

NEWSLETTER ISSUE 17 2019

10 MINUTES

WELCOME

TO THE SECOND EDITION OF 2019

MORTGAGES

Ex-Pat Buy-To-Let -
Renting your home while you're overseas

SAFFRON REWARDS

Saffron Rewards has launched,
find out more about it

SAVINGS

How to save in a low interest rate
environment

COMMUNITY

Find out what we've been up to!

In branch
0800 072 1100
saffronbs.co.uk



CELEBRATING 170 years

A NOTE FROM COLIN



In the last edition of 10 Minutes we celebrated our 170th anniversary and looked back at some of the history of the Society over that period. During the course of the year we have celebrated three milestones with tea parties; the 40th anniversary of our Colchester branch, the 50th anniversary of our Haverhill branch and a final party at our Saffron Walden branch to celebrate our 170th year. It was great to see a number of Members at the Parties and to talk a little about the history of the Society and the future for the Society.

The relationships that we have built over many years are hugely important to us. We understand that we have to keep investing in our people and capabilities to ensure that we retain your support and trust. We have made further improvements to our online services this year and have also introduced a mobile phone app, which will help Members to view and manage the money they hold with the Society. We sometimes receive feedback that we are not as easy to do business with as we should be and we are seeking to rectify



this through our Saffron “One Best Way” programme through which we are challenging ourselves to be better.

We continually seek to improve the proposition that we offer to our Members and are very excited about Saffron Rewards, our new Member reward programme that can be accessed from our Website and Mobile app. Saffron Rewards provides access for our Members to money saving deals across a broad range of products and services, from everyday grocery spend to holidays and cars! If you haven’t already used the programme, I would encourage you to take a look and of course,

the programme is free for our Members and staff!

In this edition of 10 minutes we take a look at opportunities for customers who may be thinking of moving overseas and want to let out their homes, and we share a helpful article around the different ways to save in a low interest rate environment. Finally, as always we celebrate the community projects we are proud to support in our local area.

Happy Reading...

A handwritten signature in dark ink, appearing to read 'Colin', written in a cursive style.

Colin Field, CEO

HAVERHILL'S 50TH BIRTHDAY TEA PARTY



The original branch in Haverhill opened on 12th May 1969 in Cambridge House on the High Street. The office was shared with Gordon Long & Company Estate Agents and was managed by Mrs Dawe. Haverhill was the Society's first branch office to be opened, a milestone in the Society's 170 year history.

Cambridge House is no longer standing as it was demolished for redevelopment of the High Street in around 1976 to create Jubilee Walk

and Glasswells. The new branch opened in Swan House, it's current location on Queen Street, in the mid 1970's.

Guests at the Tea Party included members of the Society, some travelling from as far afield as Southend; members of the local history group who helped map out the 50 year story and representatives from charities the Haverhill branch has supported in recent years including: The Haverhill First Responders; Reach and the Joshua Tarrant Trust.



Ian Friend, Saffron's current Haverhill branch manager said: *"We've had the best afternoon marking our 50th birthday here in Haverhill. It's been so good catching up with folks linked to the branch and how they recall different memories from across the last 5 decades."*

COLCHESTER'S 40TH BIRTHDAY TEA PARTY

Saffron Building Society branch staff and invited guests have enjoyed a Tea Party to celebrate 40 years since the Society first opened its doors for business in Colchester.

Guests at the Tea Party, held at the Society's Culver Street West branch included local MP Sir Bob Russell, Members of the Society and charities Saffron has supported in recent years including Stepping Stones Play & Learn Group, a local charity for mainstream children and children with additional needs.

