1. Apologies for Absence

The Chair noted that with all Trustee Members present, no apologies had been received.

2. Declaration of interest

Following enquiry from the Chair, there were no new declarations of interest.

3. Minutes and Synopses

3.1 Minutes and Synopsis of the Governing Body meeting held on 25 January 2018

Subject to the amendment of one typographic error, the minutes of the Governing Body meeting held on 25 January 2018 were APPROVED as a true and accurate record of the meeting.

The Governing Body discussed and APPROVED the synopsis of the meeting held on 25 January 2018.

4. Matters Arising and Action Points

Progress with the completion of actions as shown in the action log was NOTED by the Governing Body.

5. Financials, Performance & Investments

5.1 Chief Executive’s Report

The Governing Body discussed the CEO’s report on developments since the last meeting. The CEO provided an overview of the report and provided updates to the Governing Body on:

i. NEST operations, financials and volumes;

ii. The results of the 2017/18 staff survey and discussions on these at the Executive Board;
Confidential

iii. The High Court ruling on ‘sleep-over workers’ and the impact to NEST;
iv. The successful retention of the ISO27001 certification by the Information Security Team;
and
v. The impact of phasing.

5.2 Corporate Reporting Pack

The Corporate Reporting Pack for March 2018 was NOTED by the Governing Body and had been discussed as part of agenda item 5.1.

5.3 Chief Investment Officer’s Report

In the absence of Mark Fawcett; Chief Investment Officer, The Deputy Chief Investment Officer introduced the report. The Governing Body discussed the report.

The Statement of Investment Principles had now been published externally, following approval by the Governing Body in January 2018.

Sally Bridgeland noted that the Investment Committee would lead a workshop in September 2018 on recent member research, member needs, and how investment could support the delivery of this.

6. Principal Matters for Discussion and Decision

6.1 Business Planning Papers

The Chief Financial Officer introduced the business planning papers, which covered: the 2018-19 Budget; the proposed 3-year business plan; the Final Funding Requirement Forecast (‘FFRF’) and an updated Loan Fact Sheet. The 3-Year Business Plan and a version of the FFRF had been submitted and discussed at the January 2018 Governing Body meeting and the updated reports were NOTED and the Chief Financial Officer provided an overview of the documents.

It was reported that the NEST Corporate Scorecard for 2018-19 would be submitted to a future meeting of the Governing Body for discussion and there was clear traceability to the budget and business plan.

It was reported that the impact of phasing was still an uncertainty, but this was being tracked on a weekly basis. A full update on phasing would be provided to the Governing Body in June 2018.

Governing Body members discussed the strategic context of the 3-Year Business Plan and how it supported the delivery of the strategic vision and strategic priorities.

Following further discussion, the Governing Body RESOLVED to:

i. APPROVE the 2018/19 budget as proposed in this paper and DELEGATE final agreement of any carry overs from 2017-18 and DWP cash draw down adjustments between 2017-18 and 2018-19 to the CEO (or CFO in the CEO’s absence);
ii. APPROVE the 3-Year Business Plan for 2018-19 to 2020-21; and
iii. APPROVE the latest loan forecast and submission of the Final Funding Requirement Forecast to the DWP ahead of the deadline of 31 March 2018.

The Chair thanked the team for the high-quality papers and work during the annual business planning cycle.

6.4 Review of Charge Levels for Transfers

The Chief Customer Officer introduced the report, which provided an overview of a review completed on the charge level for transfers, as agreed by the Governing Body in January 2017.

The NEST Corporation Governing Body RESOLVED to AGREE, that:
1. The level of the charge on contributions should be maintained at zero where it applies to transfers into the scheme;
2. The AMC should be maintained at 0.3%; and
3. This decision should be reviewed if any new material information became available.

13. Regulatory Landscape & Corporate Governance

13.1 Audit Committee Membership

The Chair introduced the report, which outlined proposed changes to the membership of the NEST Audit Committee. The proposed changes were NOTED by the Governing Body.

Following discussion, the NEST Corporation Governing Body RESOLVED to AGREE the proposal that with effect from 27 March 2018:
1. Graham Berville; Trustee Member, should be and hereby was, appointed as a member of the NEST Audit Committee; and
2. Caroline Rookes; Trustee Member, should step down as a member of the NEST Audit Committee.

13.2 Trustee Member Recruitment

The Deputy Corporate Secretary provided the Governing Body with an update on the ongoing recruitment process to appoint four new Trustee Members in June 2018. The report was NOTED by the Governing Body.

14. Statutory & Regulatory Reporting

14.1 CARA/ SARA/ AAF Report Updates

This item would be covered in the May 2018 Governing Body meeting.

15. Committee & Panel Reports/Minutes

15.1 Audit Committee

Iraj Amiri provided the Governing Body with a summary of discussions at the Audit Committee meeting held on 15 March 2018. The draft minutes of the meeting would be submitted to the May 2018 Governing Body meeting.

15.2 Risk Committee

Graham Berville provided the Governing Body with an overview of the discussions and decisions at the Risk Committee meeting held on 23 February 2018. The draft minutes of the meeting were NOTED by the Governing Body.

15.3 Investment Committee

Sally Bridgeland provided an overview of the Investment Committee meeting held on 20 February 2018. The draft minutes of the meetings would be submitted to the May 2018 Governing Body.

15.4 Nominations and Remuneration Committee

Caroline Rookes provided an overview of the Nominations and Remuneration Committee meeting held on 15 February 2018. The draft minutes of the meeting were NOTED by the Governing Body.

15.5 Determinations Committee

Jill Youds provided an overview of the Determinations Committee meetings held on 25 January
2018 and 22 February 2018. The draft minutes of the meetings were **NOTED** by the Governing Body.

### 15.6 Panel Updates

The Chief Customer Officer provided an overview of the Members’ Panel meeting on 13 March 2018. It was reported that the annual ‘four-way’ meeting with Panel Chairs, the NEST Chair and CEO, had also recently taken place, and had been an extremely positive meeting.

The Chair noted that Trustee Member attendance at Panel Meetings should continue to be encouraged and consideration would be given to requesting that each Trustee Member attend at least one meeting biennially. Following discussion, it was **AGREED** that the Panel dates should be circulated to all Trustee Members for confirmation on attendance.

### 16. Meeting effectiveness

The Governing Body discussed the effectiveness of the meeting.

### 17. 2018 Board Calendar

The calendar of items for the Governing Body in 2018 was **NOTED**. The Deputy Corporate Secretary noted that dates for the 2019 meeting would be circulated as soon as possible.

### 18. Any Other Business

#### 18.1 April NCGB Meeting

The Chair noted that as per the discussion, a formal Governing Body meeting would be diarised in April 2018 in relation to the procurement of the new Scheme administration service, and time would then be allocated to Governing Body training.

In response to Jill Youds, the Deputy Corporate Secretary confirmed that training on cyber and information security would be provided to the Governing Body later in the year.

#### 18.2 Master Trust Regulations: Draft Code of Practice 15

The Director of Pensions and Tax Law joined the meeting to provide an overview of the Pensions Regulator’s Code of Practice 15 which had now been published. It was reported that the consultation on the content of the code would be open until 8 May 2018, and Master Trusts would be required to submit the formal application and evidence within six months of 1 October 2018.

It was noted that training would be provided on Master Trust Regulations and a further update on the authorisation process when the Code had been reviewed in detail.

### 19. Date of Next Meeting

It was reported that the next NCGB meeting was scheduled for 24 April 2018.

With no further business to discuss, the meeting was closed.