



# Welcome to Nest

—  
All the key  
information you  
need about being  
a member of Nest

# Welcome to Nest

Building a retirement pot is important. We know you take it seriously. We do too. We've designed Nest to make it easy for you.

Now that you're a member you can take control of your retirement pot if you want to. It's up to you how involved you'd like to be. Nest is designed to look after your money whatever you choose to do.



There are lots of reasons to log into your online account. You can read more on [page 8](#).

## How do you know how much money is in your Nest retirement pot?

You can check what your retirement pot is worth, whenever you want, by logging into your online account. You can also keep track of what's being paid in by you, your employer and the government. To start using your online account visit [nestpensions.org.uk/myaccount](https://nestpensions.org.uk/myaccount)

## When can you take your money out of Nest?

You can choose any date from the day you turn 55.

It's really important to let us know when you plan to take your money out of Nest so we can try to manage your money accordingly. You can do this by logging into your account.

There's more information about taking your money out of Nest on [page 22](#).

## Who gets your money?

Your Nest retirement pot is only there for you and your loved ones. So it's important that you tell us who you'd like to receive it if you die before you take your money out. This could be your partner or spouse, a family member or a charity.

Find out more about how you can do this on [page 28](#).



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## Opting out

If you don't want to contribute to Nest you can choose to opt out. You must do this within your opt-out period. If you don't opt out within this period you can still choose to stop your contributions at any time.

You can find out more about opting out on [page 31](#).

# About us

## Helping you to save for your retirement

We're here to help you to build up a retirement pot. A lot of people in the UK haven't had a workplace pension before, so we've spent time finding out what they want and need from a scheme like Nest.

Nest is an occupational pension scheme run in members' interests and we've been set up to look after your money.

## The people who run Nest

Nest Corporation is the organisation that runs the Nest pension scheme. It's made up of a Chair and up to 14 Trustee Members who run the scheme in the interests of our members.

In this guide we use the term Nest to refer to both Nest Corporation and the scheme.

Find out more by visiting [nestpensions.org.uk/hownestisrun](https://nestpensions.org.uk/hownestisrun)

## Making pensions easier

We understand that pensions can be confusing. That's why we're doing our best to keep things simple and put you in control.

We don't use jargon and we take the time to make sure information about your pension is easy to understand.

We know that pensions aren't always a day to day concern. Our research shows that many people just want to keep on contributing and let us take care of the rest.

Nest lets you do exactly that with a straightforward approach designed to help your retirement pot grow over the long term.

## Why have a pension?

It's a good idea to put some extra money away for your future. A lot of people plan to rely mainly on the State Pension. It's worth remembering that the full flat rate State Pension is currently £175.20 per week.

### Why a workplace pension is different

Putting money aside for retirement needs a special approach. Between now and the time you retire the cost of things such as food, petrol and taking a holiday is likely to go up. You need to make sure your money grows more than the rising cost of living. A pension scheme is one of the best ways of doing this.

You'll also get extra money added by your employer and most people will get money from the government through tax relief. That means over the years there'll be more money going into your retirement pot than if you just saved in a bank account.

A pension can also offer some long-term security for your family, partner or loved ones. If you die before taking your money out of Nest and you've told us who you'd like to get your money, we'll do our best to make sure they get it.



The State Pension can give you a foundation for your income in retirement, but may not give you enough money for the retirement you want.

### Putting money away for the future

There are many different ways to put money away and lots of people choose to do it through a savings account or by putting cash into an ISA. However, at the moment bank accounts don't offer high rates of interest. When you come to retire you may find that the money you've saved is worth less than you expected because of the increased cost of living.



Nest aims to grow your money more than if you put it in a bank account and built up interest.



# Being a member of Nest

You're a member of Nest for one of two reasons:

- your employer automatically enrolled you
- you asked your employer to enrol you.

You can learn more about who can be a member of Nest and ways of joining by visiting [nestpensions.org.uk/joiningnest](https://www.nestpensions.org.uk/joiningnest)

## Using your online account

You've got your own online Nest account. It's worth logging in now to start making the most of being a member.

You'll be able to access your own personal dashboard and secure online mailbox. Your dashboard shows information that's tailored to you, and has tools and tips to help you save. You'll also find all your important information in your secure online mailbox.

It's a good idea to give us your personal email address so we can let you know when there's something you need to check.

We send communications electronically. Not only is it good for the environment, it helps us reduce costs so we pass these savings on to members like you.

## Getting Nest information by post

If you want to receive Nest communications on paper, you'll need to let us know. You can do this by logging into your account, calling us or writing to us. You can find our contact details at the back of this guide.

