

Hi Society

WINTER 2021/22



Welcome to your winter 2021/22

Hi Society magazine. You should also have received the Summary Financial Statement which includes your notice about our 154th AGM and Society results for the year. When we planned the AGM in November, we thought it safer for members to have a livestream event rather than be present in person.

AGM 2022

You'll need to register in advance to participate in the AGM livestream event. Members can submit questions in advance and I would encourage you all to use your votes. Please take time to read the notices and vote online or return your form by post or in branch. To encourage you to vote online, we've kept the donation per on-line vote at £1.

A record year for gross lending

A RECORD YEAR IN NUMBERS

Despite the challenges thrown at us, the Society has had a record year. Gross lending hit a new record high of £109m, up 74% on last year. Mortgage balances have reached a new record level of £333m, up 22%. Members have responded to the various new accounts and bonds on offer and have taken share balances to an all-time high of £327m, up 24%. Pre tax profits have recovered very strongly from last year's low mainly as a direct result of the growth in mortgage balances and have risen to £1.1m. This is the highest value since 2007.

Taken together this has increased the total asset size of the Society to over £400m. This is another record first and represents important progress towards our medium term business objectives. The larger balances will generate additional profits which we'll use to invest in new services for our members.

LIVING WITH COVID-19

As I have mentioned, we continue to take precautions about how we work and offer face to face services to our members. These practices will continue for some time until we're more certain about the health risks posed by this nasty disease in whatever variety it exists.

This year has seen the end of the government furlough scheme, an important income protection for many, as well as the deferred payment scheme on mortgages. At its peak we had about 300 members taking advantage of that scheme and all have now returned to normal payments.

PROFITS, CAPITAL AND FUTURE INVESTMENTS

Last year the Society incurred additional costs in relation to implementing Covid measures and suffered the impact of the base rate reduction. This year we've continued the growth of mortgage assets which in turn increased mortgage interest income. These two changes help explain most of the strong recovery of pre-tax profits from last year's low to £1.1m which is a remarkable result.

After tax, retained profits have increased the Society reserves to just over £24m. Capital ratios remain strong and liquidity has risen slightly in sympathy to the increases in balance sheet size. Both are important measures of financial strength.

SAVERS

We've provided a number of attractive accounts in the year, reflecting the feedback we received from members. The Society has offered numerous fixed rate bonds and we've opened up our instant access ISA to transfers in. The branches have handled record gross receipts this year despite the various Covid restrictions.

We'll continue to offer you fixed rate bonds in the coming year and widen the range and type of accounts available to members. Please keep your ideas on the types of savings accounts coming in.

OPENING BRANCHES NOT CLOSING THEM

Many banks and larger firms are closing branches, making it harder for many to access financial services in their locality. During the year we took advantage of these closure programmes and bought a property in Anstey where we plan to open a new branch early in 2022. The Board agreed that investment in IT and our branch network are compatible with building a larger regional franchise and increasing physical access for our members. We'll let you know via our website when we're ready to open.

OUR MEMBERS

I would like to thank all our members for their continued support and loyalty to the Society. This year has been a difficult time for us all but I want to thank you again for all your messages of support and gratitude, especially towards branch staff, who continued to see you during the lockdown restrictions.

On behalf of all of us I hope you have a safe and enjoyable 2022.

**The Loughborough
Building Society**

theloughborough.co.uk

TRADITIONAL VALUES, MODERN LIFESTYLES

As you'll have read in Gary's update, we've seen record levels of gross lending and strong savings inflows.

MORTGAGES

The pandemic has certainly had an impact on the housing market, with UK house prices at record highs.

With property prices on the rise, first time buyers are finding it even harder to get onto the property ladder. As always, the Society is continually looking at solutions to help people buy their first home, after all it was the reason the Society was formed in 1867.

To help first time buyers who have family members willing and able to help, we've added Joint Borrower Sole Proprietor Mortgages up to 100% LTV to our range of Family Assist options.

Joint Borrower Sole Proprietor Mortgages are where family members can support their children to get a mortgage without being a co-owner of the home.

We've also increased our maximum mortgage term to 40 years to further help first time buyers by extending the term of the mortgage, to make it more affordable.

The pandemic has also had a big impact on students with many having to pay for accommodation that they've been unable to use because their University campus has effectively closed with lectures moving to on-line.

To help, we re-launched our Buy for Uni products in June as a Joint Borrower Sole Proprietor arrangement. With this solution students will be able to own their first home with the help of a family member who will be able to support the student financially.

With overseas travel becoming much more difficult due to Coronavirus

restrictions, many of us are taking staycations and holidaying in the UK. To help meet this extra demand we added Holiday Let to our mortgage range back in August.

Our Holiday Let solution lets borrowers purchase or re-mortgage properties in England and Wales that are managed by a letting agent for the purpose of short-term holiday letting.

We're also making our homes more energy efficient. To help encourage more people to live in greener homes we're now offering energy efficiency further advances on some of our residential and Buy to Let products, so long as 50% of the advance is used on energy efficient improvements.

By offering solutions that meet different types of needs, we've been able to achieve one of our best ever years in terms of mortgage lending.

You can find details of all our mortgage product on our website or get in touch and we can talk to you further.

SAVINGS

To minimise branch interactions and keep our members and staff safe during the third national lockdown, we temporarily limited our range of savings products.

Thankfully this was only temporary, and our range of savings products has steadily expanded to both new customers and existing members.

To support our loyal saving members we've continued to offer a range of general bonds, with our two-year Fixed Rate Bonds proving to be particularly popular.



For those wanting to make the most of their tax-free ISA allowance, we've also offered a range of fixed rate cash ISAs.

For savers looking at something more flexible, we launched a range of easy access accounts, including our Access X4 account, which gives existing members and new customers the ability to withdraw up to four times a year.

