



# Member Meet-up 2022

## Edinburgh

Tuesday 8 November





# Welcome and introductions

Gareth Griffiths, Chief  
Executive

# Schedule

16.00	<b>Welcome and introductions</b> Gareth Griffiths, Chief Executive, Ecology Building Society
16.05	<b>Introduction to the Grassmarket Centre</b> Jonny Kinross, Chief Executive, Grassmarket Community Project
16.10	<b>Sustainable lending in Practice</b> Peter Allen, CoHere Collective Custom Build Ronnie MacCrae, Chief Executive, Communities Housing Trust Hugh Ross, Development Officer, Staffin Community Trust
17.05	<b>Break</b>
17.15	<b>Building our sustainable future</b> Gareth Griffiths, Chief Executive
17.50	<b>Ask the Directors</b> Gareth Griffiths and Gio D'Alessio, Director
18.20	<b>Closing remarks</b>



# Welcome to the Grassmarket Centre

Jonny Kinross

*Chief Executive*

Grassmarket Community Project





# Sustainable lending in practice

Peter Allen

*CoHere Collective Custom Build*





**E** COHERE  
COLLECTIVE CUSTOM BUILD

CoHere Collective Custom Build ("CoHere") initiates and supports community-led not-for-profit housing projects by providing design and development management services.

We source sites and work with client groups to design, finance and build great value, environmental, beautiful homes which bring long-term benefits to communities.

CoHere was founded in 2020 by Peter Allen and John Kinsley, who between them have 50 years' experience of designing, financing and delivering property in the UK and overseas.

Both John and Pete have invested in highly-environmental collective custom build projects in Edinburgh, and they founded CoHere to bring this opportunity to more people.

introduction



## why is collective custom build needed?

- There is a shortage of housing across Scotland
- In regional and rural areas this shortage is restricting economic growth and opportunity for people growing up there
- New housing tends to be designed and built to meet the short-term aims of a developer, not the community
- In cities the high cost of housing is negatively affecting the quality of life for many people
- Older people are seeking to live in ways that maintain their independence and provide additional opportunities
- The environmental performance of housing is generally poor, leading to high running costs and contributing to unhealthy living conditions



## what problems do community-led projects face?

- Lack of access to land, or the equity required to purchase land.
- Lack of access to development finance.
- The complexities and risks of undertaking a development.
- Lack of track record with Councils and Banks.

Community building groups often lack the time and expertise needed to overcome these challenges and turn ideas into reality, meaning the number of completed projects only meets a fraction of the need.



# what value does CoHere add?

CoHere provides a 'one stop shop' working alongside community building groups to guide them through the process:-

- We source and can sometimes purchase land
  - We bring together future CoHere Community members
  - We provide templated agreements
  - We provide access to finance
  - We manage the development process
  - We reduce risk for
- community-led housing groups
- giving stakeholders confidence that returns will be delivered.
- We reduce cost by removing the need for a developer's profit and marketing costs.
  - We increase efficiency by acting as a link between community groups and institutions, providing templates and a track record.
  - We add legitimacy to community build projects,
- We raise environmental standards in housing
  - We help to create diverse neighbourhoods.
  - We accelerate the delivery of quality housing for community benefit.



John Kinsley initiated and delivered the Bath Street Collective Custom Build (BCCB) project in Portobello, Edinburgh between 2013 and 2017.

The project has been extremely well received, being called "the future of house-building in Scotland" and winning several design awards.

The BCCB homes are bespoke for each resident, meet Passivhaus standards for energy efficiency, and the process generated a highly-engaged group of neighbours. Shortly after completion, homes in BCCB were valued 20% higher than the final cost to the group.

how do we know this works?



## People tell us they want to see three main types of CoHere Community:-

- An urban tenemental development very similar to our Bath Street and Bath Road projects, comprising a small number of residential flats potentially with some ground floor commercial space.
- A larger urban mixed-use development, perhaps 12-25 flats, comprising a mix of 1, 2 and 3 bedroom homes, and some ground floor commercial space, e.g. a cafe or other local service provider.
- A rural or semi-rural development of perhaps 5-10 homes with growing space and potentially workspace as part of the community.

product types and target market

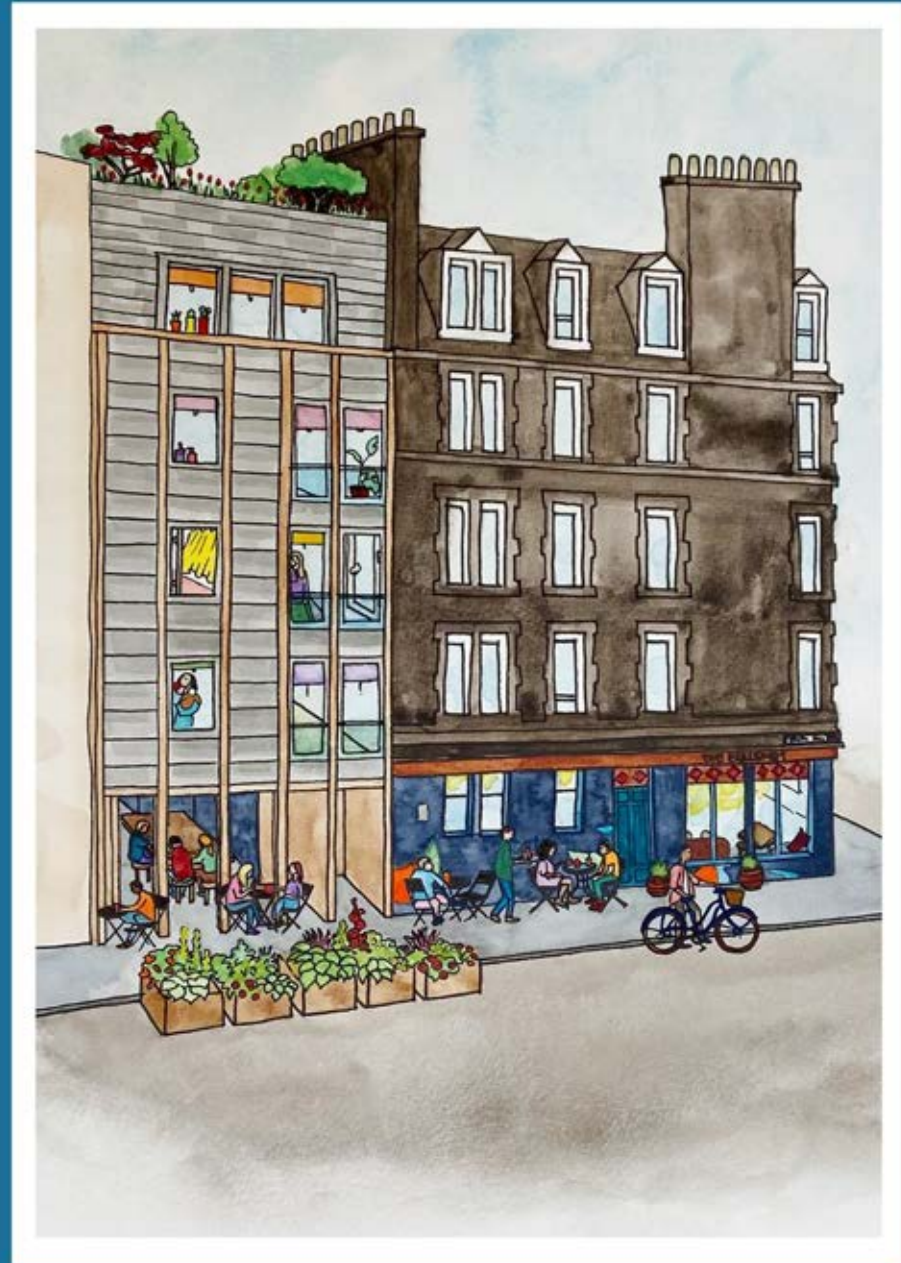
## looking forward

Our next project is Bath Road Haus in Leith, which will provide homes for three families and a local hospitality business.

We have had over 50 expressions of interest for future projects via our website, in addition to significant word of mouth interest.

We are also working with a charity looking to provide independent supported living for adults with Down's Syndrome. They are currently looking for a site for 3-6 flats in Edinburgh.

**We always love to hear from people – please get in touch!**







# Sustainable lending in practice

Ronnie MacRae

*Chief Executive*

Communities Housing Trust



**Sustainable Rural Futures**  
24 years of community-led developments

**Ronnie MacRae**  
*Chief Executive Officer*  
[ronnie.macrae@chtrust.co.uk](mailto:ronnie.macrae@chtrust.co.uk)



[www.chtrust.co.uk](http://www.chtrust.co.uk)  
[@chtscotland](https://twitter.com/chtscotland)

Communities Housing Trust is a Company Limited by Guarantee (SC182862) and a Scottish Charity (SC027544)





Greener Homes / Rent To Buy, Fodderty



Cairngorms, low-cost home ownership



Staffin, NHS health centre



## What we do

The leading organisation facilitating community-led housing in Scotland

We tackle **social inequalities**, **repopulation** and **rural regeneration**

We bring together public & private stakeholders to provide **community-led, affordable housing** and accompanying facilities

We pioneer a range of **housing tenures, financial and technical solutions** to create sustainable futures for rural communities – including initiatives such as the Rural Housing Burden and Woodland Crofts



Strontian Community School Ltd.



Rural Housing Burden / Self Build



GALE Centre, Gairloch

## Where we work

Some of our community-led projects across northern and central Scotland



# CHT 'township'

Holistic and  
creative approach  
to community-led  
development



Woodland Crafts



Low-cost home ownership



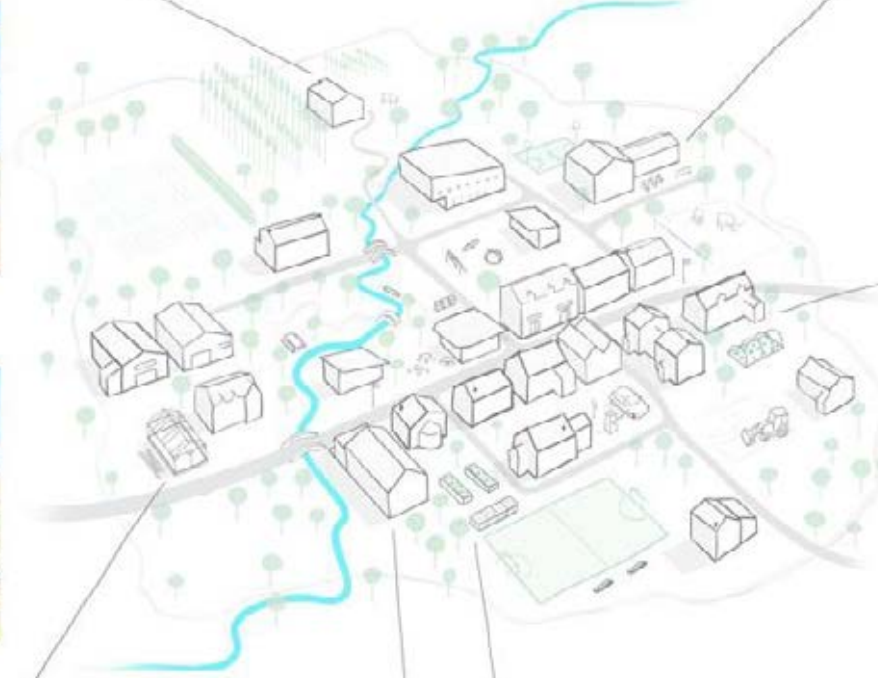
Homes & NHS health centre



Primary school



Greener Homes



Community-owned renovations



Mixed affordable tenure homes



Discounted self-build



Self-build



Tourist Hub (Passivhaus)



