

PensionBee launches flexible pension for the self-employed

There are many perks to being self-employed, but the benefits that are a given when working for someone else – including a pension – can be sorely missed.

That's why pension provider PensionBee has launched a flexible product for self-employed consumers, enabling them to start a new pension with no minimum contributions.

PensionBee's flexible pension for the self-employed aims to make saving as easy as possible by enabling savers to sign up for free and pay into their pension according to their current income, with no minimum saving amounts.

One-off or regular contributions via bank transfer or Direct Debit can be easily set up online or via the PensionBee app and made from personal or business bank accounts. This is available to both sole traders or limited companies.

Self employment rises but pension take-up drops

The launch follows recent analysis from the Institute for Fiscal Studies, which showed that while the number of self-employed workers has grown rapidly over the past two decades, the proportion saving into a private pension has fallen dramatically, from 48% in 1998 to just 16% in 2018.

In comparison, nearly 80% of working-age employees were contributing to a pension in 2018 due to the introduction of auto-enrolment. Meanwhile, 2019 figures from trust-based workplace pension scheme Nest suggest that only 24% of self-employed workers are saving into a pension.

Romi Savova, CEO, PensionBee, said: “We’re delighted to be able to offer our award-winning product to a growing proportion of the UK workforce who have long been underserved by the pensions industry. Without the benefits of auto-enrolment, the self-employed are at a significant disadvantage and need access to simple and flexible products urgently if they are to avoid a shortfall in later life.

“In the absence of old workplace pensions to provide a head start, we know that the thought of saving from nothing can be daunting for many self-employed consumers, which is why we’ve made it as easy as possible for them to open a pension and put money aside whenever their business allows.

“The self-employed currently make up 20% of the PensionBee customer base, so we know their needs well and are committed to helping many more self-employed consumers plan for a happy retirement and achieve better financial outcomes.”

It takes less than five minutes to sign up to PensionBee’s self-employed pension, which is available exclusively to sole traders and directors of limited companies without an existing workplace or private pension to consolidate. They can choose from nine investment options, including the new [Fossil Fuel Free Plan](#) that excludes fossil fuel producers and persistent violators of the UN Global Compact.

All-in fees range from 0.50% to 0.95%, depending on the plan chosen, with 50% off for the portion of savings over £100,000.

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