

Society

Issue 6 • Spring 2017

Charities
of the
Year 2017

RDA unveiled as
one of five good
causes chosen

Self-build
Mortgage

The key to the
Dryburgh's
dream home

Competition

Win tickets to
the greatest
show on earth

The magazine of



SCOTTISH
BUILDING SOCIETY

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Welcome



As a mutual building society our purpose is to support our local communities and provide long term value for our members, and the results of our customer feedback survey which we feature on Page 8 indicate that you think we are doing a good job.

So we asked long-standing customer Alaistar Waddell to share his story about why he has remained a member for almost forty years, and why his sons have followed in his footsteps. Interested to find out more about our cross generational appeal we also spoke to Guarantor Mortgage customer Lynne Bowman who

has helped her daughter Sarah to buy her first home for her view, and empty nesters Audrey and Robert Dryburgh were happy to share their experience of building their dream home with the help of a Self-Build Mortgage.

We hope you enjoy meeting fellow members featured in this issue. We also bring you the chance to win a truly memorable experience at this year's Edinburgh Military Tattoo in our latest competition. ✨

Kerra McKinnie
Head of Marketing and Communications
members@scotbs.co.uk

You have been sent this issue of Society magazine as a member of Scottish Building Society, to keep you informed about the Society's activities and to let you know of any

changes to products and services which might be of interest to you. Society is normally published twice each year.

If you do NOT wish to receive

future issues of Society please email members@scotbs.co.uk or write to Scottish Building Society, Freepost RLYC-AAGE-YURH, SBS House, 193 Dalry Road, Edinburgh EH11 2EF.

Save the date for AGM at Surgeons' Hall



This year's Annual General Meeting will be held on Wednesday 31st May at Surgeons' Hall in Edinburgh, one of Scotland's oldest museums. Now a five star visitor attraction it was originally a medical teaching resource and is home to a remarkable collection of curiosities.

Located within the campus of The Royal College of Surgeons at Nicolson Street in Edinburgh the museum can be reached easily by public transport, and is a short bus ride from Waverley train station for members travelling from beyond the city. As usual, refreshments will be served and you will have the chance to explore the museum's fascinating collections.

All Society members are invited to attend the AGM to hear from your Directors and to vote on key business decisions. Look out for your AGM pack containing voting details and Annual Review & Summary Financial Statement which will be sent out to you by post in the coming weeks. ✨



Surgeons' Hall, Edinburgh

Chief Executive Mark Thomson addresses members at the 2016 AGM

Society sponsors student prize

Students of banking and finance at Glasgow Caledonian University now have an extra incentive to work hard. The newly launched Scottish Building Society Prize for best performing student completing the personal lending and mortgage lending module brings with it £150 cash award for the winner.

As part of the prize sponsorship Business Development Manager David Richardson was invited to deliver a lecture to third and fourth year students.

GCU Financial Services Lecturer Michal Wojewodski said: "GCU has a distinct position as the University for the Common Good. We work collaboratively to deliver social benefit to the communities we serve and Scottish Building Society is a perfect sponsor partner for us. Our students will benefit not only from the monetary reward and recognition, but also have the chance to gain professional insight through David's lecture and will visit the Head Office as well." ✨



Financial services lecturer Michal Wojewodski with the Society's David Richardson at GCU



Learning from the expert: students gain insight into financial services from the Society's David Richardson



Cash for Capital Kids

Head Office staff have gone the extra mile in their fundraising efforts for kids in and around Scotland's capital city by successfully completing a 10k run and gruelling triathlon to boost their final donation to Sick Kids Friends Foundation to £2,500.

The Edinburgh branch was also a collection point for gifts which were donated to Radio Forth's annual Cash for Kids Mission Christmas charity appeal which kept the magic of Christmas alive for 18,292 disadvantaged children in Edinburgh, the Lothians and Fife. ✨



Society opens new agency office in Girvan

Scottish Building Society continues to develop its local presence across Scotland with the opening of a new agency service in the offices of Galbraith Pritchards at 16 Hamilton Street in Girvan. Members will be able to open and access their savings accounts, and will be referred to the Society's specialist advisers for help with mortgage enquiries.

