

Members' Review

Providing for our customers
and our communities



Always with your interest at heart

Furness 
BUILDING SOCIETY



Chris Harrison
Chief Executive

Welcome to our 2021 Members' Review

This has been another unusual and sometimes difficult year for everyone and we send our best wishes to all our members and colleagues. We have all been impacted in many ways by the pandemic and here at Furness we have continued to focus on our commitment to offer our people an enjoyable and rewarding place to work in order to build a stronger Society for our members' benefit.

During this unprecedented period, I am delighted with the very strong results we achieved. Profit before tax improved from £2.35m in 2020 to £5.03m in 2021 and our mortgage lending increased from £187m in 2020 to £249m. Our balance sheet is in a strong position which enables us to continue investing in our people, technology and re-fitting our Branches to support our members future needs.

As we adapted to new working practices and market demands, our leadership team were able to respond to the opportunities presented. We're hugely grateful for the contribution of all our colleagues during a demanding period that enabled us to achieve such a strong financial performance whilst also delivering a number of strategic initiatives, including a major upgrade to our core IT platform and the launch of a new website.

Your Board have agreed an investment programme to continue to improve our digital capability to meet the growing demand from members for these services. Our Branch network will also receive investment to ensure we provide the right environment for our members who prefer face to face service and to support our local communities.



Our investment programme will also extend to strengthening our risk systems and controls so you can be assured we offer you a safe place to look after your financial needs.

Whilst we are confident in our performance we are not complacent. There are significant economic challenges ahead. Inflation is rising, interest rates are expected to rise further and there is no certainty that the global pandemic is behind us. Other geo-political factors such as events

in Ukraine cause further economic uncertainties for the future.

However, our business was well prepared to withstand the stresses of the crisis, and we remain on course to build on our successful performance in 2021 and deliver on our strategic initiatives.

We will continue to respond to any interest rate changes, including those recently announced and expected in the future, to provide fair value and support to our mortgage and savings members.

Our team of talented and hardworking people is the cornerstone to our successful business and I would like to personally thank our colleagues, as well as all of our members, for their continued commitment and loyal support.

C Harrison

March 2022

Investing in our people

At the heart of our business is a close knit team of talented and hard working individuals. Every single one of our colleagues have contributed to the successful performance and stability of our business over the past year and ensured our service to you is of the highest quality.

"Since I began my masters studies, I've noticed a big improvement in my confidence. I've always been able to do my job well but previously suffered from imposter syndrome which occasionally prevented me from speaking up in management meetings - even if I knew I had something valuable to offer. The topics I've learned on the course have not only increased my knowledge but also equipped me with the tools to support my team and assert myself in situations that require my input."



Sarah Edmondson
Mortgage Team Leader

That's why investing in their ongoing training and development is extremely important to us.

In 2019, our first employee began a three-year masters programme which is designed to equip the leaders of tomorrow with the skills and knowledge they need to progress in their careers and inspire those around them.

The award-winning Strategic Leadership qualification was developed by the Building Societies Association in partnership with Loughborough University. There is no obligation for building societies like ours to participate and it's a substantial commitment on the part of both student and business.

However, we recognise the value in driving employee progress in order to continuously raise our standards for Society customers.

Supporting strategic leadership
This year, we have two colleagues completing the degree course. Our Mortgage Team Leader, Sarah Edmondson, was the first member of the Furness family to join the programme and is now undertaking her third and final year of the part-time course.

The degree teaches critical management and leadership skills and in her last year, Sarah will be undertaking a group business project demanding innovative and creative thinking to drive business improvements and overcome challenges.

"I've made some fantastic relationships with colleagues from building societies across the country, some of whom will be friends for life. I found it very reassuring to be surrounded by people from similar career backgrounds and truly value the different perspectives they offer me - both on the course itself and working life."

Sarah Edmondson
Mortgage Team Leader



Meanwhile, our Savings Product Manager, Toby Atkinson, started the degree programme in January 2021. He spent his first year studying modules including 'Strategy, Governance and Risk' and 'Managing Organisational Resources'.

A big part of the course involves collaborative learning with peers from other building societies. This not only facilitates interaction with other building society professionals but supports the spread of best practice across the wider mutual sector.