Community growing spaces



Rent To Buy homes & shinty pitch



## Awards

Selection of recent awards 2016-2022



## Repopulation & access to services: **Staffin, Skye**

**Skye-based** architects and builders used **local materials** where possible.



- **6 affordable homes** of 3 different tenures, with 3 housing providers
- **Commercial units, workshop & storage space** supports local companies to grow
- A new health centre in partnership with **NHS Highland** will provide improve healthcare services in the area, increasing access and reducing long journeys
- **Population has increased**; school roll not declining

## Self-build partnership model: **Rothiemurchus**



- Climate-friendly development within the Cairngorms National Park
- **4 affordable & 2 open market self-build plots** in partnership with community-minded landowner
- **Local materials & trades** used; highly **energy-efficient** homes
- **Retained local families** who would otherwise have had to leave the area

## Retaining young people & growing businesses: **Raasay**

Local **Skye-based** architects and builders are prioritising energy efficiency to ensure affordability to run long term



- Will provide affordable homes to help **retain young people and families**
- **New business opportunities** on the island, e.g. Raasay Distillery require additional housing
- Will include **5 homes of 2 different tenures** (with Raasay Development Trust and Lochalsh & Skye Housing Association), and **5 self-build plots** (with CHT)
- Project started on site in October 2022

## Increasing housing stock for local communities: **Arisaig**



- Will provide **10 much-needed affordable and energy efficient homes** in an area popular with tourists
- **Strong housing need** set to increase over next 5 years with people living and working in the area
- Will include **6 community-owned homes** for affordable rent with Arisaig Community Trust, and **4 self-build plots** with CHT
- Project will start on site in November 2022





## Contact us

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[www.chtrust.co.uk](http://www.chtrust.co.uk)

@chtscotland   



# Staffin Community Trust

Hugh Ross

*Development Officer*

Staffin Community Trust





# Taighean a' Chaiseil, Staffin, Isle of Skye





# Project Overview

- Families now living in six three-bedroom homes (SCT, CHT and LSHA built two each)
- Total of 12 adults and eight children resident in development
- New health centre (owned by SCT) opening December to replace ageing building: NHS Highland will be long-term tenants with GP practice and other services provided
- Local aquaculture company Organic Sea Harvest on 10-year-long lease on two new business units, also community-owned

# Benefits to Community



- Supporting and increasing primary school roll and population
- New £250k community health centre to support delivery of health services in North Skye
- Business premises for a company which employs 18, soon to be 21, people in Staffin
- A total £1.6million investment in our infrastructure and services, bulk of which is community-owned.
- Annual surplus from rental income of SCT properties to support other community projects

# Project Timeline

- **1999:** Last affordable homes built in Staffin
- **Sep 2014:** Report identifies clear demand for affordable homes: 18% of stock was holiday houses and Staffin suffering damaging loss of families and young people
- **March 2018:** Planning application lodged
- **Dec 2019:** Hearing at Portree Sheriff Court into site's resumption from croft land
- **Aug 2020:** Turf cutting on site
- **Feb 2022:** Families move into new homes
- **Nov 2022:** Development wins three awards





# **Ecology** support was crucial...

Building Society



- **The EBS mortgage helped ensure SCT had a fully funded project - and one that our contractor could start on site in 2020, amidst a pandemic**
- **EBS loan was vital as it is not permitted for project to be 100% grant funded**
- **Lending rate was lower than another social enterprise lender, and EBS more willing to approve on basis of the projected margins from the development**
- **EBS listened to case made by SCT's architect when we had an issue over the SAP rating**







# Questions



# Break



# Building our sustainable future

Gareth Griffiths, Chief Executive

# A little bit about me

## My career history...



## My North Stars...



**Members**



**Colleagues**



**Family**

# What brought me to Ecology

## 1. Values Alignment...

A strong alignment to Ecology's values

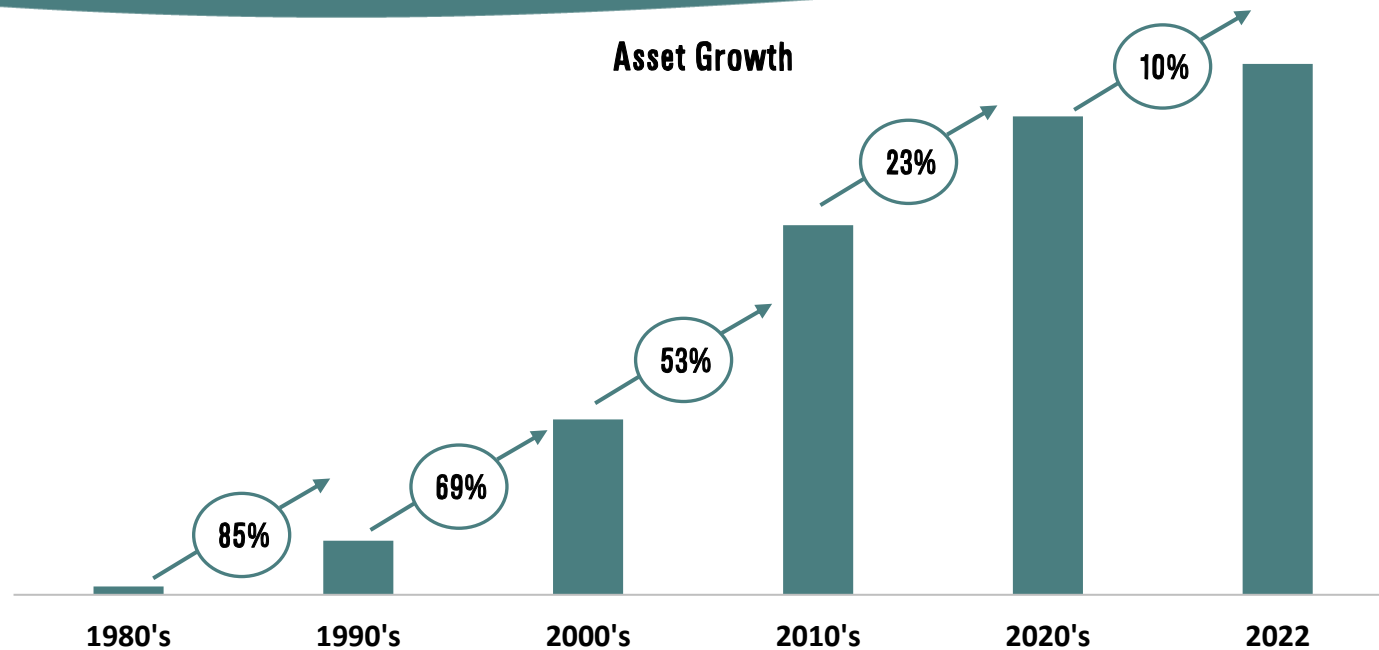
1	Fairness	Mine Ecology's	Fairness	1
2	Ambition		Openness	2
3	Decisiveness		Responsibility	3
4	Proactivity		Co-operation	4
5	Loyalty		Activism	5

## 3. Mutuality...

## 2. The Mission...



# How is your Society doing?



## Financial Performance:

- This will be a record year for profit for the Society, which has been a direct result of the record two years of witnessed **impact lending**. This will allow us to retain **significant capital** which we redeploy as more **impact lending**
- We remain **well capitalised** (above regulatory minimums)
- Both are thanks to our savers and capital holders, who have provided Ecology with strong levels of **funding and capital**

## Impact:

- So far this year alone we have lent:
  - £4.61M to 22 retrofit projects
  - £33.94M to 199 self- and custom-build projects
  - £3.70M to 17 conversions

## Colleagues:

- In the last 12 months we have grown from 45 to 53 colleagues
- We will be introducing some additional roles and we will be at 60 colleagues by the end of the year
- This is so we can better serve the needs of our Members

# How is your Society doing?

## Exhibitions and shows

- Futurebuild (London)
- Homebuilding & Renovating Show (NEC and Harrogate)
- Build-It Live (Bicester)
- Passivhaus Trust conference (Exeter)

## Awards

- Best self-build lender
- Lifetime achievement award (Paul Ellis)

## Community

- Tree planting
- Co funded a community public access defibrillator near office
- Sponsored local charity run



Homebuilding  
& Renovating  
Show

November 4-6  
Harrogate Convention  
Centre





# Influence and agitation

- Sponsored NaCSBA Parliamentary Reception (May)
- Founding member of the UK chapter of PCAF (Partnership for Carbon Accounting Financials)
- Supporting various coalitions to influence the Government on net zero, retrofit and green finance
- Gave evidence to the House of Lords Environment and Climate Change Select Committee (March)



