

WELCOME

SPRING 2019

I LOOK FORWARD TO THE TIME WHEN I WRITE A NEWSLETTER AND DON'T FEEL THE NEED TO REFERENCE BREXIT – I'M SURE YOU DO TOO.



MARK BOGARD

It may be that when you receive this newsletter, a deal agreed by the House and the EU is in place and politicians and EU officials have stepped back out of hell. We can only hope!

In the meantime, I would like to update you on a couple of things that your Society has been focussed on since I last wrote to you and comment on our results.

Firstly, we present some of the findings from the research we carried out in late 2018 (in conjunction with the London School of Economics) on how the Bank of Mum and Dad really works. You may recall receiving an email from us asking for your help and thanks to the many who did so.

Many of our customers may know of family members who are struggling to acquire a deposit for a place of their own or to make the next move, as families expand or jobs change. As a result they may have to rely upon family help. Our research highlighted that for the parents helping offspring, this process can be fraught with misunderstandings,

particularly if the arrangements are undocumented. It also led us to create our own guide, 'How to run the Bank of Mum and Dad' that highlights some of the pitfalls to avoid. Please see page 3 for more details and how you can get a copy of the guide and the research findings.

Secondly, I was pleased to see, and for which I also thank you, the response to our annual Members' Questionnaire.

We had almost 1,900 questionnaires completed. The questionnaire is a really important piece of work for the Society. It tells us what you are pleased about and just as importantly, not so pleased with. It helps shape our future plans and ensures that our members' needs are always at the forefront of our thoughts - we know you have a choice of where you deposit your savings or who provides your mortgage! You can read some of the key findings on page 2.

Results. Over the last four years the Society has grown by 50%, with assets now almost £2.2billion. This has been achieved by listening to our members and offering products and services which meet needs which aren't served well by high street banks. Our innovative approach to savings and mortgages has produced a strong and vibrant business which is growing faster than most other building societies.

Our overall financial strength means that we can readily absorb in this year's financial results an increased charge for the value of the No Negative Equity Guarantee for the lifetime mortgages the Society completed between 2004 and 2009. Despite the continuing strong underlying performance of the business, this exceptional charge means that the Society reports a Statutory loss for 2018. More details are in the enclosed Members Update.

Finally, I hope you can attend the Society's **Annual General Meeting** which we're holding at the Queen's Stand, Epsom Downs Racecourse on 30 April 2019 at 2pm. Come along to meet me and the other Board Directors who will take you through the past year at the Society and all that we've achieved. We're happy to answer any questions you may have.

MARK BOGARD CEO

CUSTOMER FEEDBACK



Take a look at some of the recent unsolicited feedback our customers have provided:

"The customer service was excellent, everyone was friendly and helpful. Everyone at the Family Building Society is delightful to deal with."

"Your positive attitude towards older customers was so refreshing"

"I was treated like a human being, not just a number on a computer."

Members' Questionnaire 2018 Findings

Thank you for taking the time to respond to our Members' Questionnaire, your feedback helps us improve our service and the products we can provide.

Over 1,870 surveys were completed, with 92% completed online. As with previous years, for every 10 surveys completed online we will plant a tree, so we are proud to plant another 177 trees with eForests this year in locations across the UK.

eFORESTS

For the sixth year running, we're delighted to continue our successful partnership with eForests. In total we have planted 1,724 trees across the UK in woodlands, nature reserves, community farms and urban areas managed by eForests.

To find out more about the work that eForests do, please visit: eforests.co.uk

OUR PRODUCTS

Important factors for you when selecting a product include:

- The competitiveness of our interest rates
- Specific product features that meet your needs
- Ease of application
- Convenient online access to your account

We're pleased that 84% of you were satisfied with the products we offer. 88% of you who've opened a savings account with us in the last 12 months found the opening process a positive experience and 90% of you found it easy to complete the application.

OUR SERVICE

92% of you were satisfied with the overall service we provide. 91% of you were satisfied with how quickly we dealt with your query and 93% felt our staff were helpful and friendly. We pride ourselves on working with knowledgeable, friendly and understanding people, so we're pleased to see our staff recognised for this.

89% of you said it was easy to use our new Online Service in general. We are delighted to hear this and will continue to ensure our Online Service offering meets your expectations. We are also pleased to hear that 3 out of 4 of you would recommend us to a friend or family member in the future.

