

WELCOME

WHAT THE FUTURE HOLDS AND HOW YOU FEEL ABOUT IT MATTERS



Interest rates

Finally, after 14 consecutive Bank Rate increases, the Bank of England held Bank Rate at 5.25% in their September Monetary Policy Committee meeting (MPC). The rate remained unchanged after the most recent MPC meeting on 2 November.

It begs the question, is this beginning of the end and are rate reductions on their way, or is the current rate likely to remain more or less at this level for the foreseeable future? Will the future of interest rates be like Table Mountain or the Matterhorn?!

The market expectation is that we are likely to see rates start to come down a little, in late 2024, and not before, so like Table Mountain. But as we have learnt, the market often gets it wrong – rates may come down quicker, or slower.

Saver or borrower?

Your views on this may vary depending upon whether you have deposits or a mortgage with us. Savings rates have been gradually rising over the past 18 months from historic lows and we have been pleased to pass these benefits to our Members, however, there is no escaping the not so good news that fixed and variable mortgage rates have been rising.

This is the deliberate aim of the Bank of England's policy – to suck money out of borrowers' pockets and reduce the amount of money in the economy, to dampen down inflation.

Whilst higher deposit rates are superficially attractive for savers, what really matters is the "real" rate of interest – the rate paid less inflation. So, if you are paid 2% and inflation is 1% you're ahead, but if you are paid 5% and inflation is 6%, you're behind.

These days most mortgages are now taken on a fixed rate basis, so the incremental effect of 14 consecutive rate increases has yet to be felt by many mortgage holders, who might have fixed their mortgage rate for five years before rates started to rise. For many the pain is still to be felt. My fear is that just as we begin to see the economy recover, we could still be pressing the brake pedal hard as the full effect of these rate rises takes effect. That then places the Bank of England in a rather unenviable position. Having reduced economic demand to such an extent,

how does it then go about stimulating manageable growth to get the economy going again? Have we gone too far already? Because of the very gradual rolling off of fixed rate mortgages, some have likened this to the Bank of England Governor trying to drag a brick across his desk with a piece of elastic – suddenly...



Going forward

Market expectations on future interest rates, the economy, and where inflation is headed are set against the background of the tragic events in the Middle East and the continuing war in Ukraine, both of which have profound humanitarian as well as economic effects. That was something I was struck by when I visited the Epsom & Ewell Refugee Network which is based near our Head Office. I write more about their work in this newsletter and, if you can help in any way, they would be very grateful.

To further complicate the economic outlook, there will be an election in 2024 or in January 2025. Whatever that election holds, our work with the London School of Economics shows that this country desperately needs an integrated housing policy. This matters to everyone every night when they go to bed. Currently demand exceeds supply both for owner occupiers and people who want to rent. There have been more than 20 Housing Ministers since 2001, seven in the last two years alone. The time is surely right to make the Housing Minister one of the Great Offices of State. Someone who can take a holistic view of government policy, taxation, local planning and affordability, and provide the right homes in the right place and, more importantly, make better use of the housing stock that we already have. Too much focus seems to be on the 1% of new homes that may get built a year, not the 99% that already exist.

MEMBERS' QUESTIONNAIRE

Help us provide a better service and enter our prize draw to win £500*!

Each year we give you, our Members, the opportunity to share your experience with us. We really value your feedback and use it to improve our products and services.

To complete the online questionnaire, please follow the easy steps below:

1. Visit familybuildingsociety.co.uk/feedback2023
2. Click 'Start the questionnaire'.
3. Enter your feedback: it only takes around 10-15 minutes.
4. Select 'Submit'.
5. You will then be taken back to our website for the opportunity to enter our prize draw for a chance to win £500*.

Like previous years, we are partnering with eForests and will plant a tree for every 10 questionnaires completed online to help our ambition of reducing our carbon footprint.