Galbraith Pritchards is one of the largest independent accountancy firms in the West of Scotland and provides business advice, accounting, auditing and taxation services throughout Scotland and beyond. ✨



New agency in Girvan

Meet your Society Secretary

Society Secretary Aileen Rose is preparing for her first Scottish Building Society AGM since taking up the post in 2016. A Scottish qualified solicitor, Aileen worked in private practice



for several years as a litigation specialist. She then moved in-house to the Royal Bank of Scotland plc where she worked for 20 years in a wide variety of legal roles, latterly specialising in legal risk management and policy.

As Society Secretary Aileen is responsible for ensuring the Society complies with standard financial and legal practice and maintains high standards of corporate governance. She replaces Andy Tristram who retired from the Society in December 2016 after 28 years.

Self-build mortgage for home with a view

Audrey Dryburgh describes herself and husband Robert as empty nesters now that their 5 children have left home, but it's a very special nest

The top three must-haves on their list for a new home were location, location, location so Audrey and Robert Dryburgh set about finding a plot of land with a sea view to build their dream home. The couple have been together for eleven years, and have five grown up children between them. They moved to rented accommodation in North East Fife in 2011 while they searched for the perfect spot.

Audrey takes up the story. "We were almost at the point of giving up when we finally managed to negotiate on a plot of land in the grounds of a large steading which had planning permission for a barn conversion. We were determined to have a house with a sea view, nothing else would do, and we closed the deal on the land in 2015.

"It is on the edge of Lundin Links, in fact it is the very last house in the village, and the view is stunning. We were only restricted in that we had to design our home to sit within the footprint of the original barn which had been demolished. Fife Council were excellent to work with. Although it had planning permission, we had to work hard to get a building warrant for our final design."

Audrey, a solicitor, and Robert, an engineer who runs the family fibre glass business, paid cash for the land and approached Scottish Building Society to find out more about the specialist self-build mortgages available.

"Alex Moffat at the Society was recommended to us and he was very helpful throughout," said Audrey. "We had a brilliant



Self builders Audrey and Robert Dryburgh at their new home

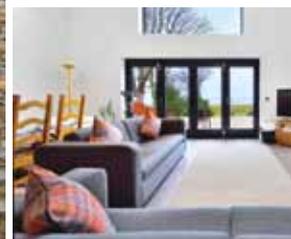
service and really appreciated the personal touch. We managed to keep costs down by doing a lot of research online to find the best prices for supplies and doing as much of the work as we could ourselves.

"After researching several house build companies we purchased the kit from Claymore Timber in Ladybank Fife. We used all local tradesman including our indispensable structural engineer Eric Ravenscroft. Our job was to project manage and keep a tight rein on the spend."

The end result is a beautiful 3 bedroom

home with an office and one of the best views in the East Neuk of Fife. It is exceptionally cosy thanks to the high standard of insulation and latest building techniques. The ground floor is a large open living space with kitchen, lounge and dining area. Design touches include use of glass to maximise the views, with arched windows at the gable end and bi-fold doors creating walls of glass facing both north and south.

"We are so privileged to live here. I just love it and it's definitely been worth the wait," said Audrey. ✨



Scottish Building Society Self Build Mortgages

Scottish Building Society offers specialist financial advice and mortgages for people looking to build their own home. The self-build mortgage may also be suitable if you are renovating or extending your existing property. All mortgage applications are based on affordability and all existing financial commitments are taken into consideration on a case-by-case basis. For full details visit your local branch or call a mortgage advisor on 0845 600 4085. The Self Build Brochure is available to download at www.ScottishBS.co.uk



Five minutes with Aileen Brown Finance Director

You've been with Scottish Building Society for over six months now, where do you see opportunities to make a difference?

I have broad sector experience and bring an outside perspective to the role. I've had senior roles in financial services, but also in health, staffing and recruitment and corporate finance.