## It's easy to manage your pot through your dashboard



See how much you've managed to save



See if your employer is contributing



Make sure we have the right contact details for you



Combine your pension pots together with Nest



Top up your pension pot or pause your contributions



Tell us who you'd like your money to go to if you die

## Logging into your online account

When you log into your online account for the first time you'll need your National Insurance number and your Nest ID. You'll find your Nest ID at the top right of the welcome letter we sent you when you joined. If you can't find it don't worry, you can still log in with your date of birth.

Go to [nestpensions.org.uk/myaccount](https://nestpensions.org.uk/myaccount) and follow the instructions on screen.

You get to keep your Nest pension pot for life. That means you can keep paying in to the same pot even if your circumstances change, for example you've changed jobs and your new employer also uses Nest, or you become self employed or stop working but still want to save into your pension pot.

If you change jobs and your new employer uses Nest then both you and your employer can contribute to the pot you already have.

Even if your next employer doesn't offer Nest you can still contribute directly to your Nest pot yourself. You'll need to contribute at least £10 each time.

You have an additional option if you stop putting money into your Nest pot. This could happen if you leave your employer, your employer starts using another pension provider or you cease contributions. If you're no longer getting regular contributions paid into your pot you'll be able to transfer your pot to another pension scheme. Nest won't charge you anything for transferring your pension pot. However, the provider you transfer into may charge you to receive your money, and may charge more or less than Nest to look after it.

You can get further information in *Moving your money out of Nest* at [nestpensions.org.uk/schemeweb/dam/nestlibrary/transfers-out-of-NEST.pdf](https://nestpensions.org.uk/schemeweb/dam/nestlibrary/transfers-out-of-NEST.pdf)

If you're aged 55 or over please also see the section on [page 22](#) about taking your money out of Nest.

### Beware of pension scams

Some people have built up a lot of money in their retirement pots. This has attracted an increasing number of scams that target people approaching retirement.

Find out more at [fca.org.uk/scamsmart/how-avoid-pension-scams](https://fca.org.uk/scamsmart/how-avoid-pension-scams)



# Contributing to Nest

The best way to build up a retirement pot is to start as soon as you have the chance and then keep contributing. It's never too late to start. No matter when you start or how much is being paid into your retirement pot, at Nest we'll look after it carefully.

## Contributing to your retirement pot

Whether you've been automatically enrolled or you've asked to be enrolled in Nest there's a minimum contribution level that must be added to your retirement pot.

Your employer will pay some or all of this and the rest will come from you and tax relief if you're eligible for it.

If you think you can't afford it, you may find that once you give it a go for a few months you get used to it.

Setting money aside for your retirement may be easier than you thought.

### What does the value of your pot depend on?

- Contributions – see opposite
- Charges – see more on [page 16](#)
- Growth – see [page 19](#)

## Contributions

Contributions can come from:

- You or someone paying in for you

As well as regular contributions, one off contributions of at least £10 are also allowed.

- Your employer

Your employer must make regular contributions as long as you keep contributing.

- The government through tax relief

We'll claim basic rate tax relief for you directly if you're eligible to receive it. The rate of tax relief we can claim is dependent upon the information we get from HMRC. This could be at the England and Northern Ireland basic rate, the Scottish basic rate or the Welsh basic rate.

### Contributions from other people

Other people can contribute to your retirement pot, for example your partner or spouse. They can do this using a debit card.

Our website gives you more details on how to make payments at [nestpensions.org.uk](https://nestpensions.org.uk)

## How tax relief works

If you're eligible for tax relief we'll collect it directly from the government and add it to your pot.

For example if you're eligible for 20 per cent tax relief, for every 80p you contribute we'll collect 20p from the government and add it to your pot.

Even if you don't have any earnings you'll still receive tax relief on £2,880 of your contributions in a tax year. This assumes a 20 per cent rate of tax relief applies to you.

This will only be the case if either:

- you were a resident in the UK at some point during that tax year
- you were resident in the UK when you joined Nest and at some point during the five years before the year you're claiming tax relief.

Your pension contribution is deducted after tax is calculated on your pay. Nest will claim basic tax relief on your behalf and add it to your pot. This means the money that would have gone to the government as tax goes into your pension pot.

If you pay tax at a higher rate on some of your earnings, you may be able to get more tax relief on your contributions. You'll need to claim this yourself by completing a Self Assessment tax return and sending it back to HMRC or if you don't complete a tax return by contacting HMRC.

Find out more at [gov.uk/government/organisations/hm-revenue-customs/contact/income-tax-enquiries-for-individuals-pensioners-and-employees](https://www.gov.uk/government/organisations/hm-revenue-customs/contact/income-tax-enquiries-for-individuals-pensioners-and-employees)

## How your employer will work out your contributions

Employers have different options for calculating minimum contributions. To find out how your contributions are worked out it's best to check with your employer.