Back in 1979 when the Colchester branch opened the UK was a very different place. The average house cost just £13,650 compared to £229,431 today; Sony launched the portable Walkman cassette player and McDonalds Happy Meals were served for the first time - a far cry from what is seen today or a distant memory.*



Lisa Howard, Saffron's current Colchester branch manager comments: *"So much has obviously changed in the last 40 years not least the cost of property, but some things do remain the same. Good customer service has always been at the heart of what we do. When it comes to mortgages for instance, we've always looked at the individual's circumstances in detail going all out to find the mortgage that suits them best. Many local people have bought their houses through us over the years because of this."*

Throughout its history Saffron has shown a strong connection to the community with its premises often being used to host local events alongside its core role as a building society. In recent years the branch has been used as a community art gallery, a meeting space for a men's mental health charity as well as a venue for fundraising activities benefitting a wide range of good causes.

Sources:

* The Guardian + UK House Price Index

EX-PAT BUY-TO-LET – RENTING YOUR HOME WHILE YOU'RE OVERSEAS

Anita Arch, our Head of Mortgage Sales, says that one of the most common requests we get at Saffron Building Society is in relation to our Expat Buy-To-Let mortgages.

If you are thinking of moving overseas or already live abroad then we may be able to help you if you are looking to either let your property, or to buy a further one to rent out back home. We have years of experience in lending to people who have left the UK, once you are living abroad the application can take place.

Why are Ex-Pat Buy-To-Let mortgages so popular?

According to the Office of National Statistics, immigration has declined since the EU referendum in 2016, but more UK nationals have decided to uproot and move overseas. In June 2016, 95,000 people left the UK



and it was estimated that by September last year this number had risen to 135,000. Letting while abroad is increasing as more people leave but still want an income from their UK property. Furthermore, with a staggering 1.3 million people born in the UK living in other EU countries thousands are potentially eligible for an ExPat Buy-To-Let mortgage and the opportunities this investment can create. The opportunity doesn't just restrict itself to Europe either - 33% of all British-born emigrants living outside the UK live in Australia or New Zealand, with 28% living in the US or Canada compared to 26% in the EU.*

What do you need to know when applying?

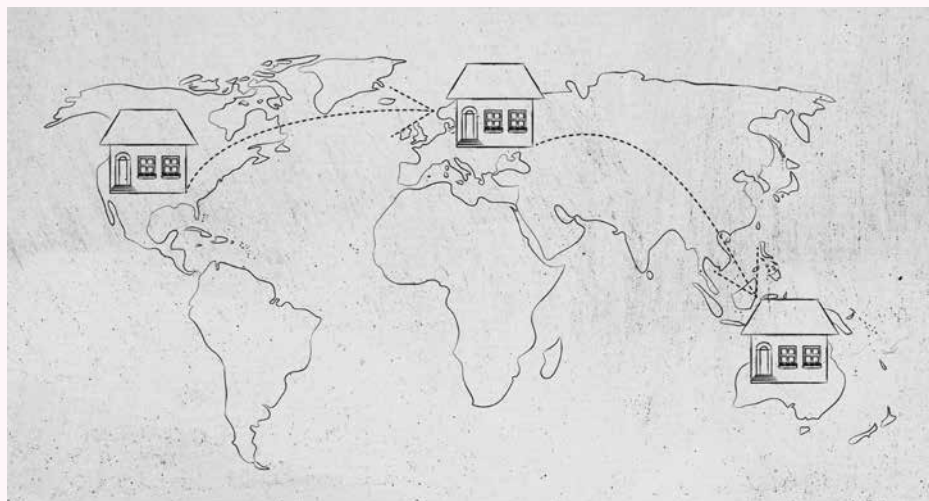
The application process is very similar to that of a normal Buy-To-Let Mortgage and is open to First-Time-Buyers or established Mortgagees, but certain rules apply. For example, one of the problems we sometimes encounter is that people start their application before they have moved and are unable to confirm their new address. Many lenders, like ourselves, need evidence that you are already living abroad to lend the money so it's important to have your proof of new address in place.

Many lenders also have restrictions on specific countries, where they will not lend. You should make sure you have checked this before applying. With Saffron Building Society it's easy though as we don't place restrictions on countries. Our mortgage advisers will take the time to understand your circumstances which means we will consider any location around the world, including popular destinations such as Australia, New Zealand and the USA.

