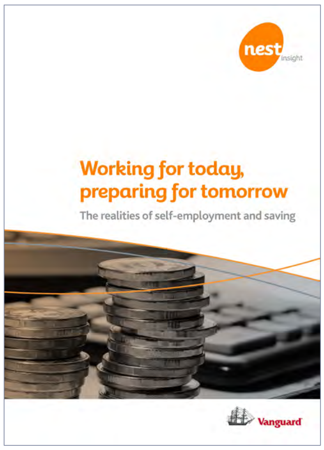
Our research in this area

This report is part of our larger programme of research and innovation around supporting self-employed people to save for retirement.

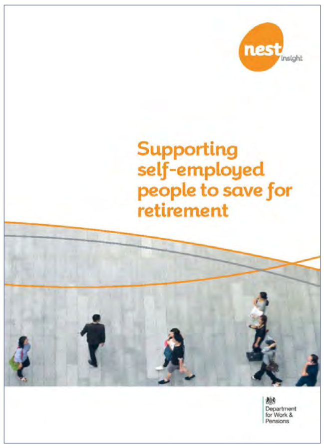
More information and other reports are available at **nestinsight.org.uk/research-projects/self-employed-pension-saving**

Retirement saving and the self-employed:
A research summary
(May 2018)

Working for today, preparing for tomorrow:
The realities of self-employment and saving
(December 2018)



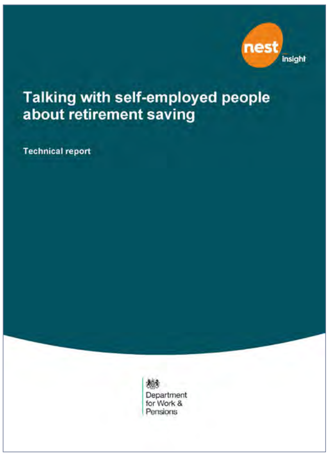
Supporting self-employed people to save for retirement
(October 2019)



Talking with self-employed people about retirement saving (September 2020)

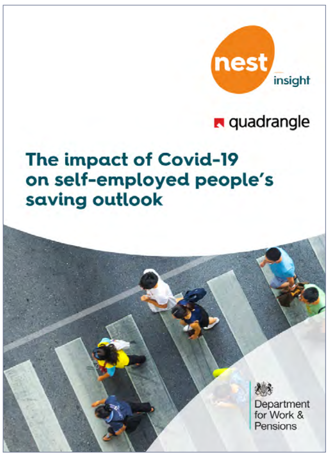
Timing retirement saving messages for self-employed people to the tax year: Learnings from a randomised controlled trial with self-employed members of the Nest pension scheme (November 2022)

Talking with self-employed people about retirement saving: Technical report (September 2020)



Exploring retirement planning and saving nudges tailored to self-employed people: Learnings from a proof-of-concept trial with the Moneyhub platform (November 2022)

The impact of Covid-19 on self-employed people's saving outlook: Summary of learnings from UK survey research conducted in September 2020 (December 2020)



Exploring flexible saving mechanisms designed for self-employed people: Learnings from a randomised controlled trial with the Penfold pension scheme (November 2022)

Our full programme of research reports, including our research on opt-out workplace savings solutions, sidecar savings which combine accessible saving with pension saving, retirement saving engagement, workplace pensions auto enrolment in action and more, visit the **Nest Insight research library online.**

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To find out more, visit our website:
nestinsight.org.uk