



Anglo-Saxons Friendly Society Ltd

## NEWSLETTER

### 2022 HALF YEARLY MEETING – 28 OCTOBER 2022

The Half-Yearly Meeting was held on Friday 28 October 2022, 7pm, at Gravesend Masonic Lodge

The Chairman, Chief Executive and three members of staff welcomed 18 members in person. Four members attended via zoom.

A presentation was given that covered the items listed below. Further information is provided below on items marked with an asterisk.

- What is going on in your Society:
  - Reminder of vision and mission
  - ASFS Strategic Pillars
  - Board Update:
    - No changes in Directors or staff
    - Rule changes proposed for 2023 AGM:
      - Move October half-yearly meeting to November (six months after AGM)
      - Hold proposed November meeting at lunchtime
      - Increase waiting period for new members to vote and participate in surplus as protection against carpet bagging
    - Repayment of Bonds to occur early 2023
    - Energy grants of £200 awarded
  - Thank you for Testimonials
  - Society Investments amid Turbulent Markets
  - Breakdown of Society Properties
  - Product Launch of Sickness Benefit Plan \*
  - Discount officer – Parliament Hill \*
  - Member-get-Member Scheme \*
  - New Discretionary Benefit Limits for 2023 \*
  - Electronic Communication \*



### **Product Launch of Sickness Benefit Plan**

As outlined in the September 2022 Newsletter, the precis of the main points of the new Sickness Benefit Plan are:

- Age cap of 60 years, minimum age 16
- Weekly benefit of £100
- 13 weeks deferred claim period from opening a policy
- Claims not payable for first 7 days of sickness
- Premiums dependent upon age at start of policy, increase at 10 yearly age brackets and remain fixed at the published rate
- Minimum term 10 years
- Sickness benefit ceases at age 70
- Lower rate discretionary benefit membership fee payable to age 85
- Payment by direct debit with monthly, quarterly or annual payment option

It was further explained that sickness payments will be paid at 100% in the first year, 50% in year 2 and 25% in years 3, 4 and 5. No payments will be made at the end of the 5 year period for the same illness. Applicants must declare that they are in work or fit to work and do not have a terminal diagnosis. All claims are required to be accompanied by a doctor's certificate as claims are not paid for the first 7 days.

The intention is to launch this in mid-November with the focus on member get member referrals prior to launching to the external market in Kent in early 2023. The target is to achieve 50 new members in 2022 and a further 448 in 2023. There is already a waiting list of people wishing to become members, therefore the target for 2022 is considered to be achievable.

The focus is on digital applications with an option to print and return an application form.

## **Parliament Hill**

Details of Parliament Hill were outlined in the September Newsletter which you can read on the website [www.anglo-saxons.co.uk/news](http://www.anglo-saxons.co.uk/news). Please accept our apologies that the intended launch date of late October 2022 has not been met. Membership is via an annual subscription paid by the Society that covers all members therefore there is no individual cost to members. It will be available to existing and new members immediately upon launch. The majority of discounts are obtained via a mobile phone app but we are investigating how members without this facility can access the benefits offered.

## **Member-Get-Member Scheme**

There has been an amendment to the member-get-member scheme detailed in the September Newsletter. A reward of £50 will now be paid for every new member introduced in 2022 and £25 per member in 2023. Payments will be made to your bank account 60 days after the start of the sickness plan unless quarterly or annual payments are chosen. In these cases, payment will be made after the first premium has been paid. The delay is due to the 30 day statutory 'cooling-off' period afforded to applicants of new products.

There will be an option during the application process to indicate if the sickness plan has been referred by an existing member. Please note that the Society is unable to give advice on whether a product is suitable but we are happy to answer any questions. The literature will cover many question and answer scenarios.

## **New Discretionary Benefit Levels from 2023**

Although new members will not be eligible to claim discretionary benefits for the first 12 months of their membership, and the new sickness product has been priced to cover a contribution to discretionary benefits, the money available for discretionary benefits will need to be shared over a larger number of members. The following discretionary benefit levels will therefore apply from 2023:

- Existing Members
  - £400 limit for dental/optical/MME
  - 75% of invoice reimbursed (including contact lenses which has been brought into line with the new limits)
  - Maximum limit of £1,000 per person across all benefits
- 12 months after joining, new members will be able to claim:
  - £200 limit for dental/optical/MME
  - 50% of invoice reimbursed
  - Maximum limit of £500 per person across all benefits

The categories currently available will remain and the following new areas introduced which are designed to support younger members. Claims can be made after 2 years membership but are available to existing members immediately upon launch:

- First time buyer grant of up to £200
- Home energy efficiency grant of up to £200 covering replacement windows, boiler, heating and insulation etc to improve the EPC rating of the property
- Educational grants, annual grant of £200 for full-time students and £100 for part-time courses

For existing members, these discretionary grants will contribute towards the maximum limit of £1,000 per annum. For new members, they will contribute towards the maximum limit of £500.