One method they may use is based on qualifying earnings – a band of earnings defined by government each year. See more about this at [nestpensions.org.uk/autoenrolment](https://www.nestpensions.org.uk/autoenrolment)

For more on the other ways your employer might calculate minimum contributions, go to [pensionsadvisoryservice.org.uk](https://www.pensionsadvisoryservice.org.uk) and search for 'pensionable pay'.

## What is the annual allowance?

The government puts a limit on the total amount you can pay into pension schemes each tax year without paying extra tax.

This limit is called the annual allowance. The standard annual allowance is currently set at £40,000 a year. It is currently reduced to £4,000, if you access any of your retirement pots flexibly.

If the total amount you pay into all your retirement pots in one tax year goes over the annual allowance you may have to pay a tax charge on the amount that goes over. This is known as the annual allowance charge.

In Nest, contributions count towards the annual allowance based on when we received them. So sometimes contributions deducted from your pay in March or early April will count towards the annual allowance in the next tax year.

## What is flexible access?

Flexible access is when you take a retirement pot from a pension scheme in any of the following ways:

- taking some of your pot as cash without buying a retirement income unless you take your entire retirement pot and it's worth less than £10,000
- buying a special type of retirement income called a flexible annuity – the provider you buy the income from will tell you if it's a flexible annuity
- using some of your retirement pot for income drawdown.

Your provider will tell you if you've accessed your retirement savings flexibly.

## What happens if you do flexibly access your pot?

If you access any of your retirement pots flexibly then any future contributions you make will be subject to the lower annual allowance of £4,000. So before you choose to use flexible access it's worth thinking about whether you'll want to contribute more than this in future.

You can find out more about annual allowance at [gov.uk/tax-on-your-private-pension/annual-allowance](https://www.gov.uk/tax-on-your-private-pension/annual-allowance)

## What is the lifetime allowance?

The government puts a limit on the total amount you can accumulate in all of your pension savings without paying extra tax.

This limit is called the lifetime allowance. The standard lifetime allowance is currently £1.073 million.

This £1.073 million limit doesn't include your State Pension or state benefits. Most people won't go over this limit.

## Charges

Nest is an occupational pension scheme run in members' interest. We don't make a profit from looking after your money. However, we need to cover the costs of setting up the scheme and managing your retirement pot.

The services and benefits we've outlined are covered by our charges and transaction costs. These are made up of:

- a contribution charge of 1.8 per cent. We deduct this from all contributions, but not transfers in, a member makes to the scheme.
- an annual management charge (AMC) of 0.3 per cent, applied to all assets under management.
- portfolio transaction costs – to learn more about portfolio transaction costs, see the appendix of our pension scheme report and accounts at [nestpensions.org.uk/schemeweb/nest/resources/library.html](https://nestpensions.org.uk/schemeweb/nest/resources/library.html)

The contribution charge and the annual management charge are the only charges that come out of your pot.

Our charge structure is broadly equivalent to a 0.5 per cent AMC over the lifetime of someone saving in Nest. Our charges are within the 0.75 per cent cap on members' charges for schemes used for auto enrolment.

You can find out more at [nestpensions.org.uk/schemeweb/nest/aboutnest/nest-charges.html](https://nestpensions.org.uk/schemeweb/nest/aboutnest/nest-charges.html)

### How our charges work

An example of our contribution charge and annual management charge can be seen opposite.

Suppose £25 is being added to your pot each month. Our contribution charge is 1.8 per cent so we take a contribution charge of 45p. Over 12 months if £300 is added to your pot, then the contribution charge works out as £5.40.

We also take a small percentage off the value of your retirement pot over the year. This is known as an annual management charge. This amount is 0.3 per cent. Suppose your retirement pot is worth £1,000. This means we charge £3 over the year.

In the example opposite where £25 is paid every month and the total amount of money in your pot at the beginning of the year is £1,000, the total that the member would pay in charges in the year would be £8.40.

### Contribution charge



£25 total monthly contribution



45p contribution charge per month



£5.40 contribution charge per year

### Annual management charge



£1000 value of member's pot



£3 annual management charge



£8.40 total contribution charge per year

## Can you move money into Nest from another pension scheme?

Making a transfer is simple but there are some things to think about first. You'll need to consider whether there are costs and how well the other scheme handles their funds, or if your transfer is in accordance with the rules listed under chapters 1 and 2 of part 4ZA of the Pension Schemes Act 1993.

For more information on the types of transfers we accept, visit [nestpensions.org.uk/schemeweb/nest/members/my-nest-pension/transferring-pension-pots.html](https://nestpensions.org.uk/schemeweb/nest/members/my-nest-pension/transferring-pension-pots.html) where you can find our guide, Things to consider when moving your money into Nest.

