

# WIMLU - 2015 UPDATE

## Prison for Merthyr Loan Sharks who cleaned out accounts at three minutes past midnight

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**Paul Bow, 51, and Elizabeth Powell, 48, from the Gurnos estate in Merthyr Tydfil, have been sentenced to 18 months and 12 months imprisonment respectively.**



of an industrial injury, said of Bow: "if he's got that hold on you, you know, he won't give you the card back until you pay him back what you owe him". Describing Powell, Terry said "she's like a machine, you know, give me the cards" now, give me the cards".

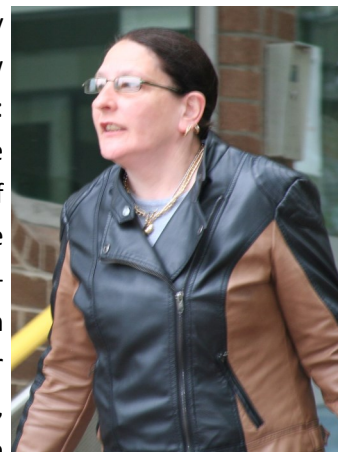
His Honour Judge Richard Twomlow, sentencing Bow and Powell, said that they had used "bullying and intimidating tactics to get payment to ensure the cycle of loansharking would continue." He described the offences as "prolonged

The loan shark lovers preyed on adults with learning difficulties in the Merthyr area.

When arrested, several Post Office cards were found at their home. It emerged that the couple were holding the cards as security for loans. Their standard terms were repayment of double the sum borrowed, with a further doubling of the repayment if any instalments were missed. The sharks would march individuals to a cash machine at three minutes past midnight on the day that money was due in their accounts. They would then take all the cash withdrawn by their victims except for a token £5, meaning that their victims had to borrow further sums from them to live on, which led to a never-ending cycle of repayments.

A support worker from the homelessness charity ADREF assisted the Saunders family\* when they were threatened with eviction, and uncovered the misery they were enduring. She encouraged them to approach the Wales Illegal Money Lending Unit to report Bow and Powell. The Saunders family all have learning difficulties, and it emerged that Bow and Powell had been preying on them for over five years. Terry Saunders, a pensioner who still suffers as a result

and calculated and mercilessly carried out." Addressing Bow and Powell, the judge said: "You claimed that you lent the money out of the goodness of your heart. In my experience this is a frequent and hypocritical comment that is often made by loan sharks. Neither of you have shown remorse, you exploited these vulnerable people through greed."



Stephen Grey, Investigations Manager for the Wales Illegal Money Lending Unit said: "This is a particularly nasty case where vulnerable people were targeted by two ruthless loan sharks. The interest rate was what is called 'double bubble'. If a payment was missed the total amount for that particular loan would double again. Bow and Powell's activities were despicable, and they now have plenty of time to think about their crimes behind bars."

\*not their real name

## **15 months prison for 'Money Man' who reduced family to surviving on potatoes.**

Meet Lenny &  
Lottie —  
see Page 3



***Gareth Jenkins, a Caerphilly man, has been sentenced to an immediate custodial sentence of 15 months at Newport Crown Court for illegal money lending. Sentencing him, His Honour Judge Michael Fitton QC told Jenkins: "you were exploiting financially vulnerable people... those subject to your control experienced intimidation and continual anxiety"***

Jenkins lent money to vulnerable adults in the Caerphilly area, who were suffering health problems, and had a very limited understanding of financial matters. They called him 'The Money Man'. Jenkins would take his victims' post office cards as security, obtain the PIN number from them, and then remove as much cash as he wanted from the accounts on the day that benefits were paid in. This exploitative lending carried on in some cases for over ten years, with Jenkins' victims losing control of their finances: some victims had no idea how much Jenkins was taking from them, as they no longer knew how much income they were receiving. Among Jenkins' victims were David and Linda\*, a couple who first borrowed £100 from Jenkins over ten years ago, and then took out a succession of loans. Jenkins took their benefit books from them as security, and later their post office cards and PINs. David said "It may sound stupid, but I fell into this trap...and then we were getting deeper and deeper into it". The couple had two children, and most weeks the family of four would be left with around £70 to £80 to live on. "We were skimping and scraping, perhaps you know we'd only have one meal a day" said Linda, explaining how they would

buy a sack of potatoes and eat only chips one day and boiled potatoes the next. The stress built up over the years, with David having a nervous breakdown and attempting suicide, and Linda attempting to commit suicide on two occasions.

