

# The United Kingdom



## Self-Employment in the United Kingdom

Britain has a historically high level of self-employed workers, making up 15 percent of the workforce (up from 8.1 percent in 1975<sup>1</sup>), with taxi driving and construction the main occupations. There are now over 400,000 self-employed workers over the normal retirement of age 65 years (2014)<sup>2</sup>. Self-employed people will receive a basic state pension (BSP) from national insurance contributions paid on income and annual profits. But they are not covered by automatic enrolment, which was introduced in 2012 to boost workplace pensions. Almost two-thirds (63 percent) of the UK self-employed are positive about retirement. Almost four-in-five (78 percent) feel responsible for making sure that they have sufficient income in retirement, however only 64 percent are aware of the need to plan financially for retirement (compared to 72 percent globally). More than half (52 percent) of UK self-employed expects to carry on working past 65.

### Key country indicators



**15.4%**<sup>3</sup> of workers are self-employed



**68%**<sup>4</sup> of self-employed are men



**65 years** official retirement age (when full entitlements are payable)

### Profile of British self-employed



**\$22.5k** median personal income



**86%** cite positive reasons for becoming self-employed



**84%** are sole-proprietors



**9%** will sell their business to prepare for retirement

### What attitudes and expectations do the self-employed hold toward retirement?



Confident you will be able to fully retire with a lifestyle you consider comfortable

**UK: 20%**

**Global: 26%**



Proportion that expect to retire at over 65 (includes never)

**UK: 52%**

**Global: 40%**



Envision a flexible transition to retirement

**UK: 68%**

**Global: 69%**

### How are the self-employed planning and saving for retirement?



Habitual savers

**UK: 25%**

**Global: 34%**



Have a written retirement strategy

**UK: 10%**

**Global: 13%**



Have a backup plan

**UK: 29%**

**Global: 38%**

This country profile is part of the report “Retirement Preparations in a New Age of Self-Employment” and contains research findings from the fifth annual Aegon Retirement Readiness Survey. To read the full report and view videos and infographics, please visit: [aegon.com/Self-Employed](https://aegon.com/Self-Employed)

#### Sources:

<sup>1</sup> <https://data.oecd.org/emp/self-employment-rate.htm>

<sup>2</sup> <https://www.gov.uk/government/news/older-peoples-day-1-million-in-work-over-65-3-years-since-end-of-default-retirement-age>

<sup>3</sup> [OECD Self Employment rate \(2014\)](#)

<sup>4</sup> [OECD Self-Employment, proportion male \(2014\)](#)

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