There is always room for improvement across all areas, so rest assured we will continue to work hard to improve many aspects of our service and the products we provide you.

LATER LIFE FINANCIAL PLANNING

It's important to prepare as much as you can for later life, whether you want to plan for your own future or assist another family member. You'll want to be able to talk to someone who you can trust and will offer good value for money. That's why we've set up partnerships with expert trusted partners who can offer later life financial planning, advice and support.

Wellers Law Group LLP

Making a will, Lasting Power of Attorney, probate and estate administration

Wellers Law Group LLP are a specialist legal services provider with many years' experience offering expert advice and support in these areas.

CHARLES DERBY

Inheritance Tax Planning, pension advice and long-term care planning

Charles Derby offers impartial and independent financial advice on many aspects of financial planning.

For more information about Later Life Financial Planning, call us on 03330 140143 or visit our website:

familybuildingsociety.co.uk/later-life-planning

key

Equity release

Key, the UK's leading independent equity release specialist, offer 100% impartial advice on releasing equity from property.

BRIDGEFAST
PROPERTY SERVICES

Property management for the retired

Bridgefast Property Services can help to facilitate a smooth and stress-free move and property sale when moving into residential care.

PRIVACY NOTICE UPDATE



Our Privacy Notice has been updated, in particular, 'How and when you can withdraw your consent?' and 'Is your personal information transferred outside the UK or the EEA?'

The first update is to let you know that if you withdraw consent, this will not affect any prior use we have made of your information, and the second is to tell you how you can find out more information on transfers of your information outside the UK or the EEA.

You can download a copy of our revised Privacy Notice from familybuildingsociety.co.uk/personal-information or if you'd like us to send you a copy, please call us on 03330 140144.

ONLINE BANK TRANSFERS

When transferring money online to your savings account, these useful tips will help ensure funds are transferred quickly and efficiently without delay:

- Always quote your **10 digit Society account number into the payment reference field**. This will be the account you're paying into and will start with a 2 for a savings or ISA account or 5 for mortgages.
- Please do not add any other characters or words other than the account number into the payment reference field.
- Where account numbers contain an 'X', this should always be included as part of the account number.

Following these simple steps will ensure your money is transferred to your account as fast as possible. If you have any questions or need further information, please call us on 03330 140144 or email savings.service@familybysoc.co.uk

BANK OF MUM AND DAD – SO HOW DOES IT REALLY WORK?

THE BANK OF MUM AND DAD (OR BOMAD AS IT HAS BECOME KNOWN) IS ONE OF THE UK'S KEY LENDERS, EQUIVALENT TO THE SIXTH BIGGEST BANK IN BRITAIN.

It is now quite common for first time buyers and second steppers to receive financial assistance from parents and other family members.

Last year we undertook some customer research, working with the London School of Economics, to find out how families approach parental help when buying a property, how they feel about it and the considerations under which this help is provided.

Over 800 of you completed our online questionnaire and some of you took part in our focus group, enabling us to explore what you really think about this subject. Thank you again for your participation.

In January 2019 we launched our new research report, 'The Bank of Mum and Dad: how it really works'. The report highlights that while parents are happy to help their children, it's important that both parents and children discuss exactly what they are doing and what everyone's responsibilities are regarding when, how and indeed if repayments are to be made.

Using this research and your experiences we produced a new guide, "How to run the Bank of Mum and Dad". This outlines some of the key issues that parents and children need to consider. The guide covers a number of topics including:

Fairness

Being fair to your children and being fair to yourselves

Misunderstanding and misgivings

What exactly is expected from both parties?

Taking advice

The importance of seeking professional help before providing financial help

Relationship breakdowns

Will your money be safe if your child breaks up with their partner?

Uncertainty

Will you be able to help out other family members, but still have enough funds to cover your own needs?



You can download a copy of both the guide and the report here:

familybuildingsociety.co.uk/bomad

The Bank of Mum and Dad is clearly a topic of conversation which can divide opinion, as you can see from some of the feedback we've received...

"Pleased to be in a position to be able to help."

"I think it's wrong. I worked 60-70 hours a week to build up a big deposit to buy my first home. Nobody helped me."

"Happy to help them, but sad that professional people in their 30's and 40's are unable to buy their own home without substantial parental help."

"Glad to help but could leave us in a difficult situation in retirement."

"It's expected these days. It's an advance on their inheritance!"