There is a real opportunity to push forward with our digital strategy. The Society has been around for 169 years and must continue to change with the times to ensure we remain relevant for the next 169 years. People are increasingly looking to do things differently and we must give our customers choice. Of course that also means members who prefer traditional methods should have their choice protected where possible. We need to keep moving forward, but sensitively.

What does a typical day look like for you?

We have a lot of monthly processes which dictate my work pattern. I review the finance dashboard each day, there is the detailed month-end reporting and committee packs to oversee and I spend a lot of time with the finance team. There is a lot of scrutiny and we must prepare for, facilitate and follow-up with our internal and external auditors.

As well as attending regular board meetings, I am on various committees. We are implementing a new treasury management system which, with relevant ratios and balances at our fingertips, will allow us to make timely decisions and be more efficient.

The AGM is a big event for the team. I'm really looking forward to meeting members face-to-face for the first time. I've heard great things.

What are the biggest challenges you face?

Scottish Building Society is not particularly well-known beyond its membership. This keeps us focused on developing the best deals and products for our members that reward loyalty. It also pushes us to come up with the best risk-adjusted rates for borrowers. It is important, especially as we develop our digital strategy, that we balance meeting the needs of our current members with the expectations of the wider potential market.

What is the most important financial lesson you have learned?

My parents taught me that if you want something you have to save up for it, apart from a house that is. They also taught me always to keep some cash for a rainy day.

What do you enjoy most about your job?

I really enjoy the fact that I can do things quickly and simply by speaking to people face-to-face. It's a really nice culture and I have to deal with far less email traffic as a result.

I also like the complexity of the role. It's intellectually challenging and standards are always being raised as regulators and members expect more of us. Although we have a relatively straightforward business model and range of products, the way everything is connected means that we must always be aware how one simple change could have unintended consequences. It's a bit like a tapestry, pulling just one thread can cause a wrinkle.

I also like the fact that there are some amazing home bakers amongst my colleagues. There are regular charity bake sales and fierce competition keeps standards high. ✨

The Project

Cost of plot		
(with planning permission)	£	160,000
Build costs	£	220,000
Current value of the property	£	450,000
Mortgage	£	80,000

What was the hardest thing?

Finding the perfect plot. We also had a hard time with some utility companies, but the actual build experience was relatively stress free thanks to the great team we had.

Hindsight: What would you do differently?

Buy a bigger caravan. Due to hold ups with getting the electricity connection we ended up having to live in a very small tourer van for weeks after giving up our rented home.

Any surprises?

The countless number of people who have approached us to find out more about the cladding we have used which we bought through a supplier in Glenrothes.

CV

- 1988:** Left Strathclyde University with BA Business Studies and postgraduate diploma in accounting
- 1991:** Qualified CA and joined NHS as Deputy Director of Finance managing a team of 60
- 2000:** Accepted post as Head of Corporate Risk with Thus plc (ScottishPower group) after four years with Ernst and Young
- 2007:** Became Chief Financial Officer Hudson Global Resources
- 2016:** Joined Scottish Building Society as Finance Director from role as interim FD with Scottish Friendly



Personal: Aileen lives in Linlithgow with partner Steve and six-year-old whippet Pippa, a shameless food thief. It's a period property so there are always home improvement projects on the go. She enjoys reading, walking Pippa and spending time with her two sisters.



Ravelrig Riding for the Disabled Association (RDA) near Balerno is this year's chosen charity for the Society's Edinburgh & East Area office

Able to ride

RDA provides life changing therapy and enjoyment to people with disabilities across the UK. The centre at Ravelrig was founded in 1986 and has grown to carry out activities for 95 regular riders each week.

Staff at Edinburgh branch are already planning their fundraising activities and already a team from Head Office has signed up for the Edinburgh Marathon Relay. Other activities planned include a race night, bake sales and staff have agreed to volunteer their own time to help out at the centre.

Ravelrig RDA is home to 8 specially trained horses and ponies and relies on 120 volunteers to help out each week. Riders of all ages and mixed abilities benefit from the activities on offer, from young people with autism to forces veterans who are finding working with the horses brings new confidence and sense of purpose.