# Nith Valley Community Land Trust



Credit: Tom Manley

Passivhaus-designed community build for affordable rent

# Broadhempston CLT



EPC A rated self-built CLT for shared ownership

# Open House Project



Cohousing conversion of listed farmstead near Sheffield

# Bunker Housing Co-op



Self-build modular homes, Brighton

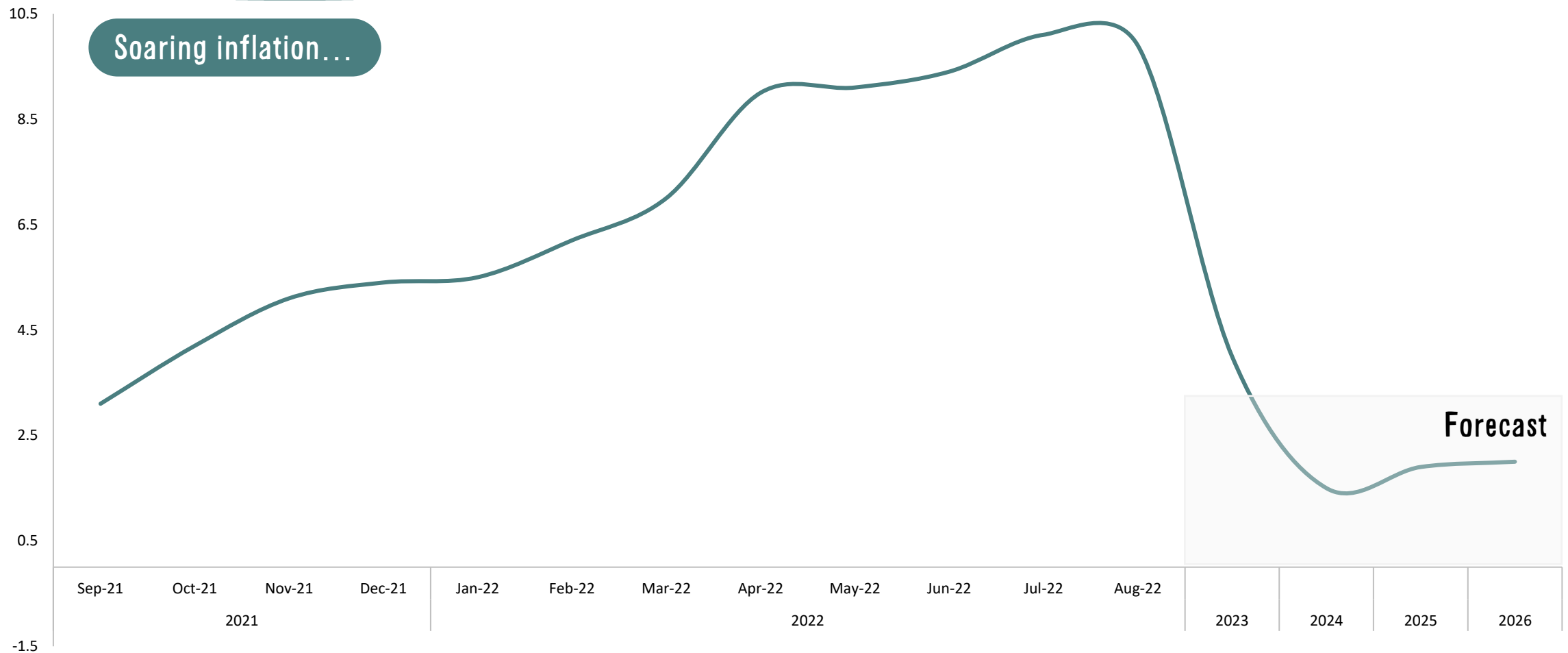
# Chapeltown Cohousing



Self-built affordable cohousing community in Leeds

# Challenges ahead

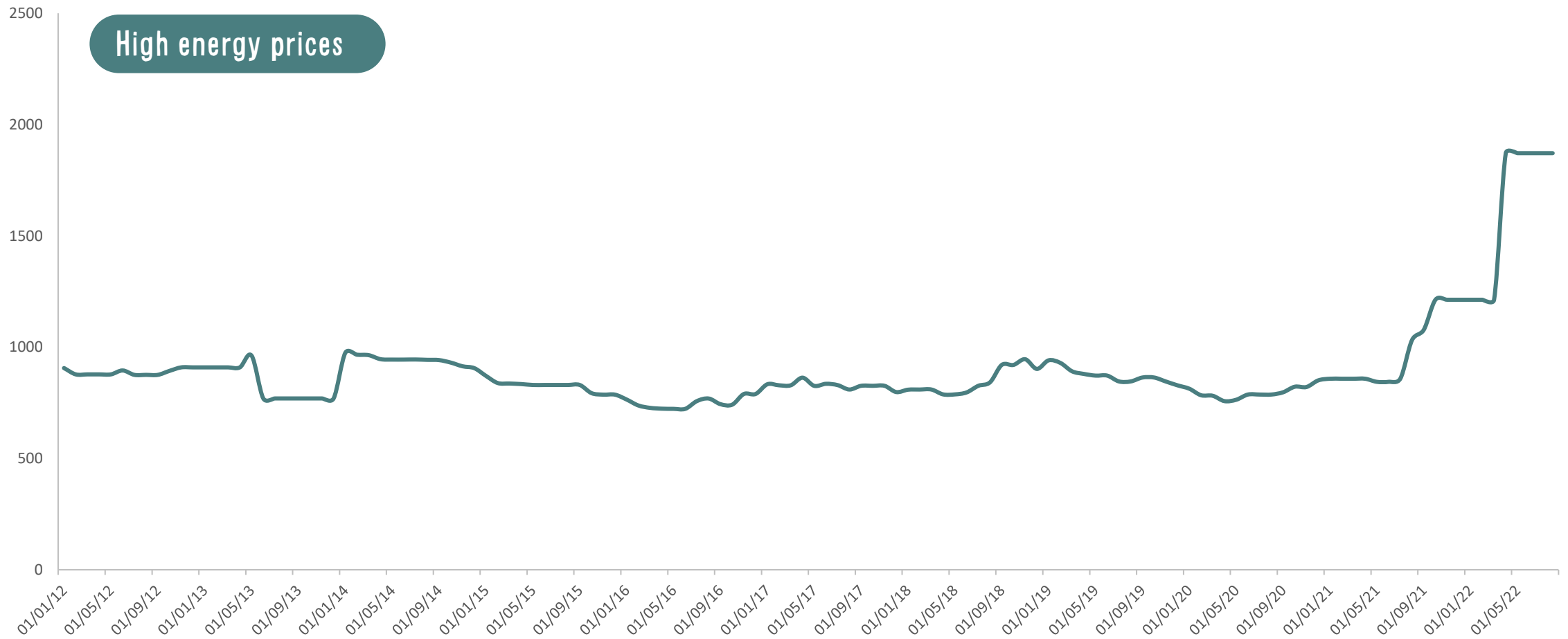
# Headwinds we are facing



Source: ONS, Trading Economics and Deutsche Bank

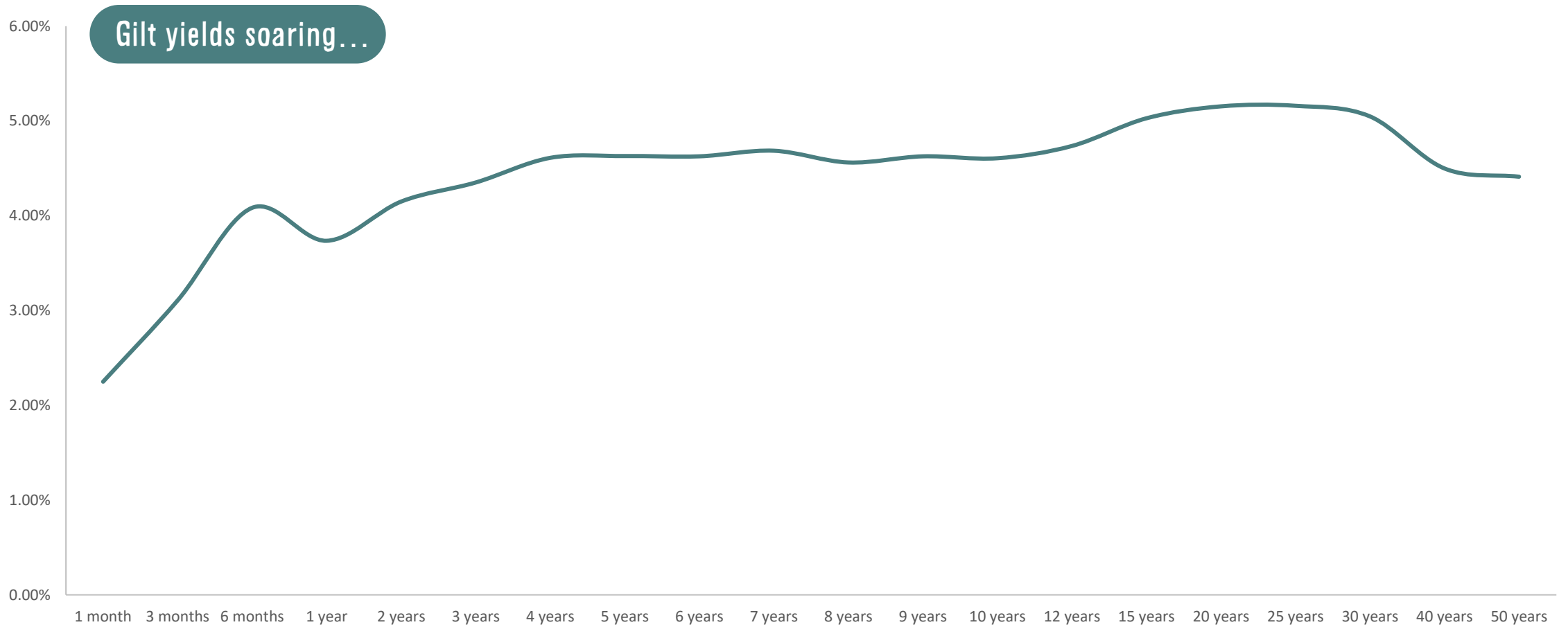


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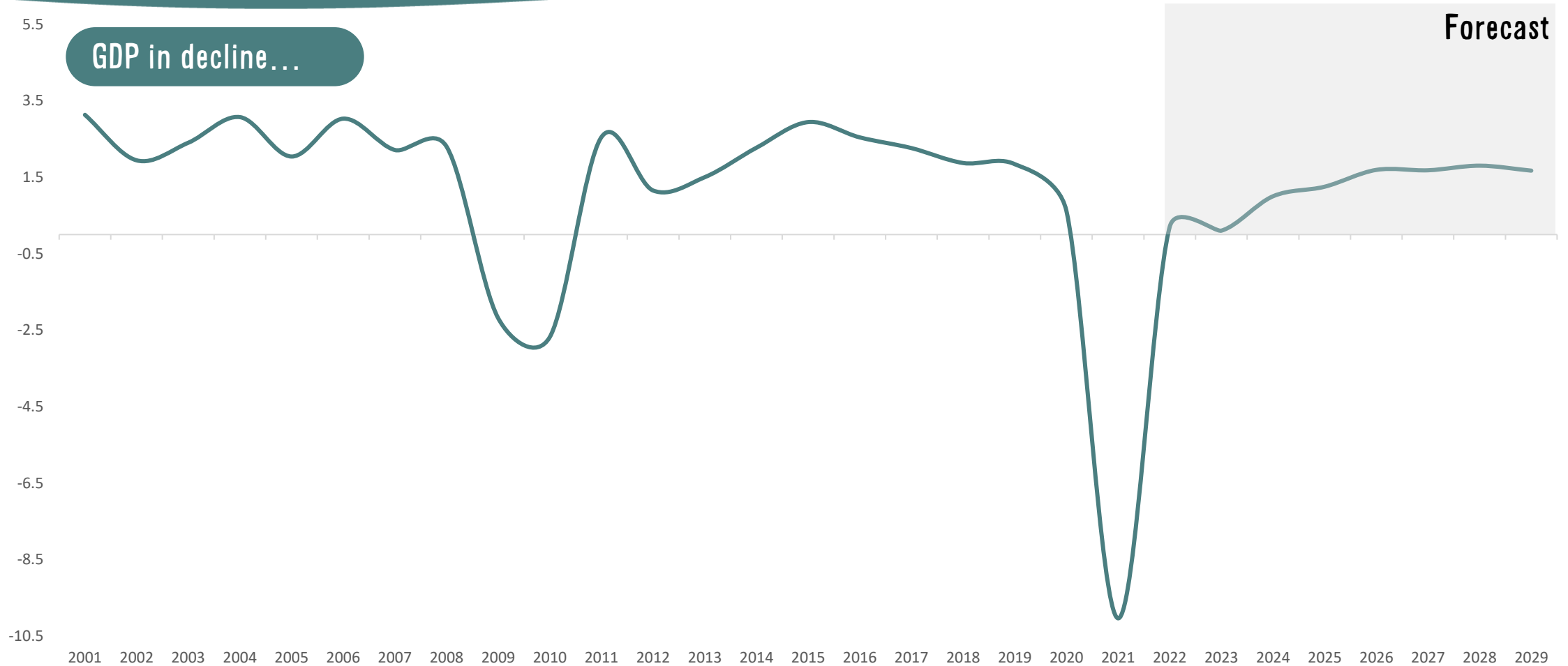
Source: ONS and Statista

