



## LETTER FROM THE CHIEF EXECUTIVE PAUL TILLEY

Hello and welcome to the latest issue of our £notes newsletter.

Little did I think that I would be writing a second annual report whilst the UK, and most of the world, is still in the midst of the Covid-19 pandemic. I cannot recollect such a disruptive period as the last twelve months but there is light at the end of the tunnel, particularly in the UK.

It is testament to colleagues' tenacity, commitment and perseverance, and our contingency planning, that the Society has very much remained "open for business", as permitted by the government's guidelines, but with a few changes made along the way. Many colleagues have been, and continue to be, successfully and securely working from home to continue to offer you the service you require from us, with others working from Covid-19 secure branches and offices, albeit with a number of modifications for everyone's safety. As a member of the Society your flexibility and understanding has been most welcome during these challenging times. Protecting the physical and mental health of colleagues and members remains a key objective for the Society as a caring and considerate employer and business. The last year has really been about us all pulling together as a team so I'd like to record my sincere personal thanks to everyone.

Sadly, the Annual General Meeting (AGM) will be held virtually again this year – please see Page 4 for further details of how you can still be involved.

Against this back drop, the Society remains financially robust, has performed well in the last year and did not need to access any government financial support. It is a testament to our resilience and sustainability that we have been recruiting for further colleagues as the business continues to expand.

The Society is owned by you, our members, and your best interests are at the heart of everything we do. Offering competitive products allied to a first class service is a core strategic aim. Additionally, we strive to provide easy to understand processes to make your engagement with us fulfilling.

Providing a safe and secure home for savers' money remains an integral aspect of our strategy.

The last twelve months has seen the Society continue to grow the business, with increasing balances held by personal savers and owed by borrowers, with both metrics ahead of budget.

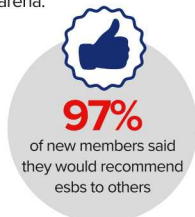
Pleasingly, total mortgage balances are at an all-time record of over £115m with new lending increasing by almost 10% compared to the preceding business year, despite the property market being closed for a period of time.



The pipeline of loan commitments for the forthcoming year is healthy and provides for optimism for continued mortgage asset growth but there remains a degree of uncertainty over future credit conditions.

The difference between average saver and average mortgage interest rates has deliberately fallen as we try to protect both sets of members, as far as it is financially sensible to do so. The Society remains in a very sound and stable financial position, as evidenced by a modest increase in profit year-on-year and the cost ratio falling.

Feedback from members is vital for the wellbeing of esbs and to assist us with developing our proposition. For each of the last two years 97% of new members stated they would recommend the Society to others. In addition, the Society has won one national award during the last 12 months in the lending arena.



These outcomes clearly demonstrate that members retain confidence in the Society and its product and service offering. I am passionate that we must continually seek ways to improve on the products and service we provide to members.

The work undertaken in the community and charitable activities play an important part in retaining our heritage and culture. Given the pandemic restrictions, there was reduced in-person activity but was switched, where possible, to other delivery mechanisms. Please see Page 2 on Leicestershire Cares as a prime example of the work we do, sometimes collaboratively, to maximise benefit.

The economic path forward is uncertain due to the effects of the pandemic. Unemployment and house price movement predictions are far from clear. However, the Society is financially and operationally well positioned to continue to grow and develop in a sensible and controlled manner, within defined risk appetites. Continuing to expand our distribution further, both direct to market and via the intermediated area, will help drive this growth aspiration.

The Society is committed to a digitisation strategy but this will be carefully managed so as to provide member benefit in a secure manner. Technological changes around process simplification & improvement, automation and integration will continue to be identified and deployed where needed. Further security enhancements to our customer online offering are planned to be deployed shortly.

Providing customer contact choice remains key – members should be able to decide how they communicate with us.