Barbara Johnstone MBE, founder member and trustee at Ravelrig RDA, said: "It is humbling to have been chosen by staff and Scottish Building Society members as their charity of the year, particularly as there are so many worthwhile charities out there.

"All funds raised through the branch go towards the £60,000 it costs us to run the group each year. We will welcome any members of Society staff who are able to volunteer their time to help with the upkeep of the centre.

"We also hope to reach our fundraising target for an indoor arena and new stables this year. Scottish weather is unpredictable and it has a huge impact on our young riders who often don't understand why they can't ride when it's raining, especially as their visit is often the highlight of their week. An indoor arena will transform what we can offer and it will make a huge difference to our riders and their carers." ❄️
www.ravelrig-rda.org



Barbara Johnstone
of Ravelrig RDA





Meet our member

Society remains a firm favourite with Alaistar

Alaistar Waddell (67) is a well kent face in the Borders town of Galashiels. As official Town Crier he plays a key role in ceremonies at the Braw Lad's Gathering which takes place in the town in July each year. He has also entertained audiences for over fifty years as a performer with Galashiels Amateur Operatic Society, often playing a leading role in its very popular musical productions.

Alaistar lives in Galashiels with his wife Margaret. Before he retired he enjoyed a long career as UK Sales Manager with Selkirk electronics firm Exacta Circuits. Nowadays he combines his roles as a singer and Town Crier with his gardening hobby and walking his two dogs Guinness and Sparky.

We asked Alaistar about his experiences as a member of the Society. He said: "I have been a member of the Scottish Building Society for

over 40 years from when it was originally The Scottish Provident Building Society. I took out my first mortgage in 1978 and borrowed £10,600 against a £12,500 house when interest rates were around 12%. I always shop around and have ended up with both mortgage and savings at the Society over the years because I like the friendly service and the rates are competitive.

"I have been a Cash ISA squirrel for almost 20 years, and am now benefitting from improved rates thanks to the Society's Loyalty Promises. Both of my sons followed me into the Society as members as well which is partly down to the personal service we get from the staff at the Galashiels branch. They know the family and I always enjoy a blether with the staff when visiting whereas the banks' attitude to customer service is not as personal and courteous. The big thing for me is that the Society is run for the benefit of members and not shareholders." ❄



Our charities of the year 2017

Your votes have been counted and can announce that the Scottish Building Society Community Charities of the Year for 2017 are:



- **Borders:** Rowan Boland Trust
- **East:** Ravelrig Riding for the Disabled
- **North:** Elsie Normington Foundation
- **South West:** Irvine & Troon Cancer Care
- **West:** St Margaret of Scotland Hospice

We have contacted each charity to make an initial donation of £250 and discuss how local branches can support them over the coming year. Please contact your local office if you would like to be involved with our fundraising activities or to nominate a charity for the 2018 vote.

What you told us about customer service

WE are very grateful to everyone who took the time to complete our Customer Feedback survey. The latest results show overwhelmingly that there is a high degree of trust in the Society as a provider of financial products and belief that it acts in members' best interests.

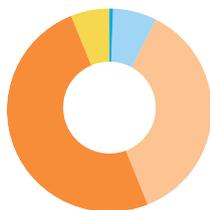
When we asked about our charity work, almost all respondents indicated that they value the support the Society provides to community organisations. Society staff are held in very high regard by the majority of members who find them not just professional and efficient, but also friendly and welcoming.

We are keen to understand how you prefer us to communicate with you. When asked, 56% of all respondents prefer to receive information by post, with the remaining 44% expressing a preference for digital communication.

