



**YORKSHIRE
BUILDING
SOCIETY**

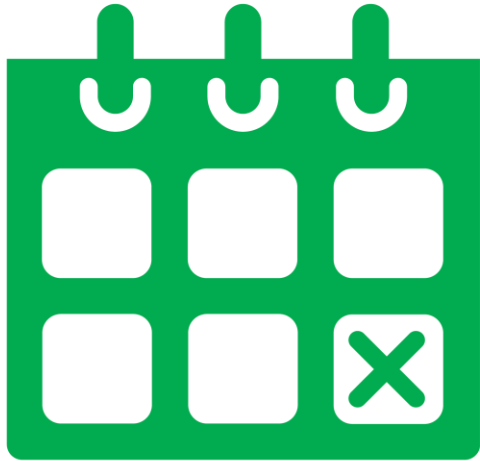
Pete Lewis

March - May 2020

ISA season 2020



What is 'ISA season'?



It's the period between the end of the existing tax year and the start of the next one, when customers tend to make key savings and investment decisions to best leverage their current and future tax allowance.



It's an important period for YBS - and this year in particular is a vital trading period with a peak volume of fixed and variable maturities in both ISA and non ISA products.

Maturities during ISA season	March		April		May		June	
	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate	Variable rate	Fixed rate
Value	£559m	£672m	£762m	£511m	£207m	£959m	£61m	£588m
Volume	19,035	26,162	25,672	20,746	8,830	39,041	4,465	22,341

In short, it's a fantastic opportunity to talk to new and existing customers about their savings needs. Performing well here sets us up for a great year.



A n-ISA reminder

An ISA...

...is a tax free 'wrapper' in which savers can hold a range of investments and cash, exempt from income and capital gains tax. Savers can only invest a specified amount each year.

We think the allowance for 2020/21 will remain at **£20,000** although this could change after this year's budget which, due to Brexit has been delayed until **11 March**. Watch this space...

At YBS,
we only
offer the
Cash ISA

Either variable or fixed rate. Some offer instant access with no penalty. Some have restrictions such as a fixed term or a notice period before money can be withdrawn. Withdrawals made during the fixed period may result in loss of interest.

Other ISAs are available...

It's a crowded market out there now. Here are a couple of the other ISAs customers can get elsewhere...

Stocks & Shares ISA

Individuals can invest in a wide range of investments including unit trusts and corporate and government bonds. They can also wrap individual stocks and shares listed in a recognised stock exchange in a self-select ISA. Dividends attract lower tax than on shares held outside an ISA

Lifetime ISA

Designed to help save for a deposit on a first home and for retirement. Savers receive a 25% government bonus on contributions. It's only available to 18-40 year olds but people can save and receive their 25% bonus until their 50th birthday. Savers can access their funds after their 60th birthday to fund retirement but not before this to use on a deposit for a first home.



Are ISAs still a big deal?

Since the introduction of the PSA in 2016, ISAs aren't the only tax-free savings option in town. So our customers need help to understand how to save tax-free effectively and why ISAs are still a worthwhile consideration...



“What’s the PSA?”

“It’s the **Personal Savings Allowance** whereby basic-rate taxpayers can earn £1000 interest per year in any savings account without being taxed on it. Higher rate taxpayers (40%) can earn £500 interest. The highest rate tax payers don’t receive a PSA”

More info is available on the [PSA factsheet](#) or on Connect



Try to introduce the topic of ISAs into more general conversations with your customers once you understand more about their savings needs



ISA ISA baby! A couple of facts about ISAs to help with customer conversations...

- Around 30% of UK savings balances are currently held in ISAs
- ISAs are savings accounts you’ll never pay tax on - not just on certain amounts
- You receive an allowance each year which you can allocate to a new or existing ISA
- They’re particularly useful for our customers who pay a higher rate of tax



A campaign of two halves

Pre-tax year end



5 April
2020

Key messages: Use it or lose it

- Invest more funds into your ISA before year end if your allowance allows
- Re-invest any maturing accounts into an ISA

New tax year - 2020/21

Key messages: We're targeting traditional ISA users to encourage them that YBS is the place to save

- YBS could offer you a better deal than your present ISA provider for 2020/21. As of November 2019 we pay **0.32%** more than the UK market average savings rate
- Switching to a YBS ISA is not only the right choice but it's easy to do as well

	March	April	May	June
Product range	Full Fixed Rate Range (ISA and Non-ISA) priced within Top 5 vs key competitors			Fixed rate range - priced to BAU requirements
	Limited access (New Money only - key campaign leads) <ul style="list-style-type: none"> • Online LAS ISA • Retail Annual Access Account ISA 	*New Product* <ul style="list-style-type: none"> • Regular Saver ISA • New subs only (limit £20k) 		Limited access (New Money only - key campaign leads) <ul style="list-style-type: none"> • Online LAS ISA • Retail Annual Access Account ISA
	Existing customers <ul style="list-style-type: none"> • Online Internet Saver ISA Plus • Access Saver ISA Plus (NEW) • Instant ISA Issue 3 	Existing/new customers <ul style="list-style-type: none"> • Online Internet Saver ISA Plus • Access Saver ISA Plus • Instant ISA Issue 3 	Existing/new customers <ul style="list-style-type: none"> • Online Internet Saver ISA Plus • Access Saver ISA Plus • Instant ISA Issue 3 	Existing customers <ul style="list-style-type: none"> • Online Internet Saver ISA Plus • Instant ISA Issue 3



