

# MEMBERS *Direct*

*Your Newsletter from the Harpenden Building Society*

**ISSUE 14 SPRING 2013**

**SPECIAL 60TH ANNIVERSARY CELEBRATION EDITION**

## From strength to strength...

Welcome to the AGM edition of Members Direct. As you will see from the enclosed 2012 Summary Financial Statement, 2012 was another successful year for your Society as we continue to go from strength to strength.

I am also proud to say that your Society continues to have one of the highest response rates for voting in the building society sector. In this respect can I please encourage eligible members to make use of the enclosed voting papers, or vote online at [www.votebyinternet.com/harpendenbs2013](http://www.votebyinternet.com/harpendenbs2013). We will once again be donating £1 for each vote cast to a worthwhile cause. In 2013 we have selected the Willow Foundation, a national charity that provides special days for seriously ill 16 to 40 year olds, to receive our funds. For further details of the support they provide visit [www.willowfoundation.org.uk](http://www.willowfoundation.org.uk).

2013 marks another significant milestone for your Society as we celebrate our 60th Anniversary. We have numerous activities planned to mark this special occasion including supporting 60 charities and community groups.

I am also pleased to report that we have invested in the long term future of our Harpenden Head Office, Mardall House by recently purchasing the building.

Our 2012 Members Survey received a tremendous response with results even higher than those achieved in the identical 2009 survey. Thank you to all our members who participated in the survey and for your much appreciated feedback.

Our online services have become a firm favourite amongst members seeking to save time and reduce the need to post items. Finally I was the proud recipient of the 2013 Mortgage Finance Gazette Leadership Award, national recognition for the progress the Society has made through the recession.

Thank you for your continuing support.

Yours sincerely



**Paul Marsden**  
DIRECTOR & CHIEF EXECUTIVE



**1953** **2013**

*Your local building society for 60 years*

**CELEBRATION EDITION**

## 60 Years Strong!

**Your Society first opened its doors in 1953, sixty years ago this year. Throughout this time HBS has successfully navigated through the peaks and troughs of the financial landscape, building trust and experience along the way.** Indeed, over the years we've seen so much change and progress in terms of technological advances as well as in the community, but one thing that has remained consistent throughout has been HBS.

Even at 60, we're still one of the youngest societies in the UK, and since the opening of our first branch on Station Road in Harpenden in 1960, to our move to Aberdeen House in January 1987, and the current Head Office in 2008, HBS has been a key member of the Harpenden community. Add to this the additional branches we have opened since then, and it's easy to see why we have become an accessible choice for our many members.

Sixty years is a key milestone, and we have so much planned for 2013 to celebrate this happy occasion, with fund raising and charitable support. In our 60th year we have also been able to purchase our Harpenden Head Office, Mardall House. We're a Society built on strong community foundations and this is why in 2013 we will be supporting 60 charities and community groups as a way to 'give back' to the community.

# Congratulations from the Council of Mortgage Lenders

By Sue Anderson COUNCIL OF MORTGAGE LENDERS



Local building societies like the Harpenden are a unique part of the financial services fabric of the UK. While Harpenden itself is celebrating its first 60 years, the building society movement dates back to the Victorian self-help movement that began almost two centuries ago.

These days, many consumers could be forgiven for feeling that the mortgage market is still a bit of a lottery. The last few years have been dominated by headlines about the financial crisis and the increased difficulty in borrowing, and the few years before that characterised as an unsustainable boom period, during which many people lost their trust in financial institutions with scandals such as LIBOR manipulation and PPI mis-selling compounding the mistrust.

However, not all financial services

institutions are the same, and the facts for many UK mortgage lenders suggest a slightly different story from the popular headlines. There is a far richer set of positive consumer experiences out there, of which institutions like the Harpenden (and their members) can be rightly proud.

Lenders like the Harpenden have been able to grow, and increase their lending while remaining profitable. In the Harpenden's case, new branches have also opened, valued by the communities in which they operate, and providing the kind of personal service that many people rate highly in contrast to the depersonalised call centre experience so typical of our times.

We congratulate the Harpenden on its first 60 successful years, and wish the society every success for the next 60 and beyond.



## Research shows HBS is on the right track

Thank you to everyone who participated in our member research survey at the end of 2012. We were pleased to receive such a great response from members and are delighted to announce the results confirm we're on the right track.

An independent agency evaluated questionnaires from our three member groups, those with a mortgage account, those with a savings account, and those with both savings & mortgage accounts.

All-in-all our overall result from the combined responses has scored member satisfaction with HBS at approaching midway between Very Satisfied and Satisfied.

A summary of the 2012 results is available to Members.

Visit [www.harpendenbs.co.uk](http://www.harpendenbs.co.uk) to download a copy or pick one up at your local branch.