# Headwinds we are facing



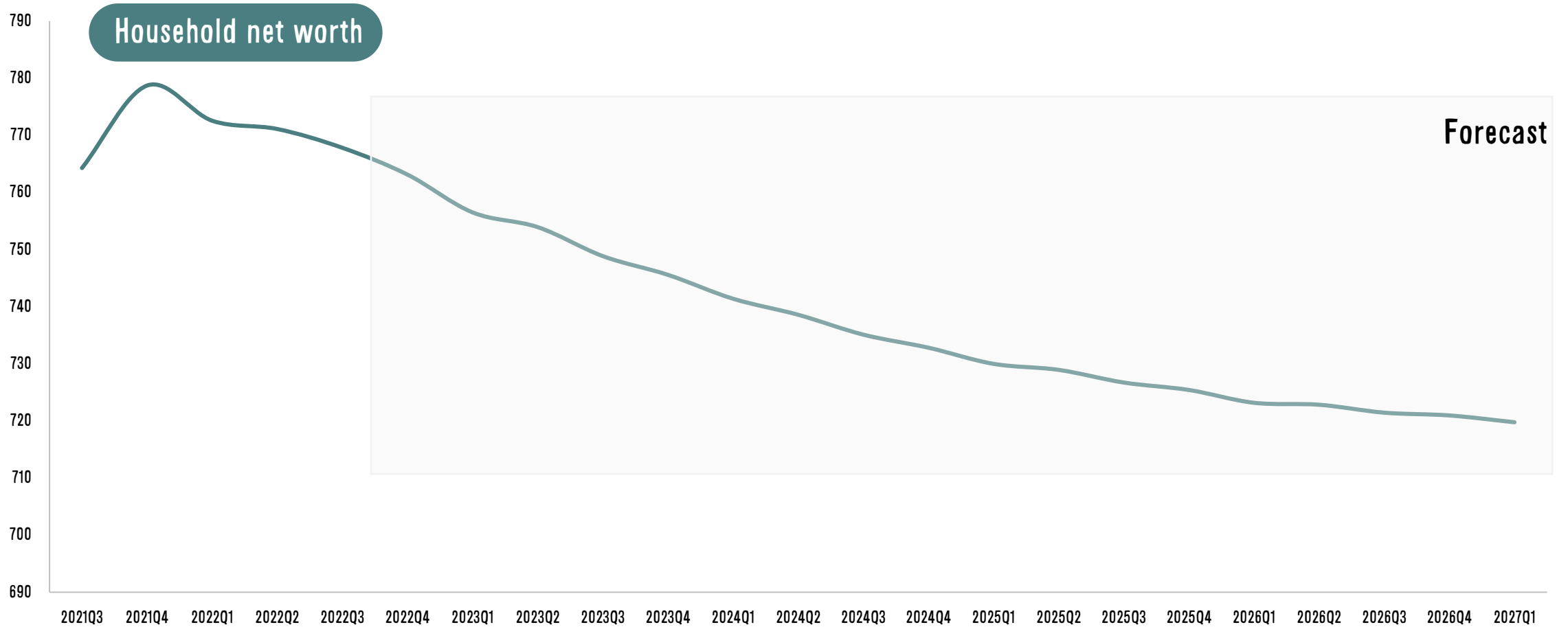
Source: Debt Management Office

# Headwinds we are facing



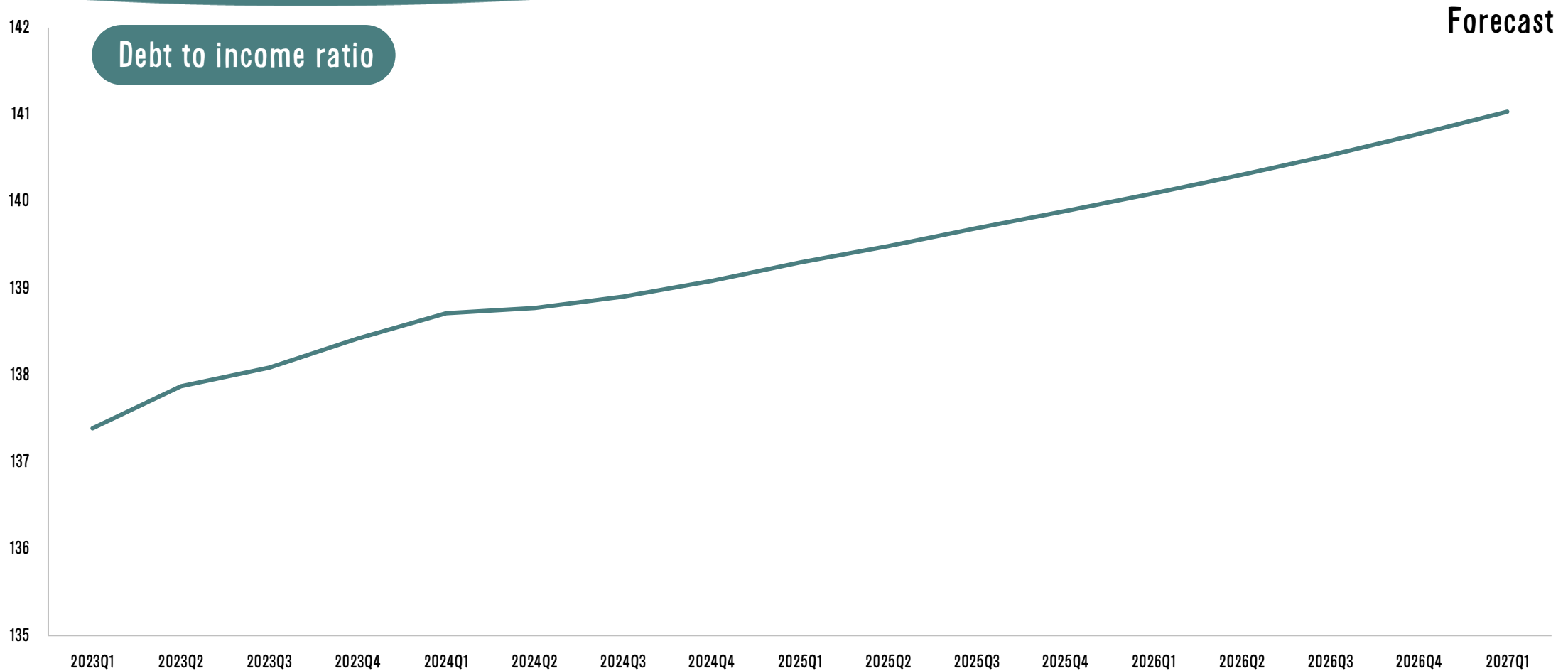
Source: Trading Economics, IBIS World and Deutshce Bank

# Headwinds we are facing



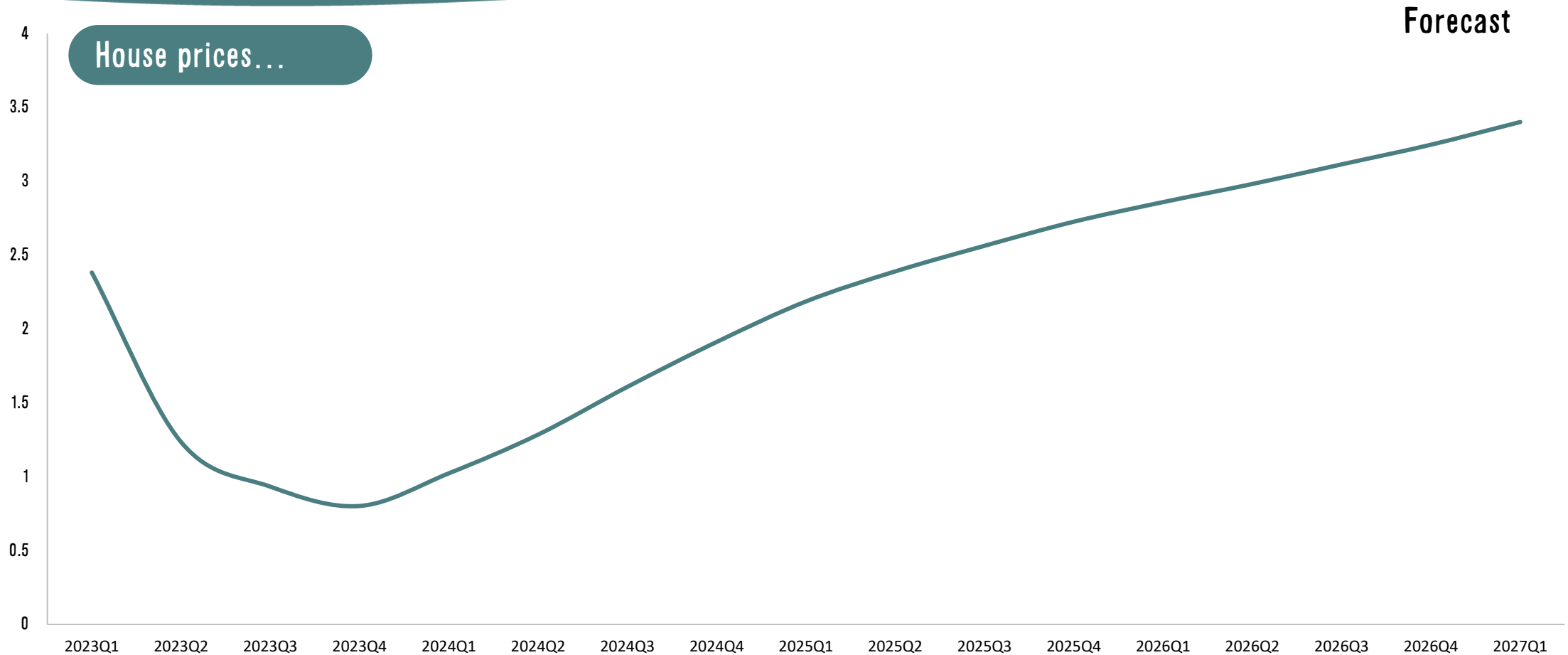
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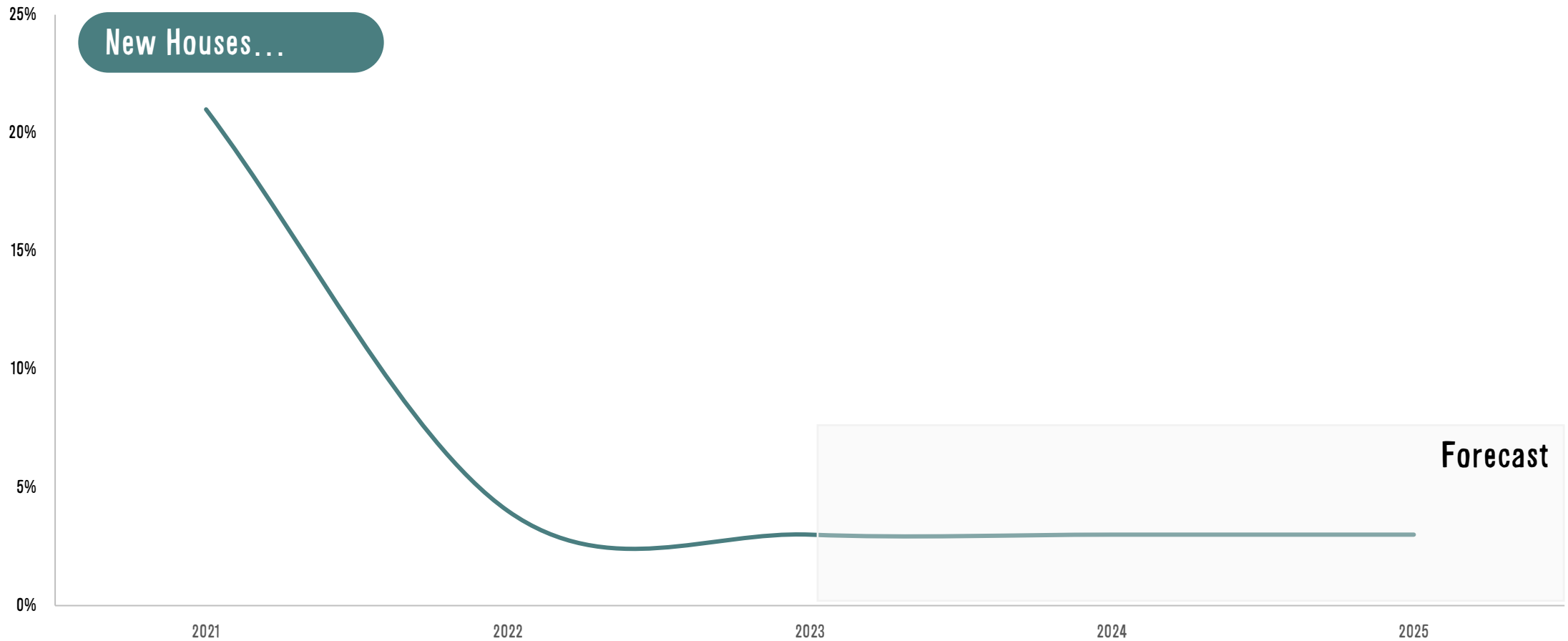
Source: ONS and Statista