ISA UPDATE

From 6 April 2019, a new £20,000 tax-free allowance will be available to you for the 2019 / 2020 tax year. For Junior ISAs, a new increased tax-free allowance of £4,368 will be available. Why not take advantage of one of our ISAs listed below?

Account name	Does this account allow additions?	Can I open a new account?
Flexible ISA	Yes	Yes
35 Day Notice Cash ISA	Yes	Yes
Market Tracker Cash ISA	Yes	Yes
1 Year Fixed Rate Cash ISA	Yes*	Yes**
2 Year Fixed Rate Cash ISA	Yes*	Yes**
3 Year Fixed Rate Cash ISA	Yes*	Yes**
5 Year Fixed Rate Cash ISA	Yes*	Yes
Cash Junior ISA	Yes	Yes

Account availability is current at the time of this newsletter, however we do introduce new products or vary existing products from time to time. You can find our range of ISAs and other savings accounts by visiting: familybuildingsociety.co.uk/savings

Since the Government introduced the Personal Savings Allowance (PSA) in April 2016, any interest you earn on your savings has been paid to you without tax being deducted. This means that basic-rate taxpayers can earn up to £1,000 interest from savings per year without paying tax on it. The amount will vary depending on what rate of income tax you pay.

* Additions are allowed for 15 calendar days after the account is opened. After this period no further additions are allowed. We reserve the right to return funds if you decide to invest more than the amount originally specified on your original application.

** Exclusively available for all existing ISA customers with an open ISA as at 1 May 2018.

GIVING SOMETHING BACK



We're committed to supporting our local community, various local charities and the environment and are pleased to say that as a Society we **raised and donated over £20,000 in 2018**. Many of our staff members undertook challenges or hosted activities, both inside and outside of the office, to help raise funds, making 2018 one of our most successful years ever for donations.

The challenges included events such as the London 100 mile bike ride and the Marsden March. We also had a number of internal activities, such as bake sales. We even hosted a 'charity challenge' event, when we tasked groups of people with raising as much money as possible in a three month period, and this alone raised almost £750!

Our chosen charities for 2018 were selected by our staff, so that the charities they felt most strongly about benefited from their efforts.



Throughout 2018, the Corporate and Social Responsibility (CSR) Committee were very active in working with our chosen charities including inviting speakers from each charity to come in and present at our staff meetings. This really helped those members of staff who had put so much effort in so they could hear about the difference they've made.

Given the success we had in 2018, the CSR Committee decided to keep the same charities for 2019. These charities are:

- Surrey Young Carers
- CRY (Cardiac Risk in the Young)
- Age Concern Epsom & Ewell
- SeeAbility
- Princess Alice Hospice

We will also continue our support of **Epsom & Ewell Foodbank**, who we've been working with for several years.

Aside from fundraising, we challenged our staff to help support our charities with volunteering, and in 2018 many of our staff attended or helped with projects that took place in the evening and weekends. For example, in December, the Marketing Department put their decorating skills to good use, visiting **SeeAbility** in Leatherhead to help paint some of their common rooms.

And finally, customers who completed our Bank of Mum and Dad research survey, were entered into our prize draw for a chance to win £350 for a charity of their choice. The winner opted for **Shelter** as their chosen charity.



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

 twitter.com/FamilyBSoc

NATIONAL COUNTIES BUILDING SOCIETY
ncbs.co.uk

Existing Account Enquiries:
Savings Account Service Team:
03300 243411
savings.service@ncbs.co.uk

Mortgage Account Service Team:
03300 243412
mortgage.service@ncbs.co.uk

New Business Enquiries:
New Savings Account Enquiry Team:
03300 243413
savings.newbusiness@ncbs.co.uk

Phone lines are open:
Monday to Friday: 8am to 5.30pm
Saturday: 9am to 12pm
Excluding Bank Holidays

Epsom Branch:
Ashley Square, Epsom,
Surrey, KT18 5DD
Opening times:
Monday to Friday: 9am to 5pm
Saturday: 9am to 12pm
Excluding Bank Holidays

Head Office:
Ebbisham House, 30 Church Street,
Epsom, Surrey KT17 4NL

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.

C/024/0319/FBS/MKTG

AGE Concern

Action for Carers Surrey
Surrey Young Carers

Cardiac Risk in the Young

Epsom & Ewell foodbank

Princess Alice Hospice
Caring when it matters

SEE ABILITY

THE
FAMILY BUILDING SOCIETY

ncbs
national counties building society