Please check our website regularly or whenever you're considering a transfer into Nest to find out which types we accept, as these may change over time.

For many people moving money into a different pension scheme can make it easier to keep track of their pension savings. But it's not right for everyone. If you're unsure, speak to your current provider and take independent financial advice.



## What happens to your money in Nest?

We've conducted a lot of research with our members over the years. It's told us that most of you want steady consistent growth from your retirement savings and that's what we aim to deliver. We manage your money carefully and responsibly on your behalf.

Any contributions made to your pot during your opt-out period won't be invested until after your opt-out period ends. That means that they won't earn interest or investment growth during the period. You can find out more at [nestpensions.org.uk/schemeweb/nest/my-nest-pension/joining-nest/opting-out.html](https://nestpensions.org.uk/schemeweb/nest/my-nest-pension/joining-nest/opting-out.html)

### Helping your pot grow

We aim to make your pot grow for when you retire. We do this by investing in things that usually increase in value over time, such as shares in a company or property. As the company grows or as the property goes up in value, you share in the profit. However, there is no guarantee that values will always increase and the value of your pot could fall as well as rise.

## Nest Retirement Date Funds

Once your opt-out period has ended we put your money into one of our Nest Retirement Date Funds. We have a Nest Retirement Date Fund for every year a member could take their money out of Nest.

Unless you tell us differently, we'll assume you'll take your money out of Nest when you reach 65 or your current State Pension age, depending on your date of birth.

So whether you're near retirement or further away from it, we'll have a Nest Retirement Date Fund for you.

For example, if you expect to take your money out in 2025, your retirement pot will be invested in the Nest 2025 Retirement Fund.

If on the other hand you expect to take your money out in 2058, your retirement pot will be invested in the Nest 2058 Retirement Fund.

Each of these funds is managed according to the life stage of members in it. If you're five years from retirement we'll manage your money in one particular way, making sure it's ready for you to take it out.

If you're 20 years from retirement, we'll manage your money differently, focusing on growing it as much as possible.

To make sure we invest your money in the right way, it's important that you tell us the correct retirement date for you.

If you join Nest after State Pension age we'll put your pot in our Post Retirement Date Fund. This fund may not be appropriate if you plan to keep your money in Nest for a number of years. If you do join after State Pension age it's important you tell us when you want to take your money out. This means we can invest your money in the Nest Retirement Date Fund for this year. You can read more about how and why we do this on our website at [nestpensions.org.uk/nestretirementdatefunds](https://nestpensions.org.uk/nestretirementdatefunds)

## Other funds

Some members may have personal beliefs or preferences about how we manage their money.

For example, some people may feel strongly about fair trade, labour rights or the environmental impact of the companies they put money into. Others may want a way of putting money away that fits with Islamic principles.

Alternatively they may just want their money to be invested in a way that aims to grow it differently from the Nest Retirement Date Funds.

For these reasons Nest offers a carefully selected choice of other funds.

These funds are:

- Nest Ethical Fund
- Nest Sharia Fund
- Nest Higher Risk Fund
- Nest Lower Growth Fund

If you're close to retirement, the following funds may also be available to you:

- Nest Pre-retirement Fund
- Nest Guided Retirement Fund

You can find out more about all of our fund choices at [nestpensions.org.uk/otherfundchoices](https://nestpensions.org.uk/otherfundchoices)

## How to make the most of your pot

### Keep at it

The most straightforward and reliable way to build your retirement pot is to keep making contributions.

That way you won't lose out on any money from your employer or any tax relief you may get from the government.

### Put more in

You can increase your contributions at any time, however, the government puts a limit on the total amount you can pay into pension schemes in each tax year without paying extra tax. For more information on the annual allowance and lifetime allowance see [page 14](#).

To see the difference even small extra contributions could make to the value of your pot and what you could get when you come to take your money out of Nest you can use our pension calculator at [nestpensions.org.uk/schemeweb/nest/saving-for-my-future/what-kind-of-retirement-do-i-want/estimating-my-retirement-income.html](https://nestpensions.org.uk/schemeweb/nest/saving-for-my-future/what-kind-of-retirement-do-i-want/estimating-my-retirement-income.html)

### Leave it in longer

Leaving your money in longer means you'll have more time to make contributions and we'll have more time to grow your retirement pot. You won't get tax relief on any contributions after you reach age 75.

Your employer does not have a duty to pay contributions into your account after you reach age 75.

# Taking your money out of Nest

## When can you take your money out?

You can take some or all of your money out of Nest at any point from the day you turn 55. We don't charge you for taking your money out so the full value of your pot will be available when you're ready for it.