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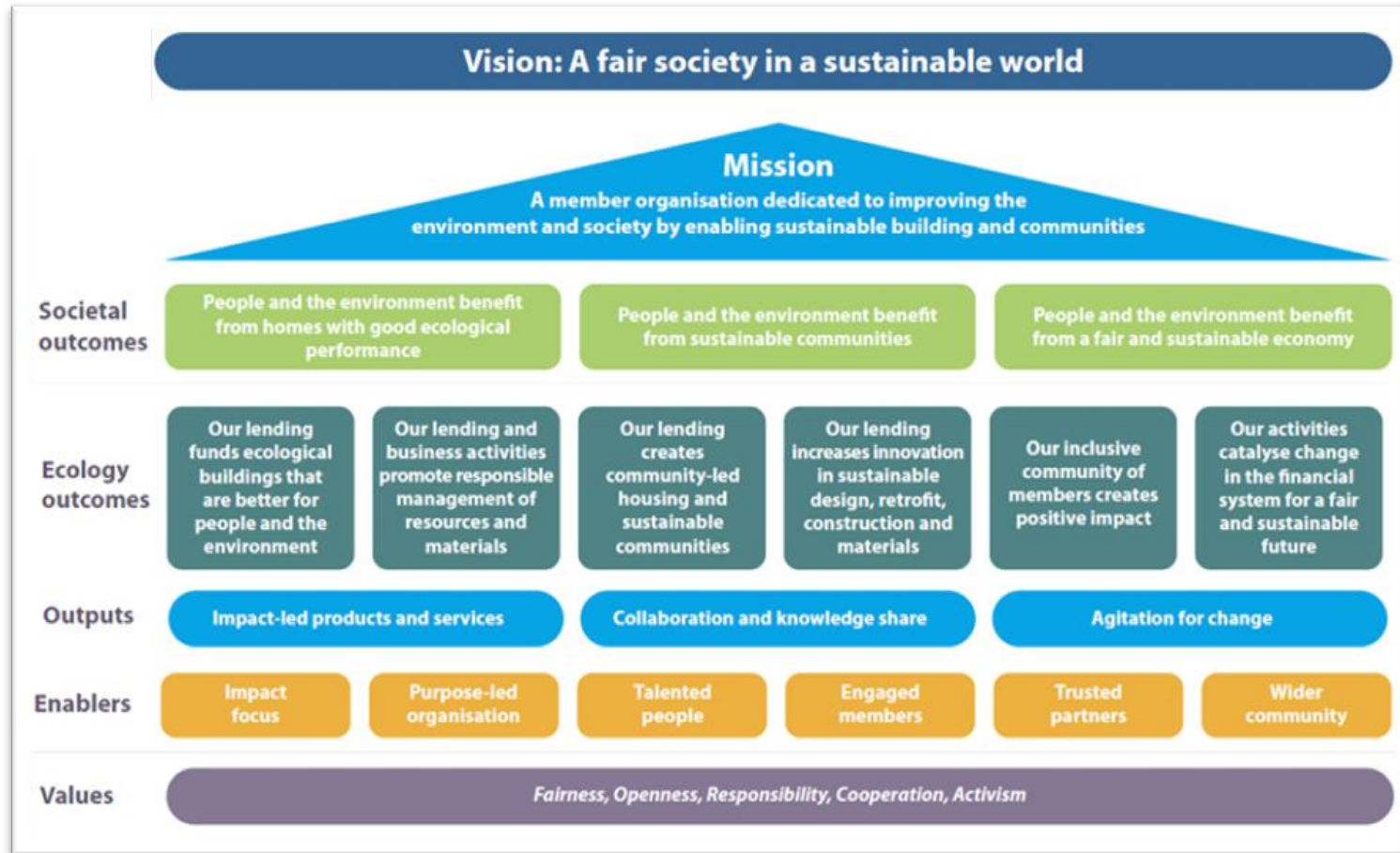
Macro Economic Factor	Impact to Members		Impact to Ecology
	Savers	Borrowers	
High inflation	Eats in to real returns on interest	Eats in to disposable income	Cost of living increases for co-workers
High energy prices	Eats in to disposable income	Eats in to disposable income	Further emphasis required on Scope 1 & 2 emissions
High Bank of England Base Rate	Increases rate of return	Increases monthly payments	Balance between savers and borrowers
GDP in decline	This may lead to higher unemployment rates		Bad debts and write offs
Declining household net worth	Potential for decrease in savings balances to cope	Potential for increase in debt to cope	Constant monitoring of the balance sheet Maintaining our lending standards
Increasing debt to income ratio			
Decreasing house prices	No effect on savings per se	Self-Builder and Renovators may not be able to borrow as much	May require re-evaluation of lending criteria
Lower 'new build' numbers			Higher competition in the market



But we have a strong strategy...

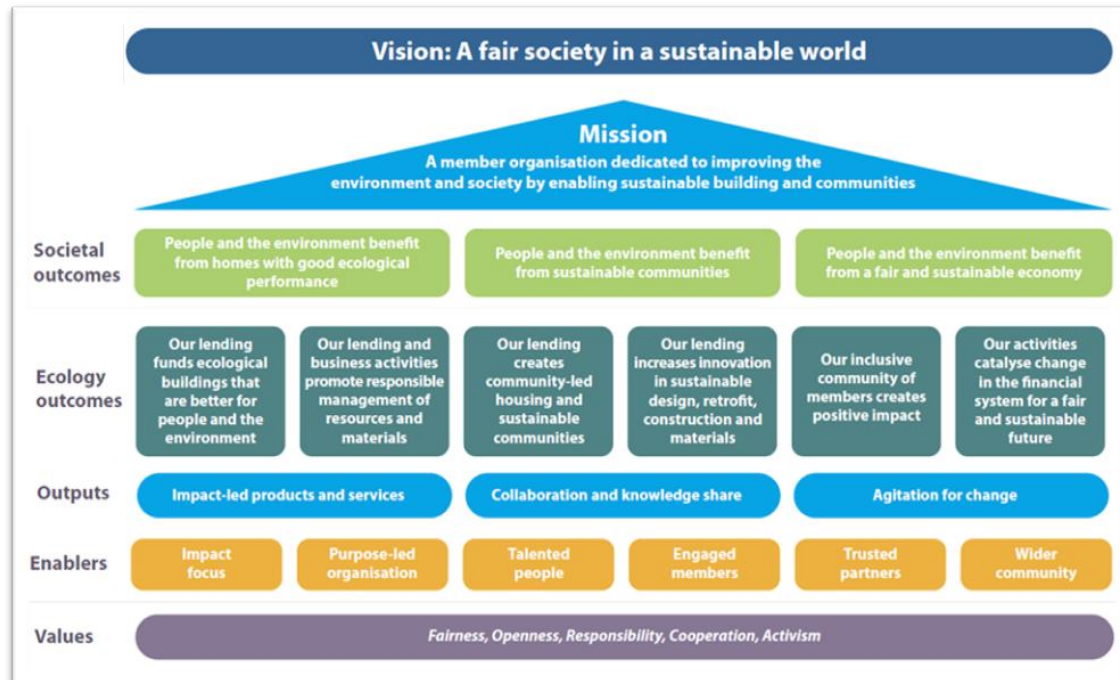


# 2030 Strategy Framework



# 2030 Strategy Framework

- Designed in 2020 on the basis of reducing emissions by 45% from 2010 levels by 2030.
- This approach also aligns with the net zero targets outlined in the 2015 Paris Climate Accord