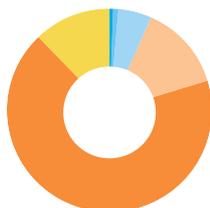
We have taken on board all your comments and the survey findings will be used to inform relevant future decisions. ✨

Survey results:

86%
agree or strongly agree that they trust the Scottish as a provider of financial products



81%
agree or strongly agree that they find staff at the Scottish helpful, professional and efficient



Interest rates climb over time

Tax Year Account Opened / Funds Deposited

1.55%	before 2010/11
1.45%	2010/11
1.35%	2011/12
1.20%	2012/13
1.15%	2013/14
1.10%	2014/15
1.05%	2015/16
0.95%	2016/17
0.85%	2017/18
Tax-free AER variable	

Tax free savings with loyalty benefits

One year on from the launch of our Loyalty Cash ISA we take a look at how savers are set to profit

Whether you're saving up for something special, want to boost your retirement income or simply looking to set some money aside for a rainy day, Individual Savings Accounts (ISAs) are an easy way to let your money grow, tax-free.

Members who save with our Loyalty Cash ISA launched last April are now set to be rewarded with an enhanced rate of interest in the new tax year.

Chief Executive Mark Thomson said: "We promise to offer the best available rate to our members throughout the term funds are deposited with us. This is reflected in our tiered interest rates that increase annually the longer the savings are held, unlike some other financial institutions that offer high initial rates with bonuses which end after year one.

"It means that our members should not need to look around for a better rate each year, but

can be assured their loyalty to the Society is being rewarded."

This variable rate account is available to anyone aged 16 or over, and resident in the UK for tax purposes. Accounts can be opened easily with a minimum of £1, either in branch or by downloading an application form online. The maximum amount you can save into ISAs in tax year 2017/2018 will be £20,000.

As well as helping money grow tax-free, a Loyalty Cash ISA allows instant access to savings, with no penalty for withdrawals, and lets you save in the way that suits you best - either with a lump sum, standing order or by paying in whenever you choose to.

Interest is paid tax-free on 31 March each year, provided the account continues to satisfy the ISA regulations.

Interest is normally added to the account, but it can be paid to a bank account or another account with Scottish Building Society if preferred. ✨

5 reasons to choose our Cash ISA

1. Tax-free returns to help your money grow
2. Tiered interest rates
3. Add to your account whenever you like
4. Instant access to your money
5. A safe home for your savings

Our Loyalty Promise ...

We promise to offer products and services that are fair and designed to provide you with long term value



The first rung

The **Scottish Building Society Guarantor Mortgage** gave Sarah the chance to make her move

When Lynne Bowman's daughter Sarah moved to Edinburgh for her first job after graduating with a degree in events management from Glasgow Caledonian University, she found herself paying £650 a month to rent a room in a flat in the capital.

Sarah decided to move back to Glasgow and when she secured a new job Lynne and her husband Simon, both civil servants, decided to step in and help her get a foot on the property ladder. She moved back home with mum and dad, commuting each day into the city, while she saved for a deposit.

"We knew we wanted to help Sarah, especially as it would save her money in the long run," said Lynne speaking from the family home in Prestwick. "It wasn't that she couldn't afford to meet the rent, but she couldn't afford to save up for a deposit at the same time.

"She's our daughter and we could afford to do it as we have some savings and our own Scottish Building Society mortgage was paid off.

"We've always liked the Society and have found staff to be friendly and knowledgeable so the first thing I did was contact Troon branch as I'd read about the Guarantor Mortgage. It sounded like the kind of product we were looking for.

"Mortgage Adviser John Boyd explained everything to us. He was very easy to work with and made sure we fully understood the financial obligations. Once we knew that Sarah could afford the outlay we had no hesitation in guaranteeing the loan."

Sarah soon found the two-bedroom traditional tenement flat she now calls home in the Denniston area of Glasgow. She bought it for £115,000, using £16,000 she had managed to save as a deposit.

With a mortgage of £99,000 her monthly mortgage repayments are £490, over £150 cheaper than the rent she had been paying previously. *

Mother and daughter Lynne and Sarah Bowman in Sarah's new home



Our Guarantor Mortgage

Having a guarantor can give first time buyers the opportunity to get onto the property ladder. It is a way to borrow more money than income would usually allow.