The Society is currently developing its climate change strategy and already permits borrowing to facilitate improvements to property to increase energy efficiency and reduce the carbon footprint. In addition, the Society has been actively recycling for many years. The Society is looking at measures to see if it can improve its estate energy efficiency.

As I conclude it is worth reflecting that the Society has, so far, successfully navigated its way through the current pandemic and many other turbulent times in its long history, and it will continue to handle whatever difficulties comes its way. We remain here to serve you to the best of our abilities.

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## PERSONAL FINANCE AWARDS

esbs has been celebrated once again for our excellent selection of mortgages, having been voted for by the public and crowned the winner in the 'Best Self-Build Mortgage Lender' category at the Money Pages' 23rd Annual Personal Finance Awards 2020/21.



## THANK YOU TO PAUL BEARDSMORE

We wish the best of luck to Paul Beardsmore, who retired from the esbs board in 2020 after seven years of service. He's had a distinguished career in the building society industry spanning five decades and will be sorely missed by all at esbs!





# LEICESTERSHIRE FIVE COLLABORATION

We teamed up with four local building societies – the Melton, Loughborough, Market Harborough and Hinckley & Rugby – to donate £10,000 to Leicestershire Cares. Leicestershire Cares is a leading charity which supports local businesses, schools, young people, ex-offenders and community groups.

The donation was distributed by Leicestershire Cares to Storehouse foodbank in Melton Mowbray, Trussell Trust foodbank in Hinckley, and the Zinthyia Trust, the Making Moves project and Centre Project all based in Leicester.

In all cases the money has been used to support vulnerable people directly affected by the Coronavirus crisis.

Kieran Breen, Chief Executive at Leicestershire Cares said, "This generous donation from our local building societies is a great example of how we can work together to support those in need during the current crisis. We are committed to working in partnership with business, the community and government to tackle and beat this crisis."

"THIS GENEROUS DONATION FROM OUR LOCAL BUILDING SOCIETIES IS A GREAT EXAMPLE OF HOW WE CAN WORK TOGETHER TO SUPPORT THOSE IN NEED DURING THE CURRENT CRISIS."

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4 OF OUR 5 SOCIETIES PLUS KIERAN TEAM UP ON A ZOOM CALL

## IN THE COMMUNITY COLLECTOR UPDATE

Our in the Community scheme has relocated online to allow our members to continue having their say on which worthy causes they would like us to support.

Thanks to our virtual token collectors, £500 has been split between two locally-based organisations each quarter.

The charities benefiting from this scheme since our last notes have been:

- Adapt and Leicestershire & Rutland Wildlife Trust
- Heart Link and Lamp
- Toys on the Table and LOROS
- Rainbows and East Midlands Dog Rescue



ADAPT Prembabies Limited  
Registered Charity Number 1138777



Leicestershire & Rutland Wildlife Trust



## ACTION HOMELESS UPDATE

We are proud to be continuing our corporate sponsorship with Action Homeless in 2021.

Throughout the pandemic the charity worked especially hard to keep people safe and housed and esbs was proud to contribute through our Home Starter Kits, providing over £1,000 worth of homewares, including kettles, toasters and other essentials to help Action Homeless clients settle into their new homes.



## CHARITY OF THE YEAR

Each year, esbs staff select a Charity of the Year, and in 2020/21 we are proud to have supported Heart Link which was nominated by Jodie Maguire, Compliance Assistant at esbs, to raise awareness and money for the charity as it supports children (and their families) who have heart conditions, after her niece passed away from a heart attack.

As the upheaval of the pandemic prevented many fundraising activities from going ahead, we have decided to extend our support and make Heart Link our charity of the Year for 2021/22.





# NEW FACES AT esbs

We have recently welcomed several new members to the esbs team.



**DIANE STOKES**

Diane comes to esbs as a Mortgage Services Administrator with a wealth of industry experience. She previously worked as a Mortgage Systems Co-ordinator at another local building society and has gained her CeMap qualification.