ISA season - product landscape

Pre tax year end	Range of Fixed Rate ISAs	Rates Subject to change	<ul style="list-style-type: none"> 1,2&3 Year with monthly 18 month version Minimum £100 balance
	<u>New Money Only (variable)</u> <ul style="list-style-type: none"> 1 Year Limited Access Saver Annual Access Account ISA 	1.30%	<ul style="list-style-type: none"> Allows withdrawals on 1 day per year 1 year term product (Internet and Retail versions) Customers cant fund from existing group account
	<u>Instant Access (variable)</u> <ul style="list-style-type: none"> Internet Saver ISA Plus Access Saver ISA Plus Iss.2 Instant ISA Issue 3 	0.40% - 1.15% 0.20% - 1.10% 0.30%	We offer a number of instant access ISAs across channels *IMPORTANT INFORMATION - THE ACCESS SAVER ISA PLUS PRODUCT IS TO BE USED AS A RETENTION TOOL IN THE EVENT OF ACCOUNT CLOSURE/OBTAINING NEW ISA MONIES*
New tax year - 2020/21	Range of Fixed Rate ISAs	Rates Subject to change	***The Access Saver ISA Plus product has been re-introduced to widen the ISA product range. It offers existing customers a competitive product for new ISA monies and also a retention product when protecting existing balances***
	<u>Instant Access (variable)</u> <ul style="list-style-type: none"> Internet Saver ISA Plus Access Saver ISA Plus Iss 2 Instant ISA Issue 3 	0.40% - 1.15% 0.20% - 1.10% 0.30%	
	<u>New products (TBC)</u> <ul style="list-style-type: none"> New Subs Only Regular Saver 	Rates TBC	<u>New Subs Only Product</u> Maximum £20k balance - doesn't allow transfers in <u>Regular Saver</u> ISA version of Regular Saver product

IMPORTANT: RANGE SUBJECT TO CHANGE DEPENDENT ON PERFORMANCE AND COMPETITOR ACTIVITY



So, what can you do to help?

INSPIRE...

We want you to encourage prospective new customers so they believe YBS is the place to for their ISA funds

STAY...

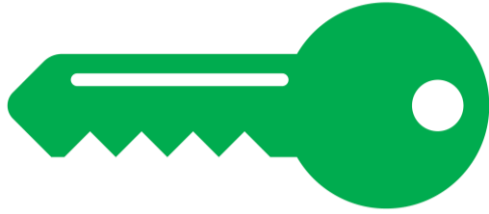
If customers have products maturing with us, have the right conversations so they stay with us

ADD...

Current customers should be encouraged to add to their existing ISAs and bring any other ISA funds to us



Building rapport and having brilliant conversations



The key to holding brilliant conversations with our customers during ISA season is building a rapport, finding common ground to develop a connection and so increasing the chances of a positive outcome.

We know you've already got regular customers you know really well and those you've had previous interactions with. But what can you do during ISA season to find common ground?

Ways to find common ground - pre tax year end

“When was the last time you reviewed all your accounts with us to make sure they're working as hard as they can? It's great time of year to do so”

“Have you considered your tax-free savings options for the tax year ahead?”

“We regularly bring out new products so want to make sure you know all the options available to you. We have a great tool we can use to help you do this.”

Ways to find common ground - new tax year

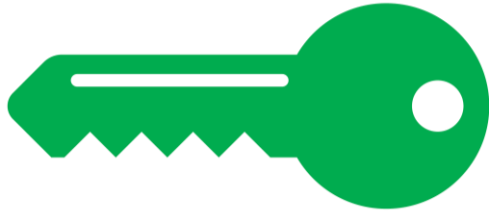
“It's the start of a new financial year. Have you got any specific financial goals for the year ahead or anything in particular you're saving for?”

“Have you thought about how you can boost your overall savings by changing your savings habits?”

“It's a new tax year so everyone has a new tax-free savings allowance to utilise.”



Building rapport and having brilliant conversations continued



Once you've opened the conversation, and found that common ground, why not try some of the following lines to take your conversation to the next stage...

“If you're looking for a home for your savings, why don't you consider a review with me?”

“Your plans sound great. Do you want to spend some time chatting about how you could reach your goal?”

“Even though the Help to Buy ISA has finished, ISAs can still provide a good home for your savings. Why not see what we can offer?”

Why not spend some time with colleagues discussing how you'll build rapport and have brilliant conversations with your customers during ISA season?

“It's great you've got plans for your savings. Have you thought about how you might start building them back up again so you can continue doing the things you enjoy?”



Some more ISA facts and figures to drop into your customer conversations. Did you know...

