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# C&G is weathering the storm

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**Cheltenham & Gloucester**

Mortgage provider

**Turnover:** £29.4 billion

**Staff numbers:** 2,567

**Share of UK mortgage market:** eight per cent

**UK ranking:** fourth biggest lender

**Managing director:** Joy Griffiths

**CHALLENGING TIMES:**  
 Debbie McArdle, director  
 of C&G branch network  
 and Stephen Noakes,  
 marketing director

**T**HE credit crunch and a faltering economy have created a challenging market for Cheltenham & Gloucester and the UK's other mortgage providers.

But C&G's marketing director Stephen Noakes is confident that the Barnwood-based mortgage lending arm of Lloyds TSB can help its customers weather the financial storm which is sweeping the world.

"We are one of the few mortgage providers with funds to lend," said Mr Noakes. "We are in a strong position and we have the backing of Lloyds TSB." He said C&G was working closely with its customers to ensure they did not become victims of the credit crunch.

"We are closely monitoring the position with all of our customers," said Mr Noakes.

Recently C&G brought out a new product, the All-Weather Mortgage, which helps to keep options open whatever the financial climate.

There is a choice of two tracker periods with rates set at a certain level above the Bank of England base. But at any time the borrower can switch to a fixed rate deal without paying an early repayment charge.

"We've reached a crossroads in the economy where even the experts don't agree when base rates will bottom out," said Mr Noakes.

"With trackers becoming more popular, homeowners have shown they are keen to capitalise on base rate cuts but with talk of a slowdown and prices rising, it's not surprising that many still prefer to fix.

"The C&G All-Weather Mortgage gives customers the best of both worlds."

With 1,360 staff based in Gloucestershire and 2,567 nationally the C&G maintains strong local roots.

It was originally established in 1850 as the Cheltenham and Gloucestershire Permanent Mutual Benefit Building and Investment Association founded in the Belle Vue Hotel, Cheltenham. The first branch opened in Gloucester in 1896, followed by the first permanent chief office opening in Clarence Street in Cheltenham in 1899.

In 1950, C&G celebrated its centenary as the UK's 13th largest building society – with only five branches.

Growing rapidly and gaining in stature, the company opened Cheltenham House, its first purpose-built chief office in 1975, before finally moving to its current chief office premises in Barnwood, Gloucester, in 1989.

Then in 1995, after 145 years, C&G shed its mutual status and became Cheltenham & Gloucester plc, a wholly-owned subsidiary of Lloyds Bank Group, greatly enhancing the network of branches through which to sell its mortgages. Later, Lloyds merged with TSB.

C&G now ranks as the UK's fourth largest residential mortgage lender with an eight per cent share of total UK mortgage balances and some 900,000 customers.


**MD: Joy Griffiths**

"We are a very large employer in the local area and local links are important to us," said Mr Noakes. C&G supports the children's charity Barnardo's as well as several county-based charities. During last year's floods a number of C&G staff helped victims by joining a volunteer service coordinated by the Red Cross. The C&G also made a £20,000 donation to the Gloucestershire Flood Relief Fund.


**HQ: C&G offices in Barnwood**