## Online Banking - a technological revolution

By Louisa Lingwood HEAD OF IT

Online Banking has come a long way since its humble beginnings in the early 1980s, making it easier for people to manage their money. It's hard to believe now, that the first internet banking service in the UK connected users via a television set and telephone to send transfers and pay bills, which formed the basis for online banking as we know it today.

The convenience of 24/7 access from the comfort of home - or whilst shopping - offers the flexibility today's consumers demand and expect in their busy lives. With constantly evolving technology, online banking has become a widely accepted

medium of money monitoring and management.

HBS online provides members with the secure ability to manage accounts 24 hours a day, 7 days a week - from checking balances to transferring money between HBS accounts. Our secure messaging system ensures all information is kept confidential to our members as we communicate over the internet; and customers can transfer anywhere from £100 to £10,000 per day by electronic payment to a nominated bank account.

For further information please visit [www.harpendenbs.co.uk](http://www.harpendenbs.co.uk).

## Round and about



Over the coming year, to highlight our 60th anniversary, members living in St. Albans and Harpenden will notice our sponsorship of key advertising sites. This is part of our programme to further enhance our brand awareness and new member drive.

With thousands of vehicles driving through St. Albans city centre every day, many en route to or from Harpenden, we have sponsored the roundabout in St. Peters Street, St. Albans. This campaign began on 1st March and the two signs will remain in place throughout 2013.



# UK financial regulation reforms

**During 2012, the Government introduced the Financial Services Act to establish a new regulatory framework as they believe the current system of financial regulation has key weaknesses.**

The Financial Services Act 2012 received Royal Assent in December 2012, and will create a new Financial Policy Committee (FPC) within the Bank of England, to monitor the wider economic and financial risks against the stability of the system.

The reforms will also introduce greater judgment and focus towards the regulation of financial organisations with the creation of two focused financial regulators, the

Prudential Regulation Authority (PRA) and the Financial Conduct Authority (FCA).

The new PRA will be responsible for the day-to-day supervision of the adequacy of capital and liquidity positions of financial institutions. They will adopt a more judgment-focused approach to regulation so that business models can be challenged, risks identified and action taken to preserve financial stability.

The FCA, formerly known as the FSA, is an independent conduct of business regulator, who will take a firm approach to regulating how organisations conduct their business. The FCA will promote confidence and transparency in financial services and greater protection for consumers of financial services. They will also have a key role in promoting competition.

In advance of this legislation coming into effect, an interim FPC has been established by HM Treasury and the Bank, which will undertake the FPC's role of identifying and monitoring risks to the financial system as a whole, as far as possible.



## Records and qualifications for your mortgage team

**By Richard Mason** HEAD OF LENDING

**2012 was a year of records for your mortgage team.** Despite the national reduction in transactions in the UK housing market compared to the pre-credit crunch, 2012 has seen HBS achieve a number of notable successes.

In May 2012 your Society loaned a record £8.05 million. This is the highest amount that has ever been achieved in a single month. Additionally for the whole of 2012 we loaned over £46 million which was the second highest annual amount that we have achieved.

Equally important is the fact that all members of the mortgage underwriting team are at least CeMAP qualified. The

Certificate in Mortgage Advice and Practice is the main industry recognised qualification. In a heavily regulated environment, we are pleased to state that furthermore, additional qualifications have been completed, or are currently being undertaken by staff in the advanced qualification – the Diploma in Mortgage Advice and Practice.

2013 is already looking equally encouraging and demonstrates that our programme of taking time to understand borrowers and assess the affordability of their proposed mortgage really works.

If you would like to discuss a mortgage please contact the mortgage team on 01582 463133.

## Become a Non-Executive Director

**A successful society benefits from being able to call on a wealth of talent and experience amongst its Non-Executive Directors.** There will shortly be a vacancy for a Non-Executive Director at HBS and I would be interested in hearing from any individuals who feel they could contribute to the Society's on-going success. We are particularly keen to attract candidates with experience of the financial/mutual sector, and skills in Treasury and/or IT, who are committed to the local communities we serve.

Please write or send an email to me personally and in confidence at:

**Mike Willis, Chairman**  
**Harpenden Building Society**  
**FREEPOST SCB165**  
**Harpenden, Herts**  
**AL5 4BR**  
**Email: [appointments@harpendenbs.co.uk](mailto:appointments@harpendenbs.co.uk)**

Closing date for registering your interest is **Friday 31st May, 2013**

# Savings Accounts to suit

**By Phil Bannister**  
HEAD OF OPERATIONS



**We have a wide range of savings accounts available to suit just about every member budget and lifestyle.**

Our Simply ISA combines flexibility of savings within affordable limits. From as little as £1 to £5,760 (2013/14 tax year), this ISA provides a perfect savings plan with instant access. Regular or lump sum investments can be made when it suits, and instant access ensures this product is great for a rainy-day saver who may need to access their cash.



Our Freestyle Bond could appeal to anyone looking for a straight-forward, lump sum investment – its term is for one year with a variable rate of interest. The minimum investment is £2,000, either solely, jointly, or in trust for personal beneficiaries. An ideal choice for cash-conscious savers, who are looking to maximise their return.