* Terms and conditions apply. For details, please visit familybuildingsociety.co.uk/feedback2023

Your views

Through the two Financial Wellbeing surveys we've carried out this year, we know what matters to our Members is firstly how their children and grandchildren can make ends meet in a cost-of-living crisis, and secondly how they can get onto the housing ladder when current interest rates significantly reduce the loan amount when affordability tests are applied. You can read more about the insights in this newsletter and on our website.

Finally, I would be grateful if you could spare some time to complete our Members' annual questionnaire. The results of this are invaluable in helping us know what is working well, but just as importantly, knowing what isn't. The results are always analysed carefully and acted upon where we sensibly can.

MARK BOGARD CEO

FINANCIAL WELLBEING MEMBER SURVEY

We reached out to a number of our Members earlier this year, and again last month, to ask their views on 'Financial Wellbeing'. Thank you to those of you that responded. The purpose of the survey was to provide us with real-life data on how the economic situation is currently affecting you, our Members, and how you think it might impact you in the future.

We're planning to send the survey out at regular intervals over the coming years to enable us to track our Members' views on the financial resilience of themselves and their family, and to identify any emerging trends.

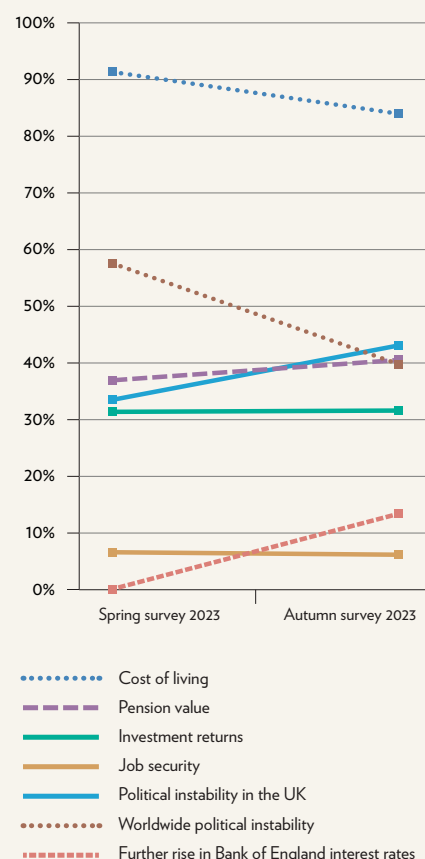
Here are some of the other key takeaways from our Autumn survey:

- **71%** of you said you were happy or very happy with their Financial Wellbeing
- **84%** believe the cost-of-living crisis is one of the biggest threats to their Financial Wellbeing
- **37%** of you have had to help family members financially since the cost-of-living crisis began
- In terms of what measures lenders should adopt to help reach 'net zero':
 - **57%** suggested reducing energy usage
 - **50%** suggested implementing green incentives
 - **47%** suggested lenders should switch to renewable energy, amongst other results.

For further insight into our findings please visit:

familybuildingsociety.co.uk/financial-wellbeing-findings

What do you see as the biggest threat to your Financial Wellbeing?



FRAUD AND SCAMS

Protecting yourself against fraud and scams

Cybercrime and other types of frauds and scams are risks that many people are aware of these days. This hopefully means most people are aware of the steps they can take to stay safe, but here's a reminder of the key things to consider:

1. **Never tell anyone your PIN or password(s)**
2. **Never open suspicious texts, pop ups, links or attachments in emails; delete them**
3. **Never allow yourself to be rushed. A genuine organisation won't mind waiting or you calling them back**

If something doesn't feel right, you're being asked to share information you think is private or make a payment that's unusual, don't feel embarrassed to turn away the person making the request.

Remember;

- **We will not** call or email you to ask you for part or all of your online password or memorable word
- **We will** ask you some other questions for security, to make sure we're speaking to the right person.

If you think you may have shared personal details with someone you thought was from Family Building Society either by phone, or online:

- Call us and if possible, use a different phone from the one you were on
- We'll talk you through what we can do to help
- We'll also monitor your accounts closely for any unusual activity.