Strong alignment to the UN SDGs – with 2030 dates

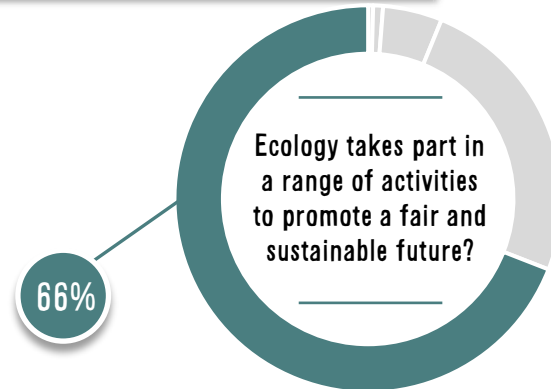
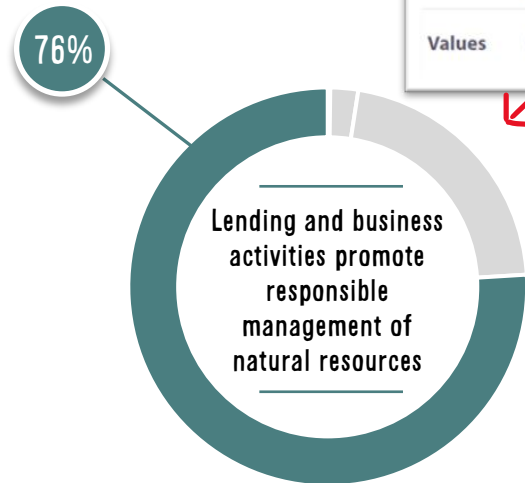
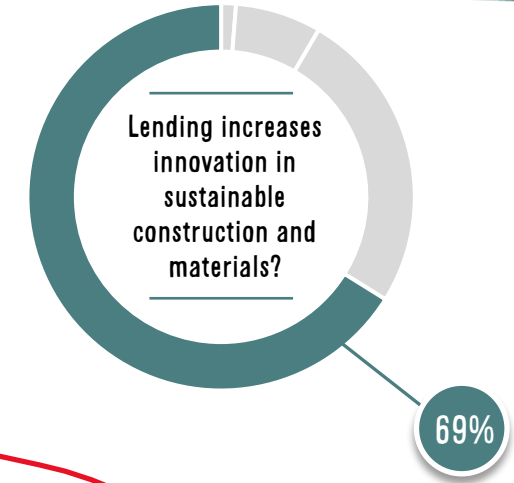
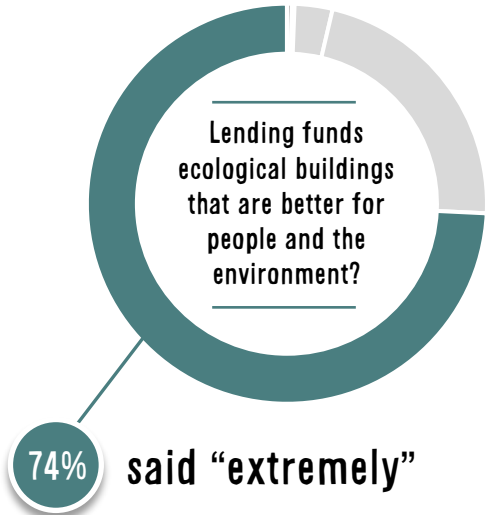


Collaboratively authored:

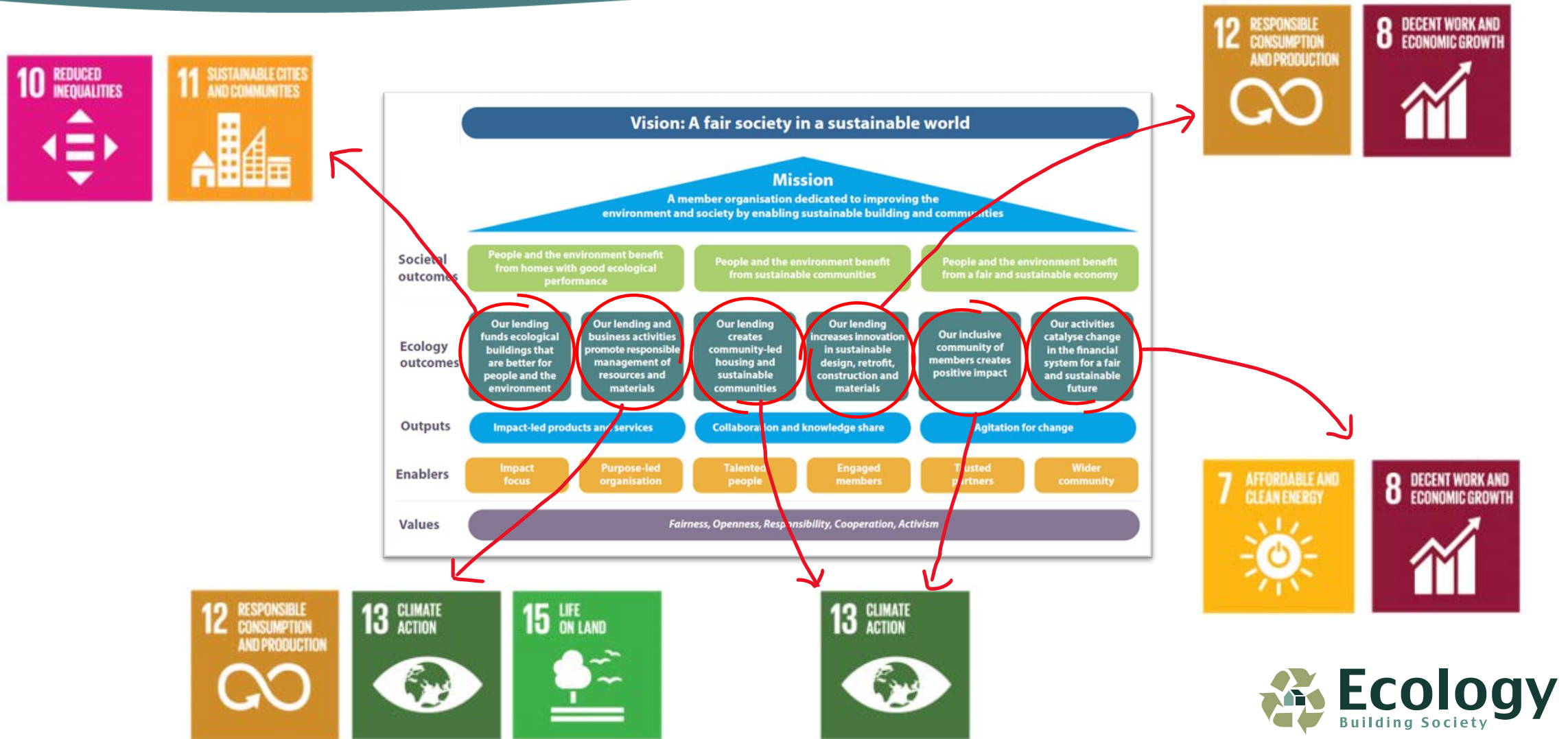
- 750 Members
- Colleagues across Ecology

# 2030 Strategy Framework – Member Led

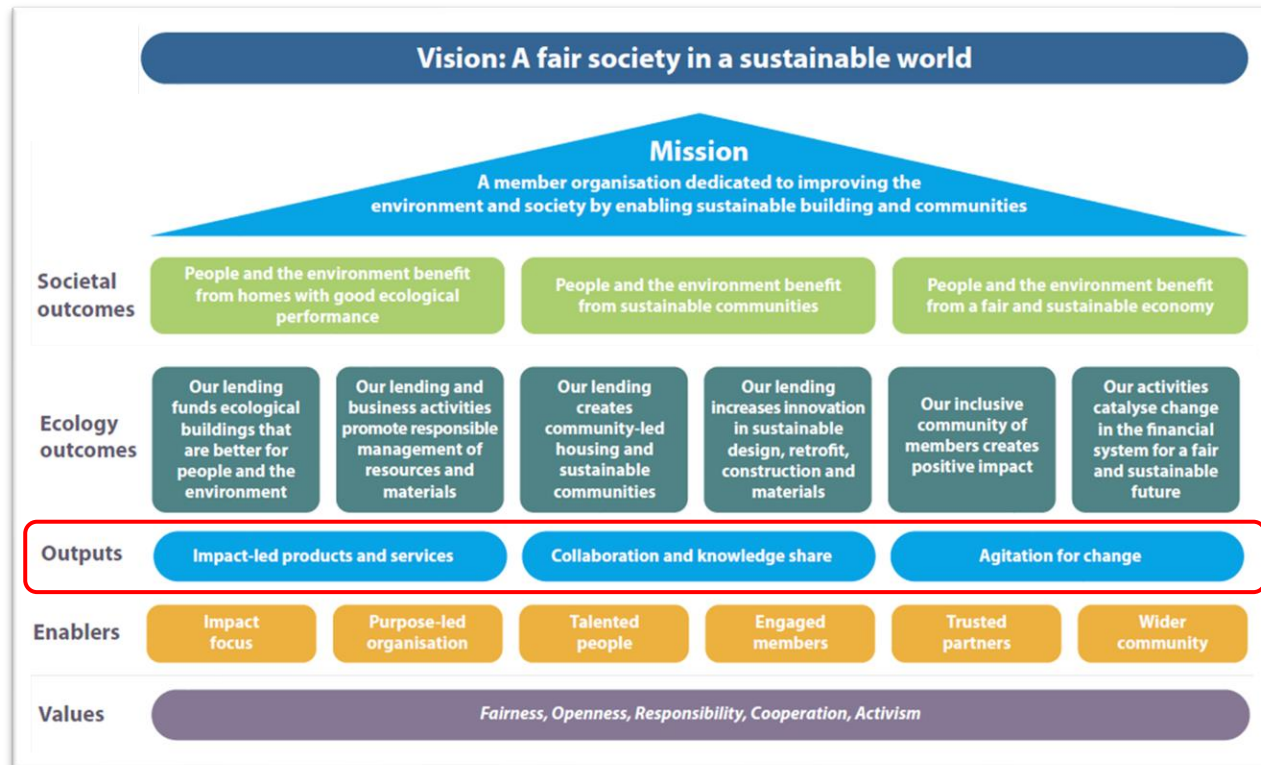
How important to you...



# 2030 Strategy Framework – UN SDGs



# Turning strategy in to action



# We need to invest for the long term

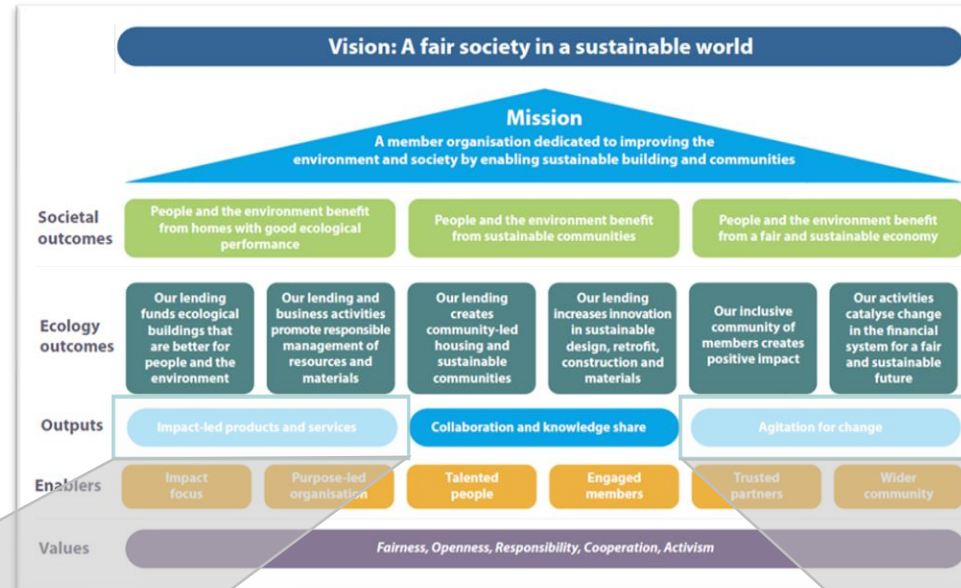
## Delivering 'impact led P&S' Outputs:

To do this we need to invest to become part 'product' led and part 'Public Relations' led organisation.