Once Jenkins had been reported to WIMLU, he was arrested, and the sum of £30,680 was found in his



house. The investigating officer calculated that over a ten year period the family should have received over £132,000 in benefits, but only actually received £40,480, as Jenkins retained over £92,000.

David and Linda said "We are so grateful to WIMLU, we couldn't have gone on the way we were, our lives have completely changed."

\*not their real names



## MEET LENNY AND LOTTIE



Introducing Lenny and Lottie, the two newest members of the team. They have had an exciting first few weeks with us, visiting schools, fun days and other family events. They even put in an appearance at a Caerphilly film premiere and had their photos taken with the Mayor. Quite the celebrities ...

*We would like to attend any events/ fun days you may organise to raise awareness of Loan Sharks.*



**NATIONAL  
TRADING  
STANDARDS**  
Illegal Money Lending  
Team Wales

**Current enquiries are continuing in the following local authority areas:**

Newport

Flintshire

Rhondda Cynon Taff

Caerphilly

Swansea

**WIMLU are waiting to hear from you on 0300 123 3311 if you suspect that illegal lending is taking place in your area.**

**WIMLU 24 HOUR HOTLINE 0300 123 33 11**

## **FROM THE COURTS ...**

*WIMLU continues to act with the authority and support of the Welsh Heads of Trading Standards, and we would like to thank our Trading Standards colleagues throughout Wales for their assistance during the year.*

### **ILLEGAL LENDERS LENT CASH TO MORE THAN 400 PEOPLE ACROSS SOUTH EAST WALES**

#### **Expired Licence**

A Cardiff money lending family were caught illegally lending cash to more than 400 people across south Wales. Bernard Bloom, aged 78 and his sons John Bloom, 50, and Wayne Bloom, 56, pleaded guilty at Cardiff Crown Court to charges under the Consumer Credit Act. Bernard Bloom's company had a consumer credit licence until 2006, when it expired and wasn't renewed. From that point onwards his money-lending activities were illegal. After retiring in 2011, Bloom sold the existing debt to his two sons, who not only continued to collect the debt, but also established their own unlicensed business, continuing to use Bloom & Co documentation. The Judge made it clear that Bernard Bloom must pay a hefty price for his stupidity in ignoring his responsibility to have a licence.

#### **Proceeds of Crime**

Following their guilty pleas, WIMLU successfully recovered £100,000 through a proceeds of crime application. Bernard Bloom was ordered to pay £100,000 within six months or face two years in prison. Bloom additionally had to pay a £2,500 fine and £4,600 towards costs. His sons were sentenced to conditional discharges. Steve Grey, WIMLU manager, said that more than 400 people across south east Wales, from Barry to Cwmbran, had borrowed from the Blooms; the business was worth tens of thousands of pounds.



#### **WHO CAN REPORT A LOAN SHARK?**

**Absolutely anyone can phone in with information about a loan shark—a victim, friend of a victim, advice/support worker, local resident, police officer, neighbour etc.**

**Your phone call is in strict confidence, and you won't be asked to go to court.**

**You don't even have to give us your name—we can work on anonymous information.**

## ***FROM THE COURTS CONTINUED ...***

### **£9,500 penalties for taxi driver moonlighting as loan shark**

Leslie Ramroop, a 69 year old taxi driver from Bridgend, pleaded guilty to five charges of illegal money lending at Newport Crown Court. He was fined £3,500, and also ordered to pay £1070 in compensation and £5,000 in costs.