Income restrictions

Before lending, some Ex-Pat Buy-To-Let mortgages stipulate a minimum income in addition to sufficient rental income. Just like a standard Buy-To-Let product, this will vary from one lender to the next. For experienced overseas investors this is not normally a problem, but if applicants are overseas on a medium-term work assignment, and looking to invest in property while away, they may not always have thought through the numbers in detail. (Expat Buy-To-Let mortgages from Saffron do not require a minimum income). It will save you time if you plan and collate your income figures in advance of your application. If you need assistance with this then you can call us and we can help you to get the information together that you'll need.





Proof of residency – The Middle East

If you are moving to the Middle East, or another Arab country, you may find your address is a PO Box number. This can present problems when it comes to proof of residency. Again, we can help here and can assist with Middle Eastern applications. It's also worth bearing in mind that proof of residency is a common cause for delay in applications.

Option to return home

The Expat Buy-To-Let mortgages from Saffron are available on a regulated Buy-To-Let basis allowing the applicant to return to live in the rented home unlike other lenders (or a family member can live in the property).

What to do next?

Many still regard the UK property market as a good prospect for growth. If you are considering leaving the UK or already living abroad and want to let your home then you can find out more about our Ex-Pat Buy-to-Let mortgages or contact one of our Mortgage Advisers on 0800 072 1100.

Sources:

Office for National Statistics (ONS), February 2018

Mortgage Strategy, May 2018
*United Nations estimates 2017 / Full Fact – independent UK fact checking charity

TRADITIONAL VALUES, MODERN THINKING

Whether you want to save,
buy or build a home,
plan & invest for retirement
or leave a nest egg to the next generation,
we'll help you find what's right for you.



*Always there for our Members.
Since 1849.*



In branch
0800 072 1100
saffronbs.co.uk

Saffron Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register no. 100015) except for Commercial and Investment Buy to Let Mortgages and Will Writing.

HOW TO SAVE IN A LOW INTEREST RATE ENVIRONMENT

With the UK currently experiencing an unpredictable savings market, it is difficult for savers to generate a real rate of return. Sometimes, savers can get lulled into thinking there's no option other than to sit tight in an instant access savings account and accept that there are few alternatives. However, there are things you can do to create more value out of your savings and we've outlined a few ideas below.

Debt

If you owe money on credit cards or personal loans look at the interest rate and compare it to the rates you have for your savings. Paying off expensive debt on items such as credit cards can save you money rather than just allowing cash to sit in an instant access savings account (unless you have 0% finance on your cards). It's wise to keep some savings readily available though, so make sure you have an emergency fund available for unexpected events.

If you are unsure about how much you should keep in reserve, our financial advice partnership could help you plan your financial goals.



Overpay your mortgage

Making regular overpayments on your mortgage account can considerably shorten its term, and will leave you with more money for your other monthly commitments.

Mortgage lenders sometimes allow customers with fixed-rate mortgages to overpay by a certain amount. At Saffron, we allow all customers to overpay on a range of our Mortgage products up to 10% each year without penalty. However, it's important to check your individual agreement with your mortgage lender to make sure you understand the limits and any terms and conditions as charges may apply.

Make the most of tax-efficient ISAs

Making use of your annual ISA allowance can also help boost your savings and investments as returns are tax-free.

Every year, starting on 6 April, you will receive a new ISA allowance. The ISA allowance for 2019/2020 is £20,000. You can choose to save into a cash ISA, a stocks and shares ISA, or a combination of both. There's no income tax to pay on the interest you earn from cash ISAs, which makes them particularly attractive for those with savings income greater than their personal allowance.

Remember that the tax rules can and do change over time so it is important to keep up to speed on the latest developments from the

Despatch Box (Often a little red box) around budget time (April). You can find out more about our full Cash ISA Range on our website.