It's a good idea to tell us when you plan to take your money out so we can make sure we manage your retirement pot to be ready for that date.

If you don't tell us the date you want to take your money out of Nest we'll assume you'll take your money out at:

- age 65 if you were born on or before 5 December 1953
- your current State Pension age if you were born after 5 December 1953
- age 75 if you've already reached 65 or State Pension age at the point of joining.

The State Pension age is changing over the next few years. You can find out what yours is at [gov.uk/state-pension-age](https://www.gov.uk/state-pension-age)

We'll automatically invest your money in a fund tailored for the year of your retirement.

You can change your Nest retirement date at any time by logging in at [nestpensions.org.uk/login](https://nestpensions.org.uk/login)

## Can you take your money out early?

You can transfer your money out of Nest into another pension scheme at any time after you've stopped contributing to your Nest retirement pot.

Other than transfers to another pension scheme if you stop contributing to Nest, there are very few circumstances where you can take out your money before you reach 55. If you're suffering from serious ill health or are unable to work any more, you may be able to take your money earlier. To do this you'll need to have your medical condition confirmed by your doctor or registered medical practitioner.

Be extremely cautious if you're offered early access to your retirement pot for any other reason. These offers are usually scams that could end with you losing some or all of your retirement savings. Find out more at [fca.org.uk/scamsmart/how-avoid-pension-scams](https://www.fca.org.uk/scamsmart/how-avoid-pension-scams)

## Understanding your choices

When the time comes to take your money out of Nest, there are a number of things you can do with your retirement pot

- Self managed – taking cash from your Nest retirement pot
- Nest Guided Retirement Fund
- Options with other providers:
  - Annuities
  - Transfers

Your options will depend mainly on how much is in your pot. Nest can help you understand these options and offer information to support you in making your decision. There are other ways you can take money out of your retirement pot that are not currently offered by Nest. There will be different tax implications depending on the option you choose.

The above options are explained in more detail on the following pages. You will find the full details in *Taking your money out of Nest*, a guide designed to help you think about what you want to do with your money when you take it out of Nest. You'll receive this when you reach retirement age, along with your retirement letter and our guide, *Your personal retirement options* that tells you the options available to you.

## 1. Taking cash from your Nest retirement pot

When you reach retirement age you'll need to decide whether or not you want to take any of your retirement pot as cash.

Keep in mind that if you decide to take all of your money out as cash, it means you'll have used up your whole retirement pot. This means you won't get any future lump sums or income from your Nest savings.

You can take all of your pot as cash from age 55. One quarter of it will usually be tax free. Any cash you take over this tax-free amount will usually be taxed as income.

You can also choose to take some of your pot as cash in stages and leave the rest invested and continue to save with Nest. This is subject to our criteria.

## 2. Nest Guided Retirement Fund

If you choose the Nest Guided Retirement Fund, Nest will aim to make available a stable and sustainable level of money which you can withdraw until age 85, leaving a separate pot that can be used to purchase a guaranteed income for life. This should reduce the risk of your pot running out.

You can make withdrawals online via the Nest website and have them paid directly to your bank account.

Nest will continue to manage your pot and invest your money with the aim of providing sustainable withdrawals. You can take your pot in full, or choose a different retirement option, at any time if your circumstances change.

You can choose this option if you are aged between 60 and 70 and have at least £10,000 in your pot. If you meet the criteria above, are invested in a Nest Retirement Date Fund and don't tell us what you want to do with your pot at your intended retirement date, we will automatically move your pot into the Nest Guided Retirement Fund.

## 3. Options with other providers

### a. Getting a guaranteed income through an annuity

You can usually choose to take up to one quarter of your retirement pot as a tax free lump sum and convert the remaining pot into a regular income. One way to do this is to buy a product called an annuity from an annuity provider. With an annuity you can get a guaranteed income paid to you for the rest of your life.

Nest doesn't provide annuities. However, if you decide you'd like to use your Nest pot to buy an annuity we can help you arrange this once you've chosen a provider.

The income you can get depends on a few different factors. Some of them are about decisions you make, for example if you want a level income or one that increases with the rising cost of living.

The amount of income you get will depend on how much money is in your retirement pot, your age and what level of income an annuity provider is prepared to offer you at the time. There are many different products and providers out there, so it's a good idea to shop around to get the best option for you.

### b. Transfer your retirement pot to another scheme

You might choose to transfer your money out of Nest if you want to bring all your pots together and/or access more retirement options.

You may decide you want an income drawdown product so you can access your tax free lump sum and start drawing a retirement income while keeping the rest of your money invested. Options like these aren't currently offered by Nest, so to access them you'd have to transfer your Nest retirement pot to a provider that does. Read the Money and Pensions Service leaflet, [Your pension: your choices](#) for a useful overview on your retirement options. You can transfer your money out of Nest into another pension scheme at any time after you've stopped contributing to your Nest retirement pot.