Our Over 60's Access Account gives those over the age of 60 the flexibility to withdraw whenever they want as long as the balance doesn't go below the minimum investment of £1,000.

For the youngsters in our lives, we launched a Young Regular Saver account, where children can open an account for as little as £10 and make regular deposits of up to a £100 per month, perfect for getting them into the saving habit early!

If you haven't reviewed our range of saving options recently why not take a look at our website or get in touch and we'll send you the information. As ever, we'll continue to consider potential new accounts based on member and market feedback, so please get in touch if there is anything that you'd like to see.

PROTECTING YOUR PERSONAL DATA



WHAT IS DATA PROTECTION?

Data Protection is about how personal information is collected, used and stored by organisations, businesses or the government. It's important because as individuals we should all know what happens to our personal information.

GENERAL DATA PROTECTION REGULATION

You may remember that in previous editions of your magazine we told you about the introduction of The General Data Protection Regulation (GDPR) which came into effect in May 2018 and is reflected in the Data Protection Act (2018).

The introduction of the GDPR updated and strengthened the previous data protection laws, increasing individuals' control and rights over their data and its protection.

WHAT THIS MEANS FOR YOU AS A MEMBER

In order to comply with the GDPR there are a number of things we have to do including:

1. Provide you with information about how we use, store and manage any personal data we hold and we do this in our Privacy Notice.
2. Contact you to remind you that you have the right to change or update your instructions about how and when we communicate with you.

We will only contact you with information about new products or services that we offer if you've asked us to. We'll never pass your information on to any third party for sales or marketing purposes.

KEEPING YOU INFORMED

There is certain information we're required to send you without asking for your consent. Examples of this include information that may affect the operation of your account and statutory notices, including notice of the Annual General Meeting and the Financial Services Compensation Scheme information sheet.

As a Society we take our environmentally friendly green credentials seriously so where possible we'd like to use email to send you these types of communications because it:

- helps the environment
- helps to reduce costs
- is a much quicker way for you to receive information

CONFIRMING YOUR CONSENT TO USE EMAIL

If you haven't already given us your consent to send you general communications by email and would like to, you can complete an online form at theloughborough.co.uk/confirming-your-choices or email us at enquiries@theloughborough.co.uk

CHANGING YOUR MARKETING PREFERENCES

If you've previously given your consent to our contacting you with information about products and services that may be of interest to you or would like to, you can change your contact preferences or withdraw your consent at any time. You can do this via our website at theloughborough.co.uk/change-marketing-preferences, email us at enquiries@theloughborough.co.uk or write to us at Loughborough Building Society, 6 High Street, Loughborough LE11 2QB.



NEWS & EVENTS



SANTA FUN RUN 2021

Thousands of Santa Clad fundraisers, ran, walked, and strolled through Loughborough Town Centre and Queens Park this Christmas to raise money for charitable causes.

After a virtual event in 2020, the annual festive fun run took place once again on Sunday December 5th and saw participants donning a Santa costume

and beard to run or walk the 5 kilometer course through Loughborough.

Those wanting to raise money whilst remaining socially distanced were able to complete a virtual 5k run which took place alongside the main event.

The festive fundraiser is organised each year by The Rotary Club of Loughborough with support from local volunteers.

The Loughborough also got into the festive spirit by sponsoring the fun run, providing the participants medals and our Loughborough branch staff managed the distribution of the Santa Costumes from our location on the High Street.



COVID-19 MEMORIAL

Last year, Loughborough's Town Deal Board commissioned a memorial to remember the lives lost in the pandemic and the impact Covid-19 has had on the local community.

The Hope Bell memorial will consist of a clock chime installation comprising four, quarter chime bells and a main

Hope Bell which will sound every hour. It is anticipated it will be located in Loughborough's Queens Park and will be a lasting symbol of hope, thanks and remembrance.

The first three quarter bells of the Hope Bell memorial were cast at Loughborough's renowned John Taylors Bell Foundry as part of the National Heritage Open Day event on Saturday, September 11.

The memorial is part of series of projects by Loughborough's Town Deals Board to boost the local economy and bring **improvements to the local area.**

To find out more about the Hope Bell Project Visit www.charnwood.gov.uk/hopebell



RUTLAND AIR AMBULANCE

To help Rutland Air Ambulance raise funds for its vital life-saving services, The Loughborough has donated all of its obsolete computer equipment to them.

The equipment is refurbished and sold to raise vital funds, while unwanted equipment is recycled.

By donating our equipment, not only will Rutland Air Services benefit, but it will also prevent the computers from ending up in landfill.

Money made from our old equipment will help the service respond and give lifesaving care at road traffic collisions, sports events and industrial accidents as well as medical emergencies and accidents in the home.

To find out more about what the service does and how you can help visit <https://theairambulanceservice.org.uk/our-work/>



SHEPSHED CARNIVAL

After having to unfortunately cancel the event last year because of the pandemic, Shepshed Lions extremely popular carnival returned bigger than ever on August Bank Holiday Monday.

Taking place for the 11th time at Shepshed Glenmore Park, the carnival had nearly 5000 attendees, making it the best attended event since Shepshed Lions brought the annual Carnival back in 2009.

Those who attended were treated to displays from The World's Strongest Man contender 'The Mighty Smith' and opportunities to get up and close with birds of prey with the Ye Olde Redtail Falconry Display team. There was entertainment from Mad Dom, mayhem from Punch and Judy, thrilling fairground rides and a variety of trade and charity stalls.

The Society was once again delighted to support this great community event, sponsoring the popular barbeque tent and bouncy castle attractions.

With help from your Society and other local businesses, The Shepshed Lions are able to donate every penny raised to charitable causes.