## What does investment look like:

- Adding to our skills by working with a selected **PR Agency** and **Digital Media Buying agencies**
- Adding additional capacity and capability to **Marketing** and a new **Product Team**
- **Impact P&S = someone's day job**

Impact-led products and services



## Being an 'agitator for change':

To do this we need to ensure that we truly are a 'Mission' led organisation:

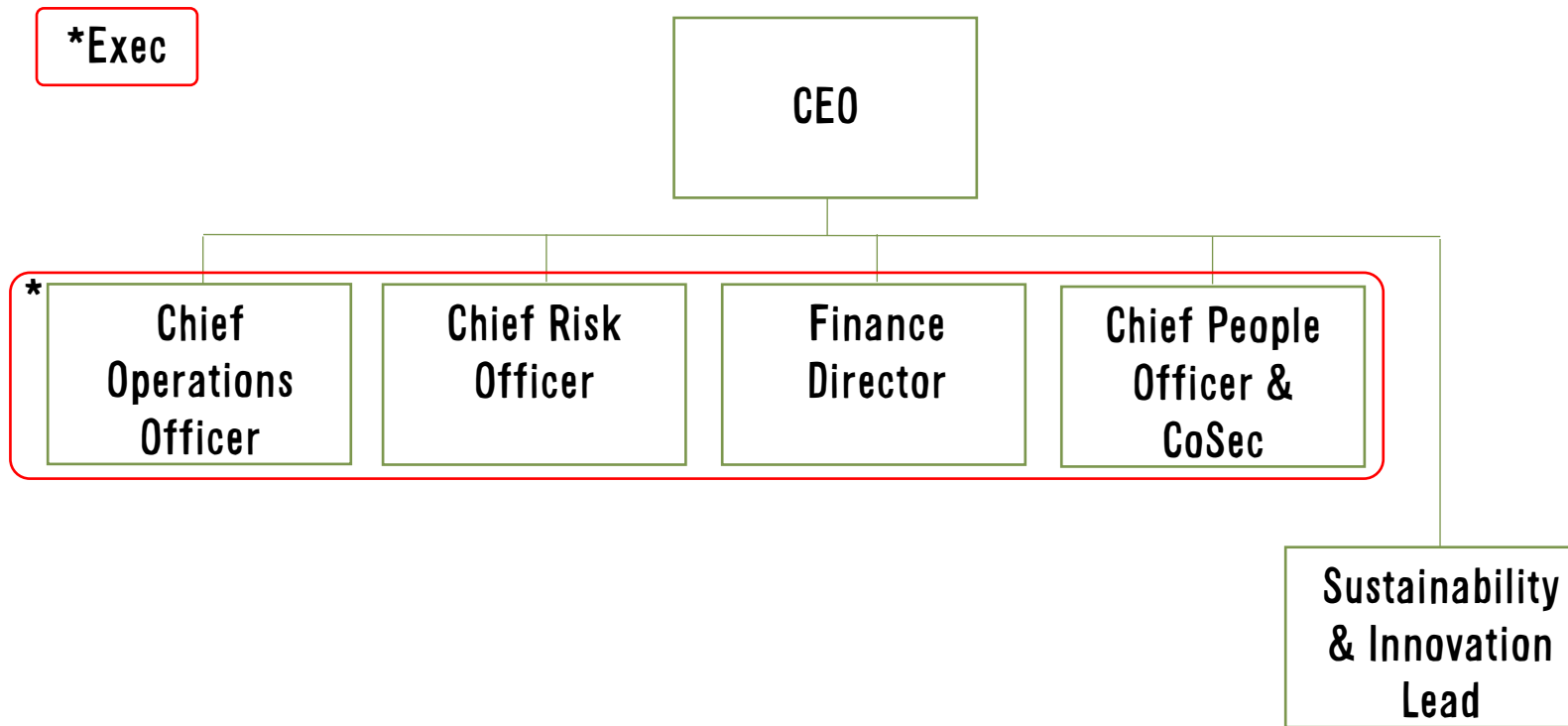
"A member organisations dedicated to improving the environment and society by enabling sustainable building and communities"

## What does investment look like:

- Thought leadership + action
- Product & Services working 'hand-in-glove' with Mission & Impact
- What views do we represent as a Member led organisation?

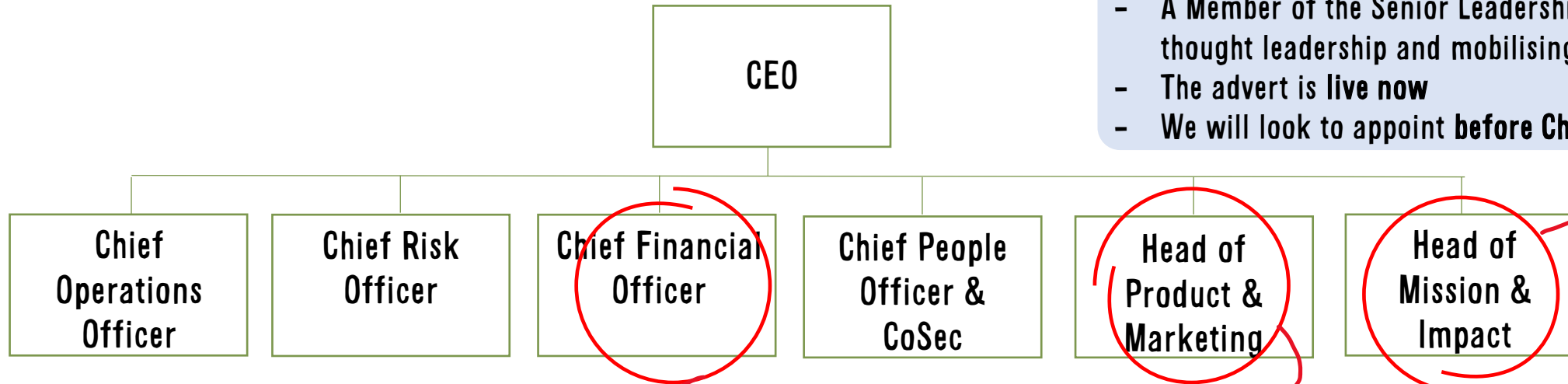
Agitation for change

# Growing our capabilities – Current Structure





# Growing our capabilities – SLT



## Agitation: Head of Mission & Impact:

- A Member of the Senior Leadership Team responsible for thought leadership and mobilising action
- The advert is **live now**
- We will look to appoint **before Christmas**

## Strategic Finance Function: CFO:

- We are undertaking a rigorous **Market-Wide** search of talent
- This helps us to run a transparent process to recruit a Board Director
- We will look to appoint **before Christmas**

## Impact-Led: Head of Product & Marketing:

- A Member of the Senior Leadership Team responsible for all our activity to drive Ecology's Brand and Products
- The advert is **live now**
- We will look to appoint **before Christmas**

# What are we doing to deliver the mission?

# Delivering Change



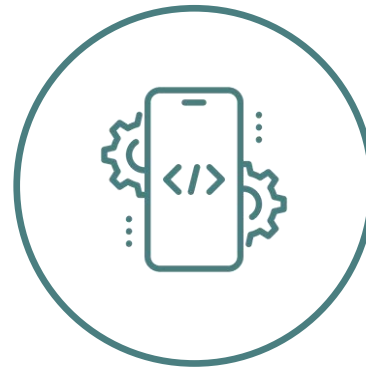
**Agitation**



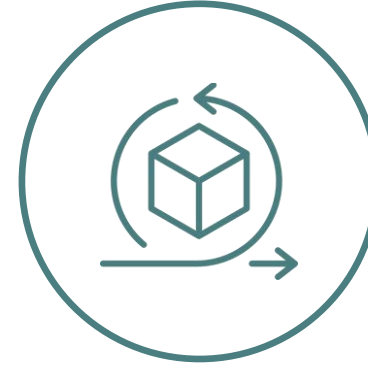
**Attitudes**



**Fair Return**



**Accessibility**



**Product  
Development**



**Ecology  
Colleagues**

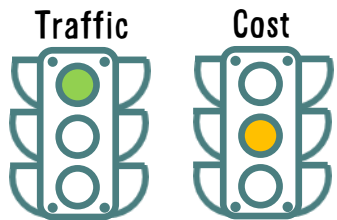
Enhanced impact reporting in the Annual Reports

Publication of Net Zero Targets and Plans

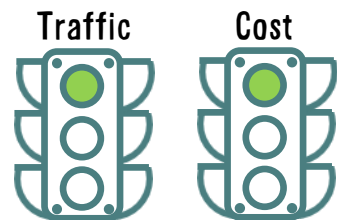
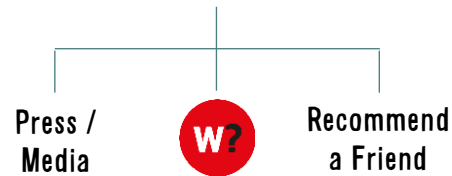
# Agitate for change



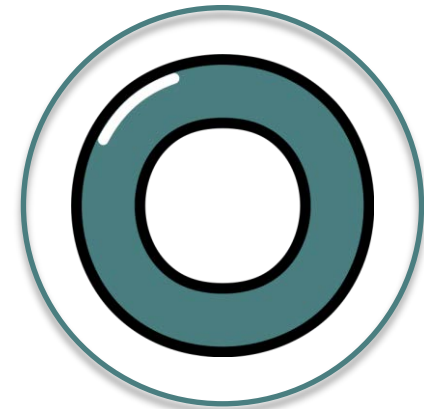
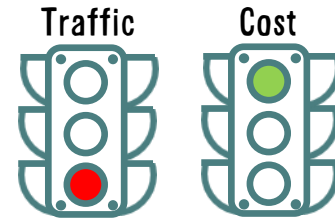
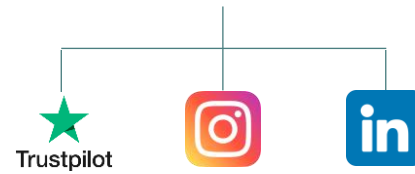
Paid  
(Ads)



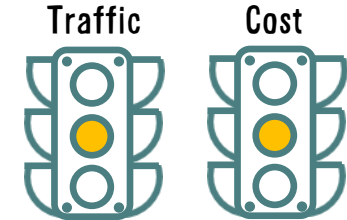
Earned



Shared



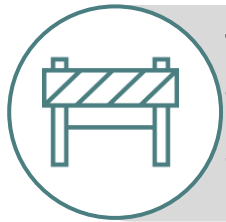
Owned  
(Channels)



Looks Like

Effectiveness v's Cost

# Member attitudes



## The Objective:

To identify the motivators and barriers for using Ecology Building Society



## Why:

This information will be key to build on our understanding of the 2020 survey



## How:

An online survey sent to all our members

How does Ecology serve its members and potential members in an ever changing world?

