

# NEST: Editors notes

NEST<sup>1</sup> is open to all employers and has been designed for a target market that is largely new to pension saving.

The Department for Work and Pensions estimates that around 11 million workers will be eligible for automatic enrolment and that the reforms will result in:

- 6-9 million workers newly saving or saving more;
- 2-4 million workers saving in NEST

NEST is one of a number of pension schemes that employers can choose to fulfil their automatic enrolment duties. Although NEST is subject to the same legal requirements as other occupational pension schemes, it has certain differences. In particular it:

- will be available to all employers who wish to use it (a Public Service Obligation);
- offers low charges;
- has a contribution cap; and
- is unable to transfer pension rights in and out of the scheme, other than in limited and specific circumstances.

NEST has an extensive range of information available aimed at helping employers and members understand how they can use and benefit from NEST.

For more information visit the NEST website

[www.nestpensions.org.uk](http://www.nestpensions.org.uk)

NEST operates at arm's length from Government and is accountable to Parliament through the Department for Work and Pensions.

NEST Corporation is the Trustee of NEST. The Trustee Members have a fiduciary duty to act in the interests of scheme members and operate within a framework of existing pensions and trust legislation, the NEST Order and Rules.

## NEST funding and charges

NEST will be self-financing from member charges in the long term and will be delivered at nil overall cost to the taxpayer. The cost of setting up NEST before then is being met by a loan from Government, which will be repaid with interest.

This note is only a guide and does not cover every circumstance. The information contained in the note is correct as of September 2012. Some of the information may become inaccurate over time, for example because of changes to the law.

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<sup>1</sup> National Employment Savings Trust