To call us back you'll find our number on the **Contact Us** page of our website at familybuildingsociety.co.uk/contact-us or from your latest statement.

More information and useful links

- familybuildingsociety.co.uk/frauds-and-scams
- how to protect yourself against fraud and scams
- familybuildingsociety.co.uk/data-security
- how we ensure the security of your data and protection of funds from fraud
- familybuildingsociety.co.uk/hearing-or-speech
- if you have difficulties with hearing or speech.

Finally, stay safe, be alert and if someone contacts you and it doesn't feel right, question it!



UK SAVINGS WEEK

In September, we were proud to support UK Savings Week, a campaign organised by the Building Societies Association (BSA), to raise awareness of the importance of saving – with the aim of making saving simple, easy and rewarding.

Financial resilience is important, now more than ever. As recent events have shown, we never know what's around the corner and having some savings put aside can be a hugely reassuring safety net to fall back on. However, in the current climate, it's understandable that many people are not in a position to save, but introducing those savings habits as soon as you're able, is an important step to take.

Research by the BSA found;

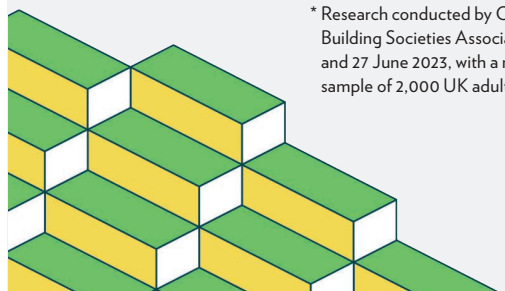
- 15% of the population have no savings at all*, yet, despite the backdrop of the cost-of-living crisis, 36% of adults with no savings are confident they could start a regular savings habit, putting aside at least £10 a month*.
- Despite the recent rise in interest rates, 34% of UK savers hold most of their savings in a current account*, where interest rates are usually low. Shopping around can make a big difference to your returns.

Register for exclusive rewards and take the savings challenge

UK Savings Week is challenging people to [#takethesavingschallenge](#) throughout the year. Sign up to receive free and exclusive rewards from UK Savings Week Ambassadors delivered to your inbox every month, including Olympian Max Whitlock and Great British Bake Off star Benjamina Ebuehi.

Visit familybuildingsociety.co.uk/uk-savings-week for more information.

* Research conducted by Opinium on behalf of the Building Societies Association between 21 June and 27 June 2023, with a nationally representative sample of 2,000 UK adults.



COULD YOU BE EARNING MORE ON YOUR SAVINGS?

If your account allows, you may get a better rate by moving your money to one of our other savings accounts.

Visit familybuildingsociety.co.uk/compare to see our full range of savings products.

STRUGGLING WITH YOUR MORTGAGE PAYMENTS?

If you have an Owner Occupier mortgage with us and you're currently struggling to make your monthly payments, we may be able to offer some help.

Alongside the majority of UK lenders, we have signed up to the 'Mortgage Charter'. So, if you are suffering from financial hardship, or expect to do so in the near future, please get in touch with us so we can try and find a solution for you. This may include rearrangement of a repayment mortgage to Interest-Only (or part repayment, part Interest-Only), a mortgage term extension or a combination of these.

Visit familybuildingsociety.co.uk/mortgage-charter for more details.

WHY HOUSING POLICY IS FAILING?

Continuing our work with the London School of Economics on housing policy, we held an event at the House of Commons in June to launch our report 'Achieving a more coherent and consistent approach to housing policy'. Following on from our first report, 'Why is housing policy such a mess?' published in February 2023, our report starkly set out the failure to create an integrated housing policy or to learn the lessons from earlier attempts from major housing reviews since the 1970s.

This expanded and detailed report highlighted;

- There are too many decision makers
- Housing policy is not fit for purpose
- The right number of homes in the right locations are not being built.