Nest won't charge you anything for transferring your pension pot. However, the provider you transfer into may charge you for receiving your money and may charge more or less than Nest for looking after your money.

You can find out the value of your retirement pot and request a transfer by logging into your online account or by contacting us. You can also write to us using the address on the back of this guide.

The value of your pot will depend on the day that the transfer takes place. This is known as the transfer value.

### How Nest can help you choose

If you're six months or less from the date we expect you to take your money out of Nest, we'll send you personalised information about your options. This will help you choose the option you feel is right for you.

At this point we'll also give you full instructions on how to get help with your retirement options.

### Help with your retirement options

The government has set up Pension Wise, a service that offers you free, impartial guidance about your retirement options. When you're close to retirement you'll be able to get tailored help over the phone or face to face. You can also find lots of general guidance about retirement options on their website at [pensionwise.gov.uk](https://pensionwise.gov.uk) or by calling them on 0800 138 3944.



# What happens if you die before withdrawing your pot?

No one likes thinking about what happens after they die. But taking a moment now could spare a lot of trouble for your loved ones later.

## Making sure the right person gets your money

You can tell us who you would like to receive the benefits of your retirement pot if you die before taking all of your money out of Nest. They are known as beneficiaries. It could be your partner or a member of your family, your favourite charity, a trust or a combination of people and organisations.

There are two ways of making your wishes known. You can either nominate a beneficiary or make an expression of wish. The choice you make can affect whether inheritance tax is payable. It's a good idea to seek professional advice before making a decision.

### Making a nomination

If you nominate a beneficiary or beneficiaries, we'll pay your pot to all of your nominated beneficiaries unless they've died or we can't contact them, in which case we'll usually pay their share to your estate. You can change your beneficiaries or switch to an expression of wish at any time.

### Making an expression of wish

If you make an expression of wish, we'll decide whether to pay your pot to some or all of the beneficiaries you tell us about, or to your estate, taking into account your personal circumstances at the time of your death. If you choose an expression of wish, you'll no longer have the option to make a nomination.

## How your pot is paid and taxed if you die

When you die, we'll normally pay a cash lump sum to your beneficiaries or your estate. If you die before the day you turn 75, and the payment is made within two years of us being notified, the payment will usually be tax free.

If you're 75 or over when you die, and the payment is made within two years of us being notified, then if the payment is made to your beneficiaries that will usually be subject to tax at their marginal rate of income tax.

However, where your beneficiaries are, for example, a trust or a company, or alternatively if payment is made to your estate, a 45 per cent tax charge will usually apply.

### Inheritance tax

If you have made an expression of wish this means that your pot won't usually form part of your estate for inheritance tax purposes.

If you have nominated a beneficiary your pot will usually form part of your estate for inheritance tax purposes.

## What happens if you don't nominate someone or make an expression of wish?

If you don't nominate someone or complete an expression of wish – we'll normally pay your retirement pot to whoever is appointed to look after your estate.

The person looking after your estate will be responsible for distributing your estate in line with your will, or if you don't leave a will, in line with the law. We may decide to pay anything left over that isn't more than £5,000 to one or more of your relatives.

If you die before the day you turn 75 and payment is made within two years after notification, we will usually pay a tax-free cash lump sum. If you are 75 or over when you die, a tax charge of 45 per cent will usually apply if payment is made to your estate.

It's important to keep your chosen beneficiaries' details up to date. If you change your mind about who should get your pot you need to tell us. Watch [our video and view our case studies](#) for more information and log in to your account at [nestpensions.org.uk/login](https://nestpensions.org.uk/login) to let us know your preference.

## How can you tell us about your beneficiaries?

1 Log in to your online account



2 Tell us who you want to receive your Nest retirement pot and whether you want to nominate them or make an expression of wish



3 Keep your nominations or expression of wish up to date



## If you choose to opt out

If you decide you don't want to be a member of Nest you can opt out during the opt-out period. This is normally a one month period that starts after your employer enrolls you. You can find this date in the welcome letter we sent you when you joined.

If you choose to opt out, you're only opting out of Nest with the employer mentioned in that letter. If another employer enrolls you, either now or in the future, and you want to opt out you'll need to do it again.

If you opt out, any money you've contributed with this employer will be refunded, but you should think carefully before you opt out. Any contributions made to your pot during your opt-out period won't be invested until after this period ends. That means that your contributions won't earn any interest or investment growth during the period.

Opting out means you'll lose out on employer contributions and tax relief that may have gone into your retirement pot.