Additional hardship benefits, such as the energy grant, are constantly reviewed by the Board.

### **Electronic Communication**

The Society now holds many more email addresses and sends communication and Newsletters via this method as well as displaying the latter on the website. Currently, the only communication that has to be posted is the AGM Notice, brochure and voting slips. This has resulted in a substantial reduction in postage costs.

To support the Society's Climate Change commitments, we are also working towards a paperless environment which also helps to reduce costs and considering whether an office is needed. Board meetings are held in person but Committee meetings are held electronically which helps to reduce travelling and accommodation costs. The Society is also undertaking a programme to ensure all properties are insulated to the required standard which will ensure that the properties can be relet without delay if they become vacant and assist tenants with heating bills.

Following the presentations, a question-and-answer session was held that covered the following areas:

- **Timescale for Claim Payments**

- Q – Minimum time for paying claims is 1 month 1 day, maximum 1 month and 29 days which was considered too long for people who are struggling financially. Cut-off point requested for mid- month as it was considered the current system is a disservice to members
- A – Claim payments are made on the last day of the month in line with the payment from Spicerhaart to avoid a cashflow issue. There are less staff to process claims and to recruit another member of staff to enable faster payments would reduce the money to fund discretionary benefits. A new system is being introduced which may enable claims to be paid quicker and will be reviewed when this is fully operational. These benefits are discretionary and not a right.

- **Properties**

- Q – How many properties have been sold this year? If this includes the former office and hall, have the heritage items been considered?
- A – 6 properties sold including the former office and Hall. The Society is liaising with the Heritage Trust, based in Stoke on Trent, to display the memorabilia at their location.
- Q – Why aren't properties administered in-house as was carried out previously?
- A – Staff members do not have the requisite skills to administer this. Spicerhaart do not have holidays or sickness and can manage the portfolio 24 hours a day, 365 days of the year. There is an asset management strategy that involves increasing rents to current market value and ensuring EPC ratings are in line with statutory requirements. The Society has 90% of its assets in properties and is not looking to reduce the number as the rent provides funds for the discretionary benefits.
- Q – Money paid to Spicerhaart could be used for property refurbishments
- A – Outsourcing the property portfolio reduces the operational risk. To bring this in-house would require a property to be sold to pay the salary for someone to administer this. In turn this would reduce the monies available to pay discretionary benefits. There have been very few complaints from tenants since Spicerhaart has been administering the portfolio.
- Q – An observation was made that standards have not been maintained

- A – Spicerhaart visit all properties and provide reports. Any issues should be reported to Spicerhaart.
- **Board Members Present**
  - Q – Why are only the Chairman and Chief Executive present from the Board?
  - A – The meeting falls on half-term week and three directors have school age children. The proposal to move the meeting to November should help with Board attendance.
- **New Discretionary Benefit Levels**
  - Q - More members results in less benefits to existing members
  - A – The Regulator expects the Board to expand the Society and would not allow a tontine situation. If numbers continue to decrease, the Society would be in danger of being transferred to another Society. The new sickness plan pricing has been modelled over a 6-year period and 15% of premiums will go towards claims.
  - Q – Discretionary Benefit levels not increased for many years, should these be inflationary?
  - A – Analysis of claims in 2020 and 2021 showed that only 6 members claimed the maximum benefit of £1,200 therefore the reduction will only affect 6 members. The Board has a responsibility to ensure the Society exists in 150 years' time.
  - Q – The new lower-level discretionary benefits will put members off joining
  - A – The discretionary benefits are still very attractive, a good proposition and are based on the Actuary's assumptions.
- **Sickness Claims**
  - Q – There is no form to submit a sickness claim. The link on the website enables a form to be completed and downloaded but a Society form would be easier
  - A – This will be reviewed and a form devised.
- **Venue**
  - Q – Disabled access for meetings needs to be considered
  - A – Any suggestions for venues are welcomed.

***The Chairman formally closed the Half-Yearly Meeting at 9pm following which members had the opportunity to talk to the Chairman, Chief Executive and staff members before departing.***

## CONTACT US

If you have any questions on any of the above areas, please do not hesitate to contact us using any of the following methods:

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