You can read the report and find out more at familybuildingsociety.co.uk/integrated-housing

We'll be following this up with a third report in December with a roadmap for short and medium term action.



COMMUNITY SUPPORT

Our Corporate & Social Responsibility (CSR) Committee's focus has been to increase support for our charities through volunteering. To help with this, all staff are given one working day a year which they can spend volunteering with a charity. Since our last Autumn newsletter many of our staff have used their charity day to help with vital projects, such as;



Age Concern – Christmas gift packing and delivery 2022



Epsom & Ewell Foodbank – Harvest festival – Unloading and organising food donations



Princess Alice – Gardening day – Maintaining the grounds of the Hospice



Volunteering will remain a focus for the CSR team next year as we're hoping to encourage staff from the Society to contribute over 100 days to our charities.

Visit familybuildingsociety.co.uk/charity for more details about our work in the community.



It is already over 18 months since Russia invaded Ukraine. As the tragic events in the Middle East continue to unfold, it's easy to forget that many displaced refugees from Ukraine still need help and support.

The Epsom & Ewell Refugee Network (EERN) is based close to our Head Office and provides vital support to displaced families from Ukraine and beyond. The work they do is really amazing.

But:

1. They desperately need any financial help that you might be able to give.
2. They are urgently seeking new sponsors for families or individuals who need to move on from their current host, as well as landlords who can rent their property to a Ukrainian family.
3. They are looking for volunteers to become 'Conversation Buddies' who will be matched with an English class student, and meet together at the Ukrainian Hub once a week to support the student's language goals and enhance opportunities to build social connections.

If you could provide any help or support, please do contact the EERN directly:

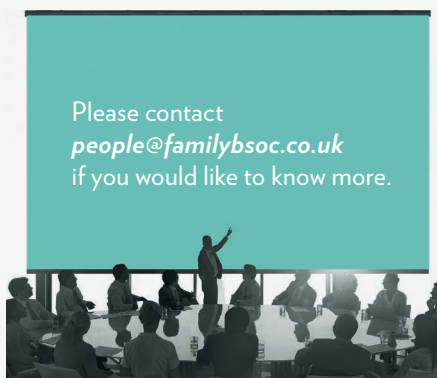
Email: eern@goodcompany.org.uk

Phone: **07432 660653**

COME ON BOARD?

The Society will shortly be looking to recruit another Non-Executive Director to join our board. The primary function of the board is to ensure financial and regulatory oversight of the executive. You will be committed to our mutual ethos. If you have relevant financial services experience in finance, risk, treasury, marketing, IT, law, or audit and can commit to 10-14 days attendance per annum in Epsom at board meetings and other committees, we'd like to hear from you.

Please contact
people@familybsoc.co.uk
if you would like to know more.



WAYS TO STAY IN TOUCH

FAMILY BUILDING SOCIETY

familybuildingsociety.co.uk

Existing Account Enquiries:

Savings: **03330 140144**

savings.service@familybsoc.co.uk

Mortgages: **03330 140146**

mortgage.service@familybsoc.co.uk

New Business Enquiries:

Savings: **03330 140141**

Mortgages: **03330 140140**

newbusiness@familybsoc.co.uk

facebook.com/FamilyBSoc

x.com/FamilyBSoc

Epsom Branch

Ashley Square, Epsom,
Surrey, KT18 5DD

Opening hours:

Monday to Friday: 9am to 4.30pm
Excluding Bank Holidays

Head Office

Ebbisham House, 30 Church Street,
Epsom, Surrey KT17 4NL

Opening hours:

Monday to Friday: 9am to 5.30pm
Excluding Bank Holidays

We may record any telephone calls we have with you in the interest of staff training, monitoring customer service or for security purposes.

Family Building Society is a trading name of National Counties Building Society which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. Firm Reference No. 206080.

THE
FAMILY
BUILDING
SOCIETY

C/351/1123/FBS/MKTG