Present:

Trustee Members
Lawrence Churchill (Chairman)
Iraj Amiri
Ian Armfield
Tom Boardman
Sharon Darcy
Carolan Dobson
Chris Hitchen (from item 6.)
Enid Rowlands
Karen Silcock
Sue Slipman
Nigel Stanley

In attendance:
Veronica Branton - Corporate Secretary
Mark Fawcett - Chief Investment Officer (item 7.6)
Simon Granleese - Director of Operations (item 7.3)
Tim Jones - Chief Executive
Richard Lockwood - Finance Director (item 7.1)
Will Sandbrook - Director of Strategy, Analysis and Research (item 7.5)
Fiona Smith - General Counsel
Museji Takolia - Chair of the Members’ Panel (items 1 - 6.2)
Morne Van Den Berg - Interim Finance Director (item 7.1)
Emma Winfield - Compliance Manager (item 7.4)

1. Declaration of Interests

Three potential of conflicts of interest were reported for inclusion in the log of conflict of interest.

2. Welcome

The Chairman welcomed Ian Armfield, Carolan Dobson and Karen Silcock to their first NEST Corporation meeting.

3. Key issues on the horizon

3.1 Chairman’s overview

The Chairman’s overview was NOTED. Committee Membership would be reviewed over the next few weeks, including the request to increase the Audit Committee membership to four.

3.2 Chief Executive’s overview

The Chief Executive’s overview was NOTED. The following points were highlighted:
• an update was provided on volumes
• an overview of the post budget work taking place at NEST Corporation and NEST Corporation’s announcement that it would be publishing a consultation document was reported
• Trustee Members asked for staff at NEST Corporation and TCS to be congratulated on the successful implementation of Service Release 7.

4. Minutes

4.1 Trustee Meeting 28 March 2014

NEST Corporation APPROVED the minutes of the Trustee Meeting held on 28 March 2014 subject to incorporating the amendments discussed at the meeting.

4.2 Synopsis Trustee Meeting 28 March 2014

NEST Corporation APPROVED the synopsis of the Trustee Meeting held on 28 March 2014.

5. Matters Arising

5.1 Action sheet

Progress with the completion of actions as shown on the action sheet was NOTED and a number of updates were provided at the meeting.

6. Committee Minutes and Reports

6.1 Determinations Committee (3 April and 24 April 2014)

The draft minutes of the Determinations Committee meeting held on 3 April 2014 were NOTED and a verbal update provided on the process and procedural issues discussed at the meeting on 24 April 2014.

6.2 Members’ Panel meeting (10 April 2014)

The Chairman of the Members’ Panel reported that the draft Memorandum of Understanding between the Members’ and Employers’ Panels, NEST Corporation and the Chief Executive of NEST Corporation and the draft Members’ Panel Annual Report for 2013/14 had been discussed at the Members’ Panel meeting held on 10 April 2014.

6.3 Committee forward agendas

The Committee forward agendas were NOTED.

7. Decision and discussion items

7.1 Draft Annual Report and Accounts text for the Corporation and the Scheme

The Chairman welcomed the Interim Finance Director and the Finance Director to the meeting.
The Interim Finance Director introduced the draft Annual Reports for the Corporation and the Scheme for 2013/14. A steer was sought on content, tonality, factual accuracy and balance. Any off-line comments were requested by 28 April 2014.

**Action:** All

The next iterations of the Annual Reports and Accounts for the Corporation and the Scheme would be provided in May and sign-off sought at the 27 June 2014 Trustee Meeting.

The text for the draft Annual Reports was discussed including how much the reporting should differ between the scheme and corporation Annual Report and Accounts. The main issue was understanding the audiences for each document, what was of interest to them and whether the Annual Report and Accounts needed to be stand-alone documents. Further thought would be given to this.

### 7.2 Draft Members’ Panel Annual Report

The Chairman of the Members’ Panel introduced the draft Members’ Panel Annual Report for 2013/2014.

Trustee Members appreciated the draft being shared with them and respected the independence of the Members’ Panel’s views.

### 7.3 Maintaining Contributions: materiality and debt recovery

The Chairman welcomed the Director of Operations to the meeting. The paper provided an update on The Pensions Regulator’s (TPR) maintaining contributions requirements and NEST Corporation’s experience of late payments to date. This included the steps taken by NEST Corporation to highlight the information requirements to employers; the circumstances in which late payments are likely to be material payment failures which need to be reported to TPR; and, the best approach to recovering outstanding contributions.


The Chairman welcomed the Compliance Manager to the meeting. The paper provided an update on TPR’s Defined Contribution Code, the ICAEW and TPR’s independent assurance framework and the DWP command paper “Better workplace pensions: Further measures of savers.”

The governance statement explaining how NEST Corporation complies with TPR’s Defined Contribution Code and other requirements was discussed. A revised governance statement would be circulated to Ian Armfield and the Chairman, after the meeting with Ian Armfield and members of the legal team had taken place and his suggestions had been considered and revisions made to the statement as required.

**Action:** Compliance Manager

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1. e.g. employers leaving insufficient time for processing and bank clearance; sending money to NEST without a payment reference.
2. e.g. NEST has reasonable cause to believe that the employer is not willing to pay the outstanding contributions; where the employer does not have adequate procedures or systems in place; where contributions have been outstanding for 90 days.
NEST Corporation APPROVED:
• the delegation of the sign off of NEST Corporation’s response to the DWP command paper to the Chairman.

7.5 Implications of the Budget announcement on NEST

The Chairman welcomed the Chief Investment Officer to the meeting. The paper provided an update, as a precursor to the 23 May strategy session, on the work being done to consider the implications for NEST Corporation of the changes announced in the budget to the ways in which individuals may choose to decumulate their pension savings in the future. A number of steps had already been taken to alert NEST Scheme members to the budget changes.

NEST Corporation’s response to the HM Treasury consultation would be discussed at the May meeting.

7.6 Business Update (including the Corporate Dashboard)

The Business Update was discussed and NOTED.

8. Forward agenda

The forward agenda for the NEST Corporation Trustee meetings was NOTED.

9. Date of Next Meeting

23 May 2014, Eagle Room, Riverside House, 2a Southwark Bridge Road, London SE1 9HA. The timings of the meeting are to be confirmed but it was requested that Trustee Members keep the whole day free.