She said, "I was eager to rejoin the financial services industry after a stint in customer services and esbs was perfect as I know the customers are all treated as individuals, and my wonderful colleagues make esbs a great place to work."



**DAN MASSOUDI**

Dan is also familiar with the financial services industry and was eager to learn more having worked for another building society as a Customer Service Adviser.

He says, "After studying for my CeMAP qualification I was looking to develop my skills and knowledge within a mortgage team so the role of Mortgage Services Administrator at esbs was the perfect opportunity for me. I like that we have the best interests of the customer in mind and I am enjoying the variety in the job."



**SUE BEAUMONT**

With a career background in marketing, Sue also likes that she's able to make a difference with a local society in her role as Mortgage Services Administrator.

"Taking out a mortgage can seem complex so I like to make the experience as smooth and stress free as possible for customers. It's great to be helping customers both locally and across the country."



**NITIN MISTRY**

Nitin Mistry has joined esbs as an Assistant Management Accountant. After a career of accounting roles in the retail sector, Nitin is excited to learn more about the financial services industry.

He says, "The size of the Society makes esbs a great platform to learn the different aspects of the mutual sector and to get a deeper understanding of financial institutions and how they operate. I love the people at esbs, the supportive and friendly team have made me feel so welcomed."

## AGM CHARITY CHOICES

**Once again, two charities will be benefitting from your votes! For each valid AGM vote we will donate 40p, and you can choose which of the two charities receives that donation by making a selection on your AGM voting form.**

Action Homeless (Charity No. 702230) – Based in Leicester, Action Homeless dedicates its efforts to improving the lives of those affected by homelessness and has offered its support to individuals and families in the city and across the county for the past 40 years. Visitors to any of the charity's centres are given access to a broad range of services that aim to tackle the causes and consequences of their homelessness, while the expert team of staff and volunteers works to ensure

that people leave with a place to call home and the skills and resources to maintain independence.

Heart Link (Charity No. 513946) - Heart Link was established in 1981 as a support group for parents and families who had a child suffering from a heart defect. Since then, they've become increasingly committed to improving facilities for their young patients, their families and providing much needed valuable medical equipment at Leicester's Glenfield Hospital. Their contributions to Glenfield Hospital have included a specialised playground, a helipad, and more innovative technology. All of this requires a great deal of funding, so Heart Link is immensely grateful for all donations.

**ACTION HOMELESS**  
The chance for change



## IN MEMORY OF JOHN GILBERT

Our thoughts are with the friends and family of former CEO of the Society, John Gilbert, who passed away in 2020. He was a proud husband, father, and grandfather, and valued member of our community. The local Gilbert family was associated with the running of the Society for over 100 years until Mr. John Gilbert retired in the 1990s.

## RULE CHANGES

**Every so often, the Society's Rules need to be updated.**

This year we need to make certain rule changes for the following reasons:

- To allow our Members' meetings to be held electronically and/or in more than one place;
- To better explain how we can adjourn a Members' meeting;
- To better explain the number of Members' who must be present for a Members' meeting to be valid;
- To improve the procedures we must follow to tell you about a Members' meeting if the postal services are not working as they should be; and
- To include within the Rules legal aspects of the Mental Health (Discrimination) Act 2013 that apply to esbs.

For further details please see the Summary of Changes leaflet included in the AGM 2021 pack.

## IMPROVE YOUR HOME AND HELP THE ENVIRONMENT!

**Taking out a further advance on your property can be immensely useful to help fund home improvement projects, especially eco-friendly ones like installing a new heating system which could help your property run more efficiently and save you money in the long run.**

If you have a mortgage with esbs and are considering home improvements then please speak to one of our expert advisers to discuss the options open to you. We could also assist with a further loan for many other reasons – just ask!

Terms and Conditions apply. Your home may be repossessed if you do not keep up repayments on your mortgage.