Extending our reach

We have a new cohort of colleagues about to embark on the degree programme in 2022. There's no question that the course requires a substantial amount of hard work, commitment and enthusiasm from our employees so we wish all of our graduates the very best in their studies in the forthcoming year.



Toby Atkinson
Savings Product Manager

"I'm only one year into the degree course but it has already had a hugely positive impact on my knowledge of the mutual sector as a whole. I have a much rounder view of Society services and a more in-depth understanding of the challenges and opportunities we face as a business. This has undoubtedly benefited me in my day-to-day role and I am confident I will be able to pass this on to colleagues and customers as well."

"Completing this degree is a very significant undertaking and requires a sizable personal as well as professional commitment. But it's very rewarding and I feel extremely fortunate to have been given the opportunity by Furness to take part. I know it will pay dividends in my long-term professional development at the Society."



Investing in our members

Ensuring we remain a safe, secure and accessible building society for all our members is our number one concern.

We're continuing to invest in new services, savings and mortgage solutions as well as our office and branch infrastructure to provide you with a building society for the future; one that truly fits the requirements of modern banking and our evolving spending and saving habits.

As our members continue to adjust the demands of modern life in a post-Covid world, we know that you need us in a wider range of ways. Many of

you seek the greater convenience offered through online and self-service financial solutions, while being able to visit us in branch and speak to us in person also remains pivotal.

Regardless of how you choose to engage with us, our priority is to ensure your needs are met in an efficient, effective and enjoyable way. It is this all-encompassing member experience that we are committed to investing in over the next year.



Accelerating our digital transformation

This includes creating a stronger digital offer for both existing and new members. Greater numbers of you are now choosing to transact through online channels and you need us to direct some of our resources towards these prevalent touch points.

It's critical that members who prefer to interact with us remotely, enjoy the same friendly, personal and highly effective service as our branch members. Investing in a more agile and responsive digital offering will also enable us to acquire, serve and retain even more members from our heartland and beyond.

2022 will therefore see us focused on delivering a wholly comprehensive self-service experience. Throughout the lifecycle of your account - from opening your account and making transactions plus any requirement amendments through to maturity and account closure - you'll be able to conduct your business with us easily online and through a mobile app, at a time that suits you.

This is by no means a replacement for our branch services, which we'll continue to develop alongside the digital transformation. We know many of you continue to visit us in branch but would also appreciate the option of being able to carry out quick and simple transactions remotely and in a more convenient fashion.



Enhancing our branch network

Undoubtedly, the pandemic has accelerated a reduction in the numbers of members visiting us in branch. We've all gone to great lengths to protect ourselves and each other from Covid-19 and this has meant turning to remote services perhaps more regularly than we did before.

However, we recognise that lots of you still want to interact with us in person and there are certain conversations that are simply more successful when carried out face to face. So it's important that we create a branch experience that supports this and underpins our elevated digital provision.

This means making some changes to the way in which our branches are designed. Through a network-wide refurbishment programme, we intend to transform the branch space into areas that facilitate longer, comprehensive

consultations with members and focus less on sole transactions. This will enable us to spend time exploring your needs and conducting positive dialogue that enriches your relationship with us.

Of course, the branch overhaul won't simply be limited to internal remodeling. We intend to make improvements to our external appearance too in order to add value to our high streets and support their future. We'll also refine the back office facilities to enhance the working environment for our people and help them in their efforts to help you.

Ultimately, it's important that we provide you with a seamless experience where your needs are effortlessly met, regardless of how you choose to connect with us. We look forward to sharing our journey with you over the coming months.

Investing in our communities



This is Sandy Luke, Group Treasurer here at Furness. Sandy joined us in January 2021 and as well as taking on his new role he thought he'd also sign up for another challenge and here he tells us all about it.

"It's been an exciting journey so far and after joining a new company in the middle of a pandemic and not meeting my colleagues and working remotely for such a long time it was great to finally meet lots of colleagues face to face. 2021 was also an exciting year for me personally, as I signed up to take part in the London Marathon! This was my first marathon, so the training was going to be a huge challenge.