Fixed rate accounts & bonds

If you have enough money in an instant access account to cover unexpected events, you could consider fixed rate accounts and bonds. If you leave your money untouched, these normally pay a rate above what you would expect for an instant access account. The length of time you are required to lock your money away varies between providers and products, but is normally between six months and five years.

Choose a term in which you are confident you can leave the cash untouched. There will usually be a penalty if you want to withdraw your money during the fixed rate period, such as a loss of the interest from the capital balance of the bond.

You can pop in for a free savings review in one of our branches with a member of staff, and together we'll take a look at your options.

Investing

Traditionally, investing has given people potential access to larger returns than cash deposits. However, this is not guaranteed and the value of investments could fall as well as rise, with a risk that you could get back less than you invested. You need to be



in a position to leave your cash untouched over the long term (approximately five years minimum) to avoid being at the mercy of short-term market volatility.

If you are thinking of investing but are in any way unsure, you should get the help of a financial adviser who will be able to provide guidance on the risks and rewards.

For more information on the difference between savings and investing, visit our saffronbs.co.uk/about-us/focus/page (select our Financial Advice tab).

Buy-to-let

Rising house prices have made property a popular option for investors for many years. If you have a significant amount of savings, you may want to consider investing in property in the form of a buy-to-let. You can make returns on your money in the form of the value of the asset (the property) and the rental income. However, there are risks and neither the rental income nor house prices are guaranteed. Buy-to-let investors need a broad range of skills and experience to make money. You should also be aware that a number of tax changes have been introduced to property investments which affect the annual profit you make after tax.

If you want to know more about Buy to Let mortgages we have more information on our site.

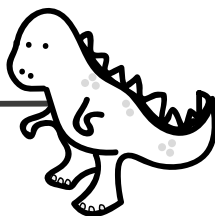


KIDS CORNER



Draw below
what you
think Rory is
saving for

Saving is fun at any age!
We have created savings
accounts that suits all
ages, have a look and find
out what's right for you
saffronbs.co.uk/savings/



SAFFRON REWARDS HAS LAUNCHED



More benefits for our Members.

We have partnered with a company called Parliament Hill to bring you Saffron Rewards; an online rewards package exclusively for Saffron Building Society customers.

Saffron Rewards is our latest way to help you save money through a range of offers and discounts. You have the freedom to use it how and when you wish to make savings on everyday items through to worldwide holidays. Saffron Rewards gives you access to a wide range of offers such as: cinema tickets, gym memberships, family days out, motoring, white goods and much more!

Since the launch in September we have seen more than 10,000 customers exploring the programme and making great savings. Here are some examples:

“I went on to Saffron Rewards last night and I’ve just saved myself £680 over a 2 year phone contract compared to upgrading with EE direct” L

“Needed a new fridge freezer, Saffron Rewards saved me £157 compared to Argos” C

“I saved 10% for 2 people on my Airport lounge, there were other options, but we wanted to book this specific one at Heathrow!” C



How to access Saffron Rewards

If you haven't had a chance to explore Saffron Rewards yet, all you need to do is visit: www.saffronbs.co.uk/saffron-rewards/ and enter your full name and Saffron account number.

There is no registration process, it's easy and FREE! So, start making the most of the many offers available at your fingertips today.

How to keep updated on the latest deals?

We aim to bring you new offers on a regular basis. If you would like us to keep you up to date on the most popular and exclusive deals you will need to opt in to marketing communications. You can do this by calling us on **0800 072 1100** or by on our website: saffronbs.co.uk/saffron-rewards/update-your-details/



HOMELESS CHARITY RECEIVES SUPPORT FROM SAFFRON BUILDING SOCIETY



Saffron Building Society has donated £5k to support Emmaus Colchester, a local charity providing a home and meaningful work for up to 33 companions.

Emmaus' purpose is to build a community for those it helps by

offering a comfortable place to live and employment for its residents through the charity's four Colchester based charity shops and warehouse which also generates funding to keep the community going.