# WHO'S STANDING FOR ELECTION?



**DARREN HICKMAN TO BE ELECTED**

Darren Hickman joined the Society in November 2020 as chair of the Risk and Compliance Committee and is a member of the Assets and Liabilities Committee. Darren brings close to four decades experience in the banking industry having held a number of executive positions, and is positive his skills will help to ensure the Society continues in its success.

For the last seven years Darren has also served as a Non-Executive Director for Leicestershire Partnership NHS Trust which is a provider of mental health and community care in Leicester, Leicestershire and Rutland.



**ALEX ROBINSON TO BE ELECTED**

Alex Robinson also joined the board in November 2020 as chair of the Nominations Committee and a member of the Audit Committee and the Remuneration Committee.

He believes building societies have a very important place in helping individuals own their homes and offering savers security and returns, and is very familiar with the industry having held the position of Group Commercial Director at Skipton Building Society for a decade.



**PAUL TILLEY TO BE RE-ELECTED**

Paul Tilley has been Chief Executive at esbs for close to a decade. His whole career has been spent within building societies, providing Paul with plenty of experience in roles ranging from strategy, sales, compliance, risk management and operations.

Paul is also the Society's Secretary and chair of the Assets and Liabilities Committee.



**IAN DALE TO BE RE-ELECTED**

Ian Dale joined the esbs board in May 2015 as a Non-Executive Director after retiring as a Chartered Accountant. He's passionate about the difference that community oriented building societies can make to local people and wanted to assist the Society in continuing its successful track record.

Ian is the Society's Senior Independent Director and is a member of the Assets and Liabilities Committee and the Audit Committee.

## TAKE PART IN OUR COMPETITION - £50 NOTE!!

In honour of the new £50 note coming into circulation this year, answer these questions correctly for the chance to win £50.

1. Whose face will feature on the new £50 note?
2. What is the name of the code this person cracked?
3. What's the title of the film based on their life?
4. What material are the new notes made from?
5. Which note was released in this material in 2020?

Send your answers by post to Katie Graham, £notes Editorial, Unsworth Sugden, 86 – 92 Regent Road, Leicester, LE1 7DD. Alternatively, you can email your answers, complete with your name, address and phone number, to [katie@unsworthsugden.co.uk](mailto:katie@unsworthsugden.co.uk). The closing date is Monday 26th July 2021 and the winner will be drawn at random from the correct entries received by this date. esbs will credit the winner's account with £50, or if you don't have a savings account, we'll open one for you. esbs staff are not eligible to enter.



## DETAILS OF OUR AGM 2021

Due to the fact that plans for this year's AGM must be made well in advance of the meeting, and to ensure the safety of staff and members amidst the continuing impact of the pandemic, this year's AGM will sadly once again be held virtually.

The meeting is to be held on Wednesday 14th July at 6pm and members will be able to attend and listen/watch via Zoom.

Unfortunately, you will be unable to vote or ask questions on the night. Any questions you wish to raise, irrespective of whether you intend to attend or not, can be submitted in advance either by email to: [AGM2021@esbs.co.uk](mailto:AGM2021@esbs.co.uk) or in writing

and sent in by post to The Secretary, esbs, 22 The Hollow, Earl Shilton, Leicestershire, LE9 7NB to reach us on or before noon on Saturday 10th July 2021. Also, please don't forget to vote by this date.

The questions will be read out at the meeting, but the identity of the asker will be kept confidential.

If you are not able to attend, the meeting will be recorded and available on the Society's website within a few days after the meeting.

Details of how to access the meeting are within the AGM 2021 mailing pack.



### COMPETITION WINNER

Congratulations to the winner of our 2020 'Gold!' competition in the previous edition of £notes, Philip Sowden!



### FIND US ON SOCIAL MEDIA

To keep up with the latest news from esbs, you can follow us on Twitter, Instagram and Facebook at [@earlshiltonbs](https://www.facebook.com/earlshiltonbs) and on LinkedIn at [EarlShiltonBuildingSociety](https://www.linkedin.com/company/earlshiltonbuildingociety).



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