I wanted to raise money for The Royal Marsden Cancer Charity, a charity that is very close to my heart; my wife



was diagnosed with cancer in 2019 and following treatment at The Royal Marsden has been in remission since then. We are eternally grateful for everything they did to help and this is my way of giving back to them.

The training was tough but put definitely put me in a great place to complete the marathon, cheered on by my wife and my lovely dog Crunchie who as you can see was particularly supportive along the way!

Through Furness' matched fundraising initiative Sandy received the maximum contribution of £250 towards his total which was a fantastic £2,763".



Laura Swainson is a mortgage adviser with Furness, working from our Head Office in Barrow and also qualified for a matched funding contribution from our colleague and community initiative. Here Laura tells us:

"In memory of my beautiful Mum who passed away after a battle with cancer, my dad and I wanted to raise some money for St Johns Hospice for all the care they gave my mum and support they gave to us as a family.

We aimed to walk 10 miles a day for 10 days on various lake district routes, in the end we walked 143 miles over the 10 days. We had all weathers but we really enjoyed it, it gave us something to focus on!



We raised a total of £12,174 but now with the Furness donation it's £12,424. This will help so many, chuffed to bits with our total".



Christmas is always a time we try to help our local communities and we were delighted to be able to support our local Women's Community Matters Centre in Barrow. Our colleagues bought and wrapped more than 50 presents for the centre to give out to those who needed a little help at this time of year. Some of our colleagues told us that it was the most precious gift they bought.

We were really pleased to see Cartmel and District Football Club making great use out of their warm jackets funded by our Community Award Scheme.



In September, Tom and Anthony from our Marketing team took on a 40 mile sponsored walk through our beautiful heartland, from Keswick to where our HQ is based in Barrow. Joining them was Chris Martin, one of our partners from Buildstore. Benefitting from their efforts were Bay Hospitals Charity, Ronald McDonald House Charities and St Mary's Hospice.

Annual General Meeting make your vote count!

It's our AGM on Tuesday,
19th April, starting at 4.00pm.

As a mutual Society owned by its members, we appreciate and encourage your support and involvement.

Your continued support is valued and it's really important that you use your vote and record your views.

This voting pack provides you with everything you need and voting is quick and easy.

For each vote made by our members, we will donate £1.00 to our local foodbank to support local families and communities.



Your feedback and how we act on it

There is nobody better placed than 'you' to tell us how we're performing and that's why your feedback is massively important to us here at Furness Building Society! Hearing about your experiences - good or bad - means we can better understand what we're doing well and where we need to make improvements.

Invaluable Insights

Most recently, we asked you to rate your experiences with us and we're proud to report that the feedback we received was extremely positive. Here's a taster of what you had to say:

"Always helpful and friendly. Easy access and face-to-face help."

"Happy to support a local firm that helps local people."

"Great customer focus and service."

"Warm and friendly atmosphere every time I visit the Lancaster branch."

It goes without saying that we take positive reviews like these as a powerful indicator of customer satisfaction levels and it is something we will continue to monitor regularly to ensure we maintain our high standards of service.

Taking Action

The insights you give us are also used to create better customer experiences, both online and in-branch. We have, for example, increased the range of services available in our branch network and have extended our opening hours, including at weekends, following customer feedback.

During the pandemic, this also led directly to the introduction of a faster payments service, which allowed for payments to be made over the phone at the customer's convenience. The popularity of this service continues and in 2021 alone, 23,000 transactions were made via the service, totalling £77M.

Sign up for our newsletter and hear about products that could benefit you!

As a member organisation we're dedicated to creating value for our members. One way we can do this is by providing genuinely useful information to help you make an informed decision. Our newsletters contain lots of helpful tips and info on managing your savings and getting a mortgage as well as the latest news and guides on topics including adopting a greener lifestyle and working with a broker.

You can sign up to receive our updates at www.furnessbs.co.uk/members where you'll also be able to find examples of the articles we send, download an electronic version of this Members' Review and find information about our AGM.



Pop into a branch

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A professional and personal service that's just like having a branch at the end of the phone.

Go to our website

www.furnessbs.co.uk

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