One of his victims said after the sentencing that he had borrowed from Ramroop “just for help with the essentials of daily life...it’s easy to say don’t, but some people don’t have a choice”

### ***Loan shark pleads guilty at Caernarfon Crown Court.***

Nondon Roy, aged 25, from Prestatyn in Denbighshire pleaded guilty to two charges of illegal money lending. Roy was sentenced to four months imprisonment (suspended for twelve months), ordered to carry out 150 hours of unpaid work, and additionally to pay £1,000 in costs. The owner of a takeaway restaurant in Prestatyn, Roy lent money without a licence at high interest rates to members of the Pakistani and Bangladeshi community. When disputes about repayment arose, Roy even attempted to



## ***PENDING PROSECUTIONS ...***

A south Wales man has been charged with illegal money lending, theft, fraud, witness intimidation and perverting the course of justice. The case is listed for a two and a half week trial in November.

### ***Financial Inclusion Strategy***

WIMLU continues to value the support of the Welsh Government. The Minister for Communities and Tackling Poverty has agreed to refresh the Financial Inclusion Strategy, and has asked WIMLU to join the advisory group working on the strategy revision. Loan sharks are prevalent in the most financially excluded communities in Wales, so this is an excellent opportunity for the unit to make sure that the loan shark problem is kept at the heart of the Welsh Government’s Tackling Poverty agenda.



## IN THE COMMUNITIES ...

### Stop Loan Sharks Champions Awards 2015

*These awards celebrate the fantastic work being done in our communities to help prosecute loan sharks and write off illegal debt. WIMLU manager Stephen Grey was delighted with the impressive entries from our partner agencies this year, and six teams were awarded £1,000 to spend on raising awareness of illegal money lending. The awards were funded by cash confiscated from convicted loan sharks.*

- ◆ Caerphilly and Blaenau Gwent CAB won the award for their partnership working with WIMLU in all their training courses relating to financial exclusion/capability as well as referring two new cases to WIMLU and supporting the victims in these cases. Their £1000 will be spent on devising a role-play to be used at Communities First run youth clubs to illustrate the nature and reality of illegal lending.
- ◆ RCT Citizens' Advice Bureau scooped the award for arranging training for all staff and volunteers and for supporting victims in WIMLU cases. The £1000 will be spent running a month long publicity campaign with clients and partner organisations, working with WIMLU and RCT Trading Standards.
- ◆ Stephanie Howells, Support Worker for Gwalia Housing, and her colleagues won an award for referring a case to WIMLU and offering support to victims. The prize money will be spent on arranging client inclusion events promoting WIMLU and ensuring promotion of WIMLU at other local events.
- ◆ Housing Services at Ynys Mon County Council were winners for raising awareness within council departments and arranging for WIMLU to run training sessions for staff and partner organisations. They have also raised awareness at a succession of public events and in newsletters distributed to 3800 homes. The £1000 will be spent on a campaign 'Scared of the cost of Christmas?' aimed at workless families.



- ◆ Community Housing Cymru won their award for producing radio and TV advertisements in partnership with WIMLU, launched at a high profile event at the Senedd. The prize money will be spent on a shark costume and promotional materials for events and roadshows.
- ◆ Caerphilly Supporting People Team were chosen as winners for their promotional events throughout Caerphilly County Council and arranging for the Wales Illegal Money Lending Unit (WIMLU) to train a high percentage of relevant staff and supporting WIMLU victims. Their prize money has been spent on making a short film about illegal lending, WIMLU and affordable credit. The film, 'Unusual Suspects', tells the hard-hitting stories of two people who make the mistake of accepting 'help' from unlicensed lenders, leading to heartbreak and terror. The film was given a high profile red carpet premiere at Maxime's cinema in Blackwood, and can be seen on the following link:

<https://www.youtube.com/watch?v=qkhh3cl2UK8>

# Financial Education

WIMLU has used funds confiscated from loan sharks to develop teaching materials to educate children and young people about the dangers of loan sharks, and also to help them manage their money wisely, so that they can avoid financial problems in the future.



The packs have been developed and piloted with a number of schools and have been awarded the pfeg quality mark. They are available in both English and Welsh language versions.