## The data collected by survey is likely to include:

- Attitudes towards ethical purchasing
- Attitudes towards banking and finance
- Purchasing behaviours
- Demographic details
- Reasons for banking with Ecology (members)
- Awareness of Ecology (potential members)

## What might this influence:

- Additional product development
- Channels which we serve you in
- Where we agitate for change
- How we agitate for change

# A fair return



Market*		Ecology	
Instant Access:	1.19%	Instant Access:	<b>2.25%</b> +1.06%
1 Year Fixed Rate:	3.49%	1 Year Fixed Rate:	-
No Notice ISA:	1.30%	No Notice ISA:	<b>2.70%</b> +1.40%
1 Year Fixed ISA:	3.13%	1 Year Fixed ISA:	-

\*as of 7 Nov

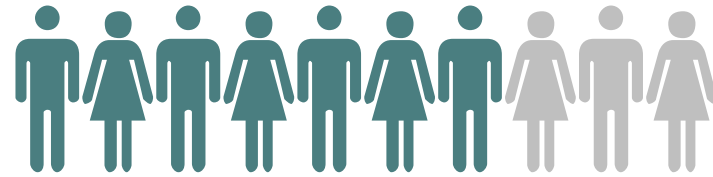
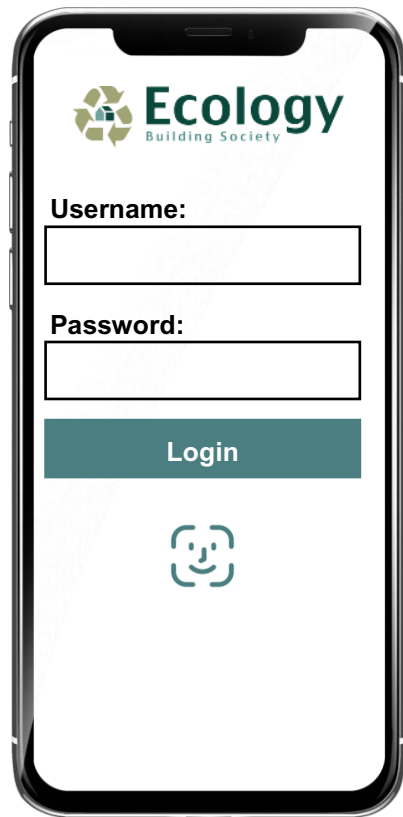
Savers

Market		Ecology	
2 Year Fixed:	6.44%	Ecology SVR*:	5.49%
5 Year Fixed:	6.27%	Max C-Change:	1.50%
10 Year Fixed:	5.60%	Min Rate:	3.99%

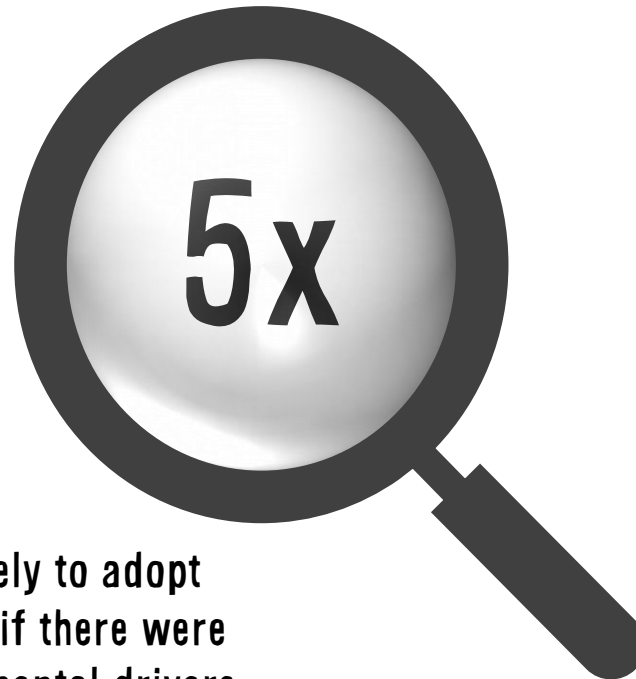
\*as of 1 Nov

Borrowers

# How you access Ecology



69% of Members surveyed aged 65 + own a smartphone



More likely to adopt an 'app' if there were environmental drivers

## Key Feature Requirements:

- Life stage dictated functionality requirements with money management appealing to < 60 year olds
- Importance of basic banking features including biometric login
- Ability to apply for a savings account is important
- Carbon footprint management tools important to 16-24 year-olds, decreasing with age and least important to senior elderly
- 56% ranked security their biggest concern

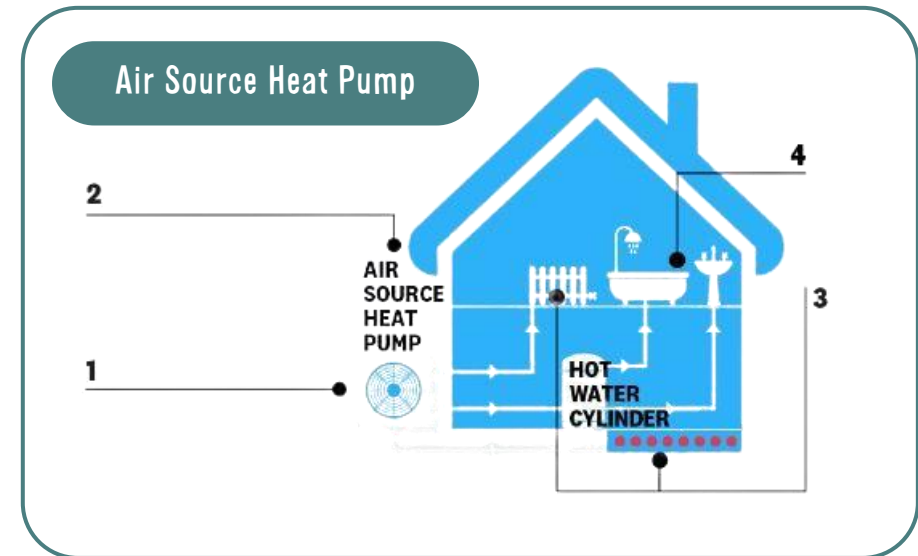
# Product Development – Heat Pump initiative



- Takes heat from the ground to heat a home into a wet heating system
- Pump takes ambient heat from ground and increases temperature
- Can provide heat to the home and hot water

## Ecology's support:

- Cashback of £500 for Air Source Heat Pump
- Cashback of £1,000 for Ground Source Heat Pump



- Takes air from outside and feeds into wet heating system
- Heat lower than conventional boilers so heating time longer
- Require large surface area – such as underfloor heating
- Can provide heat to the home and hot water



# Product Development – MMC



## Ecology's support:

- Work with approved MMC suppliers
- Offer 2 Mortgage products:
  - Arrears based (i.e. on completion of works)
  - Advanced stage to help fund borrowers with lower levels of capital

MMC is a collective term to describe alternative construction practices.

Off-site, factory production of the component parts of properties is a common characteristic of MMC.

This includes ready-made walls, floors, roofs and entire rooms, which can be transported to their end destination for assembly, often in a matter of hours.

## Why do MMC?

The construction lifecycle is much quicker and uses more sustainable materials

MMC properties are proven to have a higher energy efficiency

Reduced CO<sup>2</sup> through transportation and construction wastage

# Silsden Head Office



# Silsden Head Office

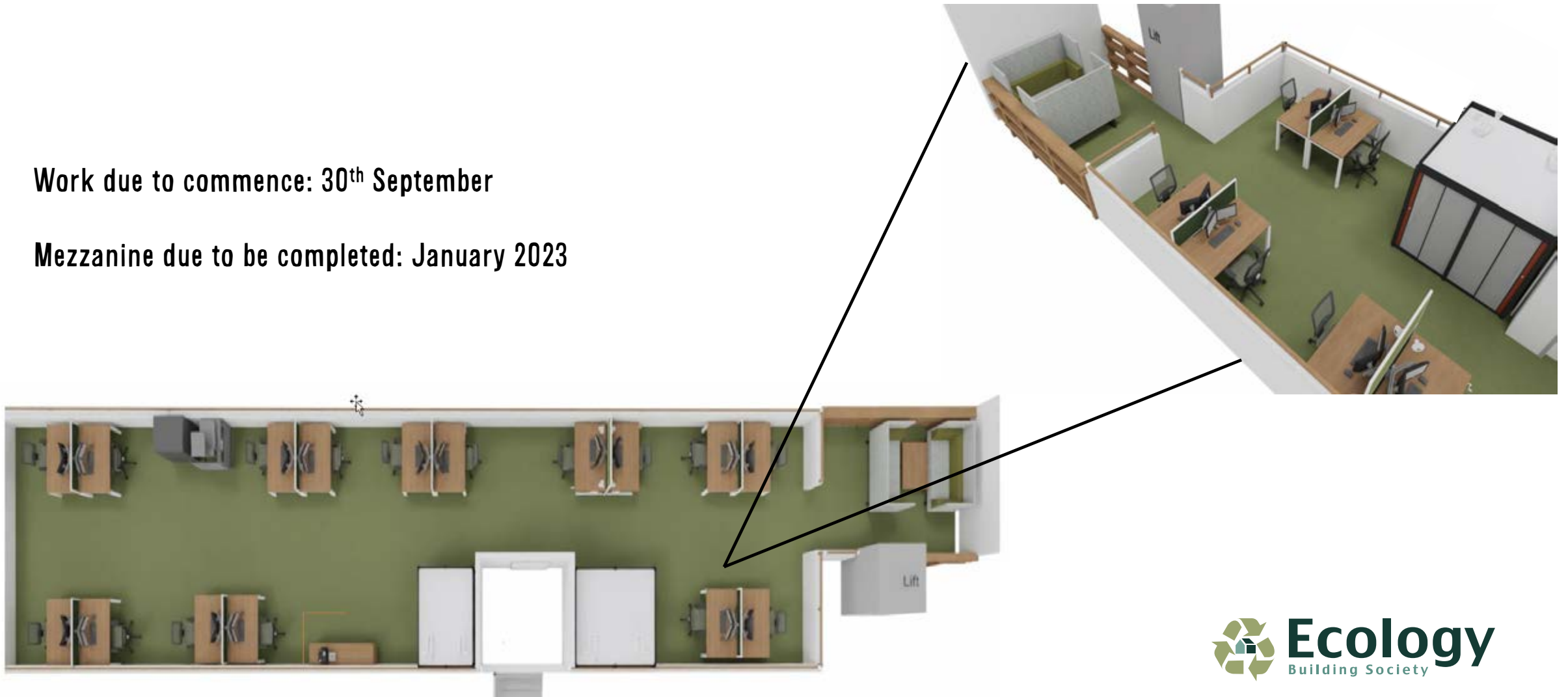


# Silsden Head Office



Work due to commence: 30<sup>th</sup> September

Mezzanine due to be completed: January 2023



# Ecology colleagues



**Cost-of-living increases** have been given to all colleagues to help support them during this difficult time.

This is a picture from our recent offsite where we discussed our **strategy and plans**.

We look forward to **servicing and hearing from you** – our Members.

# Ask the Directors



Gareth Griffiths  
Chief Executive



Gio D'Alessio  
Director

# Closing comments

**Thank you for participating!**

**Look out for an email inviting you to feedback on today's event**