After the opt-out period has passed, you can still choose to stop making contributions but you won't get a refund of any contributions you've already made. Your contributions will stay in your Nest retirement pot until you reach the age when you can take your money out.

If you decide to opt out you can do it in the following ways:

- online
- post
- telephone

To opt out online or over the phone, we'll need to confirm your identity. We'll ask you for your:

- Nest ID
- date of birth
- National Insurance number or the alternative identifier your employer gave you when they enrolled you.

### Online

Log in at [nestpensions.org.uk/login](https://nestpensions.org.uk/login) and follow the instructions on screen.

It takes about two minutes and we can quickly stop taking contributions from your employer. We'll also write to you to confirm your decision.

### Telephone

Call 0300 020 0090 and follow the automated instructions. This call is likely to take about six minutes. Calls cost no more than a national rate call to 01 or 02 numbers. Charges from mobile phones may vary.

### Post

If you prefer, you can opt out by post. Call us on 0300 020 0090 to let us know. We'll post you a form to fill out and give to your employer. They'll tell us you've decided to opt out.

Opting out this way takes more time to complete so there's a chance your employer might take more contributions from your wages before the process is complete.

Remember the one month opt-out period means that if you choose to opt out by post, you'll need to do it in good time.

### After the opt-out period

If you don't opt out within the one month period, you'll still have control of whether you make payments into your retirement pot or not. You can decide to stop making contributions for a period of time. If you want to start contributing again you can. If you want to receive an employer contribution then, assuming you're still eligible, you'll need to talk to your employer.

If you asked your employer to enrol you into Nest to begin with and then changed your mind and opted out, your employer doesn't have to let you opt in again within a 12-month period.

## What other help is available?

### Further help

You can find answers to frequently asked questions at [nestpensions.org.uk/memberhelpcentre](https://nestpensions.org.uk/memberhelpcentre)

If this doesn't resolve your issue you can contact us by email at [support@nestpensions.org.uk](mailto:support@nestpensions.org.uk)

Or you can call us on 0300 020 0090.

When you call us, you'll need to tell us your

- Nest ID
- date of birth
- National Insurance number or the alternative identifier your employer gave you when they enrolled you.

You can also write to us at:

Nest  
Nene Hall  
Lynch Wood Business Park  
Peterborough  
PE2 6FY

### Help with your retirement options

The government has set up Pension Wise, a service that offers you free, impartial guidance about your retirement options. When you're close to retirement you'll be able to get tailored help over the phone or face to face. You can also find lots of general guidance about retirement options on their website at [pensionwise.gov.uk](https://pensionwise.gov.uk) or by calling them on 0800 138 3944.

## Making a complaint

Things can go wrong from time to time. When that happens, our aim is to resolve your complaint in an efficient, fair and timely way. Where we've made a mistake we'll explain what went wrong and take steps to put things right.

We'll acknowledge your complaint within five working days and give you a complaint reference number. We'll then investigate it and try to resolve it as quickly as possible, within 20 working days. If we think it'll take longer or it's not a complaint we can deal with, we'll let you know.

We'll also let you know if your complaint is actually with a third party, such as your employer. In this case we'll be unable to handle it. But we'll let you know if this is the case and why.

For more information please see How we handle complaints at [nestpensions.org.uk/complaints](https://nestpensions.org.uk/complaints)

## Contact us online

If you're a member of Nest, a participating employer or a delegate acting on behalf of a member or employer using Nest, you can raise a complaint using your Nest account. As a member, you can log into your account at [nestpensions.org.uk/login](https://nestpensions.org.uk/login), click on 'My account' and select 'Raise a complaint' in the Admin section.

Alternatively, you can send us a secure message through your mailbox or call us on 0300 020 0090 or write to us at:

Nest  
Nene Hall  
Lynch Wood Business Park  
Peterborough  
PE2 6FY

Information we'll need:

- the facts relating to the complaint or dispute
- whether the matter is known to have been brought to the attention of any other regulatory authority such as the Pensions Ombudsman
- whether any legal proceedings are known to have commenced in relation to the same subject matter
- any relevant documents and correspondence

In certain circumstances, if you're dissatisfied with our response you can ask us to handle your case as a dispute.