69%

...of all savers hold at least one ISA

59%

...of all ISAs held by ISA holders are Cash ISAs

36%

...of all ISA owners put most or all their savings into their ISA

55%

...of ISA owners search for the best deal at the start of each financial year

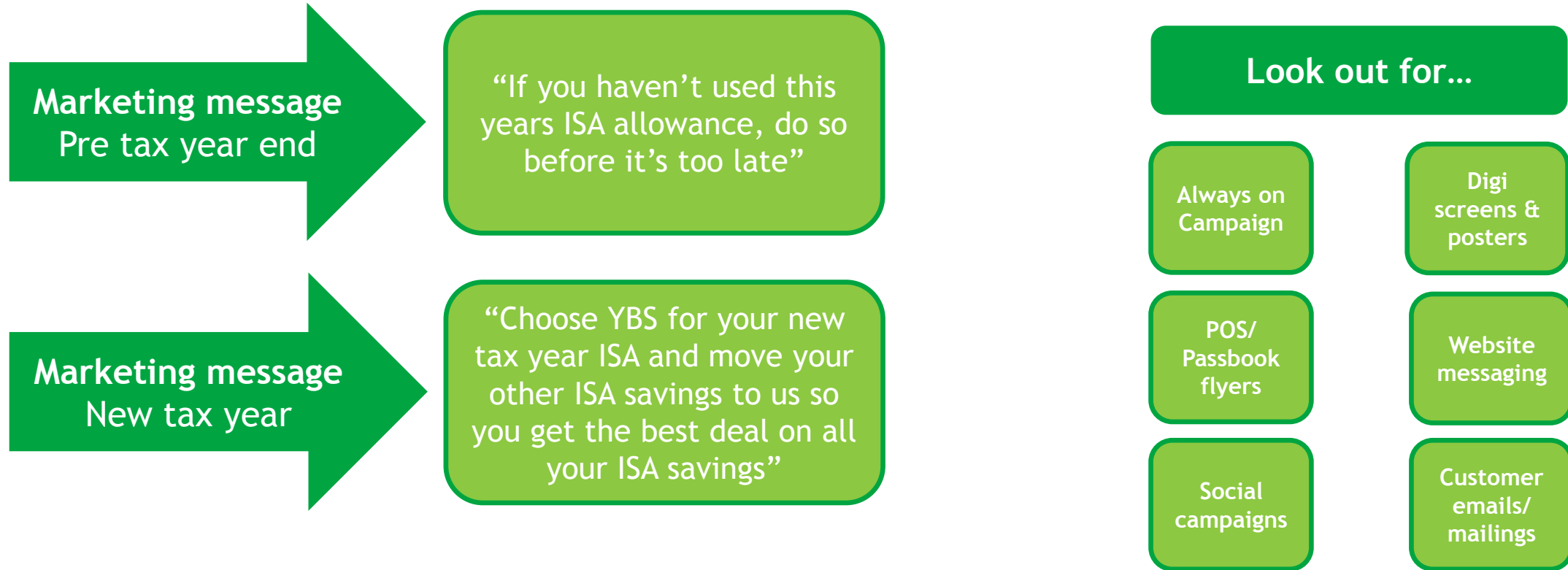
55%

...of ISA owners contribute regularly to their ISA



What can we expect from Marketing?

Overarching message: Putting the 'I' in ISAs



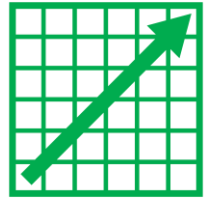
"Oh, and while you're here..."

Talking with our customers about ISAs is a great opportunity to double check that the email address and mobile number we hold for them is up to date. It's also chance to review their marketing preferences as well as to encourage them to register for our online services so they can manage their accounts on the move.



Our engagement plan of action

Keep your ISAs peeled for all the things we've got lined up over the next few weeks and months as we keep the engagement drumbeat going throughout ISA season.



Regular MI tracking updates

We'll keep you bang up to speed with how we're performing against target with regular updates in your weekly updates



Lights, Camera, Gary!

Tune into Gary's next video where you'll hear all about why he thinks ISA season is so important for YBS



Podcast-ic

Podcasts are our latest channel of choice and during ISA season you'll be able to download an ISA special where colleagues will share best practice as to what you can do to encourage customers to invest with us



The ISA Man

Look out for an Intranet interview with Savings Product Manager, Pete Lewis. We'll be putting him under the microscope to see if he knows his ISA from his elbow

And as ever there will be regular news updates whenever appropriate via the Intranet and/or your weekly communications...



Other bits and pieces to remember

Campaign materials

Watch out for newsfeeds advising when materials will be going live and expected delivery dates

Amalgamations

Please consider if a maturing account can be product transferred in Branch before opening a new account and completing an Amalgamation. Last year, several requests came through to Head Office which could have been completed in Branch.

Savings tax year-end processes

There'll be an in-depth briefing pack on Savings tax year-end processes and forms provided in late March

Any questions?

Please get in touch with Pete Lewis on plewis@ybs.co.uk