For full information call and talk to one of our specialist Mortgage Advisers on 0345 600 4085 or download the Guarantor Mortgage brochure at www.ScottishBS.co.uk



Best Guarantor/Assisted Mortgage Lender

Competition

Win tickets to the Greatest Show on Earth

This picture and cover picture kindly supplied by Royal Edinburgh Military Tattoo



The Royal Edinburgh Military Tattoo showcases the talents of a stunning array of performers from all corners of the globe against the spectacular backdrop of Edinburgh Castle. This year's Splash of Tartan theme offers a fabulous opportunity for everyone to get involved, dress the part and join in the celebrations and pageantry. This is your chance to be close to the Massed Pipes and Drums, always a highlight of the show.

The Prize

Enjoy a pre-show dinner in the award-winning Amber Restaurant within The Scotch Whisky Experience, just moments away from the Tattoo arena, and experience a culinary journey through Scotland. Amber's larder is Scotland's glens, rivers and seas. Prime beef, venison, salmon and the freshest vegetables are all sourced for quality.

Your package for two people on Sat 26th August at 7.30pm will include:-

- A three course specially selected Scottish menu with half a bottle of wine and a dram of Whisky

with dessert, followed by coffee or tea and Scottish fudge

- A dedicated waiter to present the Scottish tapas starter to your table and tell you the story behind each item
- Your very own copy of the menu with a map of Scotland highlighting the regions from which your food was sourced
- A brief recital by members of the Tattoo cast
- A host to escort you from The Scotch Whisky Experience to the Castle Esplanade
- A seat in Section 7 of the outdoor arena with exceptional views of the performance
- An official Tattoo Show Programme

Please note travel and accommodation costs are not included in the prize.

How to enter

To be in with a chance of winning all you have to do is answer the following question:

The first Edinburgh Tattoo took place in what year?

- A. 1950 B. 1962 C. 1955

Simply email your answer along with your name, address and Scottish Building Society account number to:

members@scotbs.co.uk

Alternatively, send your answer and contact details to:

**Society Competition,
Freepost RLYC-AAGE-YURH,
Scottish Building Society,
SBS House, 193 Dalry Road,
Edinburgh, EH11 2EF.**

Closing date for entries is midnight on 23rd June 2017. No purchase is necessary in order to enter the competition. Only one entry per person is permitted. For full terms and conditions please visit www.scottishbs.co.uk

Competition winner

Congratulations go to Mr Wood from Bishopbriggs who correctly answered the question in Issue 5 of Society to win a one week holiday for four in one of National trust for Scotland's holiday homes.

We asked 'Which mountains in Scotland are between 2,500 and 3,000 feet high?' The correct answer is 'Corbetts'. ❄️

 **SCOTTISH BUILDING SOCIETY**

Your views are important to us

Join our online member panel now

Gathering quick and timely feedback on a variety of business initiatives and topics allows us to continue to improve our service and ensure that we are offering products appropriate to members' needs.



We are currently recruiting for our online Member

Panel and we'd like applicants from across the country to apply. Panel members receive a maximum of four short surveys per year, and play an invaluable part in shaping how the Society develops.

If you would like to get involved, please email
members@scotbs.co.uk



Best Guarantor/Assisted Mortgage Lender



Buying in Scotland?

A mortgage from the Scottish could be *right up your street*

At the Scottish, we've been helping people in Scotland buy their homes since 1848. As a mutual building society, we're committed to giving all our customers a personalised service. This includes a wide range of mortgages so you can get the one that's right for you.

To find out more, call and speak to a qualified mortgage adviser. Or contact your local branch - we'll fit you in straight away.

Mortgage range includes:

- > Guarantor Mortgages for First Time Buyers
- > Lifetime Mortgages for the over 65s
- > Self Build

Branches & agents across Scotland

0345 600 4085
www.scottishbs.co.uk



IN-BRANCH EXPERTS

Scottish Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Register No. 206034). Member of the Building Societies Association and the Council of Mortgage Lenders. Scottish Building Society, SBS House, 193 Dalry Rd, Edinburgh EH11 2EF. Tel. 0131 313 7700.

YOUR HOME MAY BE REPOSSESSED IF YOU DO NOT KEEP UP REPAYMENTS ON YOUR MORTGAGE.