For details of how to raise a dispute and who can do it, please see [nestpensions.org.uk/complaints](https://nestpensions.org.uk/complaints)

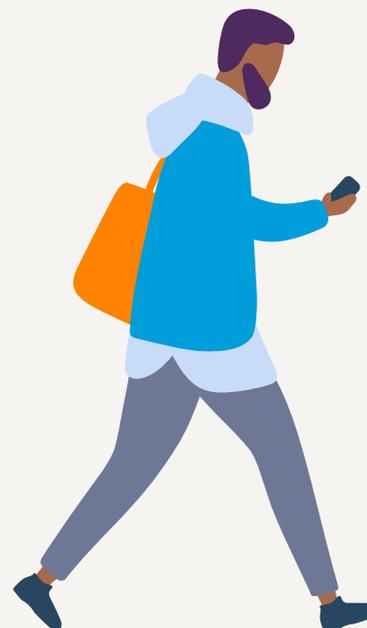
If you raise a dispute you can ask us to investigate straight away, without having to make a complaint first. You can do this by stating that you'd like your concerns to be handled under the dispute procedure when you contact us.

## Nest's order and rules

Some of the areas covered in this guide are set out in the legal framework that governs Nest, known as the order and rules.

We've taken care to make sure that where this guide summarises the order and rules it's as accurate as possible. It doesn't cover everything and the order and rules will always take priority.

You can read the full order and rules by searching for it on our website at [nestpensions.org.uk](https://nestpensions.org.uk)



## The Pensions Advisory Service

The Pensions Advisory Service (TPAS) is available to help members and beneficiaries of Nest with any pensions query they may have.

You can contact them at:

The Pensions Advisory Service  
11 Belgrave Road  
London  
SW1V 1RB

0300 123 1047

[pensionsadvisoryservice.org.uk](https://pensionsadvisoryservice.org.uk)

## The Pensions Ombudsman

The Pensions Ombudsman solely deals with pension complaints. It can help if you have a complaint or dispute about the administration (including transfers/conversion) and/or management of your occupational pension scheme.

You can contact them at:

The Pensions Ombudsman  
10 South Colonnade  
Canary Wharf  
London  
E14 4PU

0800 917 4487

[enquiries@pensions-ombudsman.org.uk](mailto:enquiries@pensions-ombudsman.org.uk)

## The Pensions Regulator

The Pensions Regulator (TPR) is the UK regulator for work-based pension schemes.

It works with trustees, employers, pension specialists and business advisers to protect members' benefits and encourages high standards in running pension schemes.

TPR is able to intervene in the running of schemes where trustees, providers or employers have failed in their duties.

You can find helpful information about TPR at [thepensionsregulator.gov.uk](https://thepensionsregulator.gov.uk)

You can contact TPR at:

The Pensions Regulator  
Napier House  
Trafalgar Place  
Brighton, East Sussex  
BN1 4DW  
[customersupport@tpr.gov.uk](mailto:customersupport@tpr.gov.uk)

The Pensions Advisory Service, Pension Wise and the Money Advice Service now form part of the Money and Pensions Service. You'll find more information on the websites of these organisations.

## Our annual report and accounts

Nest Corporation publishes an annual report on the activities of Nest during the previous scheme year, together with Nest's annual financial accounts. You can find the most recent report and accounts in our library at [nestpensions.org.uk/library](https://nestpensions.org.uk/library)

Our Members' Panel also publishes an annual report on how far Nest Corporation has taken into account the views of members and of the panel when making decisions about how Nest is operated, developed and changed.

You can find the most recent Members' Panel annual report at [nestpensions.org.uk/memberspanel](https://nestpensions.org.uk/memberspanel)

## Nest's registered pension scheme details

Nest is a Registered Pension Scheme under Chapter 2 of Part 4 of the Finance Act 2004. Nest's Pension Scheme Tax Reference is 00765918RD.

## Nest's pension input period

There's a limit to how much tax relief you can get on your pension contributions every year, called the annual allowance. You can currently only get tax relief on contributions totalling up to £40,000.

The period of time over which this is calculated is called a pension input period. From 6 April 2016 the period for Nest and all other schemes runs from 6 April to 5 April each year. Before this, Nest's period was between 1 April and 31 March. Special rules apply to cover the time between 1 April 2015 to 6 April 2016.

For more information see [hmrc.gov.uk/pensionschemes/understanding-aa.htm](https://hmrc.gov.uk/pensionschemes/understanding-aa.htm)

## Statement on establishing statute

Nest was established by the National Employment Savings Trust Order 2010, an order made under Section 67 of the Pensions Act 2008.



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## Contact us

Member enquiries: 0300 020 0090  
8am to 8pm seven days a week

[nestpensions.org.uk/contactus](https://nestpensions.org.uk/contactus)  
[support@nestpensions.org](mailto:support@nestpensions.org)

Nest Corporation  
Nene Hall  
Lynch Wood Business Park  
Peterborough  
PE2 6FY

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p27: Photos by R A Kearton/Moment via Getty Images

To the best of our knowledge, all information in this booklet, including tax rates and allowances, is correct at the time of publication in October 2020.

**This guide is for members who receive employer contributions and have the right to opt out.**

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