By providing stable work and accommodation, the charity's companions are supported as they regain their self-esteem and find a positive way to move forward with their lives.

The Saffron donation is being used to part fund a new Community Development specialist to work alongside companions and volunteers in the social enterprise to provide on the job training and support.

Denise King, Chief Executive Officer, Emmaus Colchester commented: *"We're delighted to have gained the backing of Saffron Building Society to help fund a new role at Emmaus Colchester. The post will benefit companions by increasing their confidence and skills in the workplace and identifying skills training, so that the social enterprise benefits as a result."*

Claire Hunnable, Saffron Building Society's Community Business Partner added: *"I had the pleasure of meeting the Emmaus team and seeing first-hand how essential the service is that they provide to the people of Colchester. The work they are doing to improve the lives of those who were once*

homeless, giving them the confidence and opportunity for the future is truly inspiring. We are absolutely delighted that monies from our community fund can be used in this way."

Saffron Building Society has a longstanding tradition of supporting charities in Colchester. The Society's local branch in Culver Street West, which celebrated its 40th anniversary earlier this year was recently used as a venue to host a support group for men called 'The Man Cave', opened its doors for a season as a community art gallery and has been the venue for a series of charitable fundraising activities.

Emmaus relies on donations to help meet its annual running costs. If you would like to support Emmaus Colchester you can donate via the charity's website: **emmaus.org.uk/colchester/support-us/donate/**.

OUR 170th AGM



We are owned by you and all our other Members and the AGM is the opportunity to get involved and vote on important decisions about how Saffron is operated

If you are eligible to vote you will receive a voting pack and Annual Members Review in March next year.

To celebrate the 170th Saffron AGM, which will be held in April 2020, Members who vote will be entered into a prize draw.

Look out for your AGM information next year and we hope you will use your vote.

ARE YOUR CONTACT DETAILS UP TO DATE?

We would like to capture up-to-date contact details for our existing customers so that we can better communicate with you as we also look to reduce our carbon footprint.

We would also like to give you the opportunity to confirm your marketing preferences and how you would like to hear from us.

If you would like to make sure your details are up to date, pop into your local branch or call 0800 072 1100.

BECOME PART OF THE MEMBERS' PANEL

Join our Members' Panel today and you will be invited to all future events held by Saffron Building Society. **To join email: marketing@saffronbs.co.uk**

TELL US WHAT YOU THINK ABOUT 10 MINUTES...



We'd love to know what you think about our 10 Minutes newsletter. Do you find it helpful and informative, or would you prefer us to tackle other subjects or address issues which we haven't yet covered?

If you would like to give us your feedback or let us have your ideas for future features, please do let us know. Your input is very important to us.

Please send any feedback or comments to:
marketing@saffronbs.co.uk

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Visit us in branch



0800 072 1100



saffronbs.co.uk

Large print, audio and braille editions of this leaflet are available.
Please call 0800 072 1100.

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The information in this issue is correct at the time of going to print December 2019

Saffron Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority (Financial Services Register no. 100015) except for Commercial and Investment Buy to Let Mortgages.

Saffron Rewards is managed and run for Saffron Building Society by Parliament Hill Limited of 40 Gracechurch Street, London EC3V 0BT. Parliament Hill and Saffron Building Society are not part of the same group as any of the product/service providers which together form the benefits scheme. Parliament Hill is authorised and regulated by the Financial Conduct Authority for non-investment insurance mediation and credit broking only. You can check this out on the Financial Services Register by visiting register.fca.org.uk, under register number 308448. Saffron Building Society will not share your data with Parliament Hill.

Insurance benefits are subject to underwriting and underwriting criteria. Each benefit has its own terms and conditions. Please contact the provider for details. Benefits are designed with UK resident users in mind and may not be suitable for those resident outside the UK. Some benefits are not available in Northern Ireland. All the benefits and discounts are at the discretion of the third party provider and can be withdrawn or amended without notice.