Our 18 Club account is the answer to helping children financially for when they reach 18. Withdrawals are not available until the account holder's 18th birthday, so high rates of interest are maintained and a useful lump sum of money is made available at a key milestone in the savers life. The rate of interest paid will always be the highest of the variable rate investment products that we offer, making this the perfect start for any youngster.



For full details of our range of savings products and to view current interest rates, visit us online at [www.harpendenbs.co.uk](http://www.harpendenbs.co.uk) or drop into your local branch.



## Your Society wins again

Your Director & Chief Executive, Paul Marsden, has been awarded the 2013 Mortgage Finance Gazette Leadership Award – further testament that your Society has developed a winning formula in the mortgage market.

The Mortgage Finance Gazette Awards was hosted in London in late 2012, where the nominated Best Mortgage Product Providers are independently assessed based on a variety of analytical data provided by the independent financial research company, Defaqto.



## Supporting 60 charities and community groups

In this our 60th anniversary, we have committed to support 60 charities and community groups throughout 2013.

Community support forms an integral part of our Corporate Social Responsibility programme. Initiatives that we are already committed to include:

- Principal sponsorship of the Harpenden Highland Gathering.
- Sponsorship of the Harpenden 10k run in aid of Iain Rennie Grove House Hospice Care.
- Support for local Lions clubs, sports societies, school fireworks displays, horticultural events, school fetes and musical societies.

These events are in addition to our ongoing and established programme of activities with the Hertfordshire Community Foundation.

## Investing in our future

By Carl Astley FINANCE DIRECTOR



We're always looking for ways to invest in the future of your Society and were pleased when the freehold for our Head Office in Harpenden came on to the market last year. After extensive negotiations we completed the purchase of Mardall House in February this year. Mardall House totals 11,500sq ft, and offers a fantastic investment for the Society, as well as providing us with the space we need to continue to grow and develop.

Currently we occupy 4,500sq ft of the building, the remaining space is let out to local businesses, providing us with a sound and stable investment for the future.

## The 1950's Harpenden & District Building Society revisited



Sir Maurice Drake



We're pleased to dedicate a section in this newsletter to our first ever Chairman, Sir Maurice Drake. Sir Maurice was appointed Chairman of HBS in 1954, when it was known as Harpenden and District Building Society, prior to it becoming Harpenden Building Society in 1981. During his 24 years serving as Chairman, Sir Maurice remembers the establishment of the Society, which began operating out of a local solicitor's office before opening the first branch in Station Road, Harpenden, in 1960.

During a recent interview with Paul Marsden, current Director & Chief Executive of HBS, Sir Maurice recounts: "The Society was set up by a group of professionals including solicitors, accountants and a GP, who also formed the first Board of the Society. From the beginning the purpose was clear, to serve the local community and help people to get into home ownership. With a well-established policy of loans to the maximum value of 75%, the Society's tailored approach to mortgage lending proved so efficient and effective that it is still practiced to this day."

Sir Maurice concluded: "Much has changed since my days as Chairman, but the consistency of the Society is one thing that's stayed the same. Both then and now, interest rates have maintained a competitive edge in the marketplace, that's 60 years of progress."

### HBS BALANCE HISTORY:

1954	approx £3,000
1970	£800,000
2012	£250 million

Sir Maurice has been a resident in Harpenden since the age of three, and retired from the Chairmanship of the Society upon appointment as a high court judge in 1978. Now fully retired, Sir Maurice continues to live in Harpenden.

Harpenden Branch	Buckingham Branch	Leighton Buzzard Branch	Radlett Branch	Stopsley Agency	Tring Branch	Wendover Branch
Aberdeen House 14 Station Road Harpenden Hertfordshire AL5 4SE Tel: 01582 344204 Fax: 01582 766967	23 Market Hill Buckingham Buckinghamshire MK18 1JX Tel: 01280 823666 Fax: 01280 823535	22 Market Square Leighton Buzzard Bedfordshire LU7 1HE Tel: 01525 852525 Fax: 01525 379389	341 Watling Street Radlett Hertfordshire WD7 7LB Tel: 01923 854457 Fax: 01923 855145	DWR Sales & Lettings 599 Hitchin Road Luton Bedfordshire LU7 2UW Tel: 01582 731502	38 High Street Tring Hertfordshire HP23 5AA Tel: 01442 824722 Fax: 01442 891047	3 Icknield Court Back Street Wendover Buckinghamshire HP22 6EB Tel: 01296 623595 Fax: 01296 696680

HARPENDEN BUILDING SOCIETY | AUTHORISED FOR INVESTMENTS BY TRUSTEES

A MEMBER OF THE BUILDING SOCIETIES ASSOCIATION | AUTHORISED AND REGULATED BY THE FINANCIAL SERVICES AUTHORITY No. 157260

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