Dick Jenkins, Chair

Annual General Meeting 18 April 2024

Once again I am delighted to be able to welcome you to our 117th AGM. I do regard this event as an important opportunity to meet with some of our members, to give you the opportunity to ask us questions and if needs be to hold us to account. We try hard to put our members at the forefront of the actions that we take and the decisions that we make and I consider it a good thing that we have to stand on our hind legs and give an account of how the Society- your Society- has fared.

Before I say a little bit about the Society's performance, let me introduce our Board of Directors. My name is Dick Jenkins, and I've been on the Society's Board for about 6 years after a long spell running a similar Building Society as Chief Executive over in Bath. We have Eric Leenders, Vice Chair who has been on the Society's board for some 9 years. Rebecca McBride has been with us for 4 years, Andy Lucas for 3 years, Chris Potter for 2 years and Jo Carter is the newbie, having been here a year and a half. Within the executive team let me introduce Dan Wass who has been Chief Executive here for a year and a half, and Scott Morton, who became the Society's Finance Director last summer. I have worked with many Boards and Senior managers in my time, and I give great credit to the current team we have running the Society- they bring a wealth of skill and sound judgement to the table and very much share that member focussed vision that is needed to run a Building Society.

We are also delighted to have with us Mark Bradbury, Chair of the Grants Committee and Trustee of Heart of Bucks and Mark Russel, CEO of AGE UK Bucks. Daniel Madzima from Mazars LLP, our auditors has also joined us for the meeting. I do hope you enjoy our new venue. Our special thanks to James Simmons, who made the setting available for us to use for the AGM and is in the room today.

I have been involved in the Building Society movement for over thirty years and seen the cyclical ups and downs of the business. We've certainly had our share of challenges in the last few years- the shenanigans around Brexit, the covid pandemic, the cost-of-living crisis and more recently the long run of interest rate rises made by the Bank of England in response to unusually high levels of inflation. It's fair to say the waters have been choppy in recent years and it would be nice if we had slightly calmer waters in the years ahead.

Given the business environment. I do believe that 2023 was a good year for the Society. As well as turning in a decent financial performance, a lot of progress was made in delivering on projects which tangibly help our members and other activities which strengthen the resilience of the Society's systems and processes. In particular, we have improved our online service to would be borrowers and savers and plan to make further investments in this area in the coming years.

I am pleased to report that competitive savings rates and a new capability to open accounts online have brought new members to the Society in the second half of the year. On the mortgage front we have grown the Society’s mortgage balances at a time when the market has been sluggish as people have been put off from moving because of high interest rates.

As ever, one of our principal tasks is to balance the interests of our borrowers and savers and a lot of time has been spent in the last year or two in making sure that we have dealt with a large number of rate increases fairly for our members. In setting rates, we also have to take into account the need to maintain the financial strength of the Society. Whilst some of our borrowers have struggled with the rise in mortgage rates, I’m pleased to say that through a flexible and considerate approach to borrowers in difficulty, the Society has maintained its excellent record in managing mortgage arrears.

Dan will comment further on the Society’s financial results in his CEO update, but I would like to stress that the purpose of generating decent financial results for a mutual Building Society is not to line the pockets of shareholders or senior managers but to add to the capital strength of the Society to enable us to better withstand whatever shocks the world may throw at us. One of the benefits of the mutual Building Society model is that we are not obsessively focussed on profit figures driven by shareholders or venture capitalist looking for a short-term return. Our structure allows us to think and plan for the long term, and to build a business that can survive those choppy waters that I referred to.

Whilst I might like to see calmer waters ahead we have to be prepared for the unexpected. But the world does indeed appear to be becoming a more unpredictable place. Geopolitically, the dial appears to be trending in the wrong direction, the rise of Artificial Intelligence, whilst bringing huge benefits will bring big risks and challenges too. IT security remains an ever-present priority for all types of business.

Our response to an unpredictable world is to be as ready as we can be for whatever challenges we might have to meet. That means having strong capital reserves, well-judged investment in capable people and systems and processes that can flex as necessary. The long life of Building Societies - ours was founded over a hundred years ago- speaks volumes for our ability to adapt and thrive. Our straightforward business model and our avowed intent to be steady, whatever the weather, has I believe served us well and will continue to do so. We run the Society with the intention of being here for another hundred years to stay independent and focussed on what our customers need.

And values count. In an age where too many people want to make a quick buck out of us, fake news is passed off as alternative facts and standards in public life seem to slipping, we are absolutely determined that our Society will stand for decency. Decent products, decent service, decent people doing the right thing. I believe that if we stick to that we’ll have a decent future.

Dick Jenkins
Chair