One pack is suitable for 5-11 year olds, and the other is aimed at 11-19 year olds. They encourage young people to think about their needs and wants, to consider budgeting, and to develop an understanding of credit. Activities can be incorporated into Maths, numeracy, literacy, drama, or PSE. The issue of loan sharks is addressed in a sensitive and age-appropriate way; an engaging cartoon aimed at younger children tells the story of what happens when Mr Penguin borrows money from Mr

Finn...

There is also interest in the materials from prisons, special needs teachers, youth groups, and adult numeracy instructors.

WIMLU held a series of launch events in schools across Wales during March, which included a visit to Fitzalan High School in Cardiff by Lesley Griffiths, the Minister for Communities and Tackling Poverty. Further events have taken place in Swansea, Conwy, Ceredigion, Pembrokeshire, Carmarthenshire, and Powys.

The head of Maths at Milford Haven School said: "It's becoming evident that children need to be more financially aware, in order to avoid money-related pitfalls later in life."



After this presentation on loan sharks, we will develop the theme further within the school." One of his twelve year old pupils added: "It was fun to learn about it so that in the future we know not to make the same mistakes".

Unit manager Steve Grey said: "WIMLU is very keen to use proceeds of crime money to the best effect – and what better way than to enhance the financial capability skills of children and young people?"

## Financial Education Continued ...



The materials can be downloaded from  
[www.cardiff.gov.uk/WIMLU](http://www.cardiff.gov.uk/WIMLU)

Further Information and printed copies of the materials can be obtained by contacting WIMLU on 02920 871090 or

Email: [imlu@cardiff.gov.uk](mailto:imlu@cardiff.gov.uk)

## Information and intelligence

All WIMLU's investigations start with information received about suspected illegal lending. Sometimes there is uncertainty about the sort of information that can be given to the unit, so our investigators have put together some useful guidance. Manager Stephen Grey says:

"First of all, it doesn't matter if you don't have ALL the information about a loan shark! Our cases usually start with a tip-off, like the nickname of the lender or the area of the community which she/he operates in. It's helpful if you can give us extra details, like an address, car registration, or collection methods, but we can start an investigation with surprisingly little information – just phone our hotline on **0300 123 33 11**, and have a chat with one of the team about your concerns, and don't worry about giving us your name if you'd rather not do so; we can act on information received from anonymous callers."

Stephen says that WIMLU has current investigations which have originated from a wide range of sources: advice workers, local residents, police officers, and victims themselves. He emphasizes: "the important message is that absolutely anyone can phone in with information about suspected loan shark activity. Don't hesitate – **our 0300 123 33 11 hotline is open 24/7, and you will get straight through to one of the team.**"

### Prisons

In addition to the continued programme of providing training in loan shark awareness in Welsh prisons, WIMLU have launched an initiative in partnership with HMP Cardiff.

There are now freephones on each landing in HMP Cardiff to enable inmates to report loan sharks. It is hoped that this scheme can be introduced into other Welsh prisons.

### **Facebook**

Make sure you keep in touch with all the activities and news from WIMLU on our Facebook page!

**[www.facebook.com/stoploansharkswales](http://www.facebook.com/stoploansharkswales)**



## CLIENT LIAISON OFFICERS:

As more and more loan shark investigations are pursued across Wales, Ryan and Elizabeth have welcomed the appointment of Chrissie as a third Client Liaison Officer. The three CLOs offer support to loan shark victims, who may have a wide range of problems including debt, health or accommodation. There's no such thing as a typical day for the CLOs: they may be advising a victim about a housing transfer, assisting with a benefit claim, or arranging a referral for debt advice. Their work takes them all over Wales, and they have built up a fantastic network of partner agencies in every region, to make sure that loan shark victims are given the best possible assistance wherever they are.



## HOW TO SPOT A LOAN SHARK

Ryan, Chrissie and Elizabeth are often asked by support workers and other frontline staff how to spot the signs that one of their clients has been targeted by a loan shark. After all, it can be very embarrassing or even frightening for people to admit that they have borrowed money from an illegal lender.



So the CLOs have put together some useful indicators to look out for:

### Does your client:

- \* owe money to 'friends or family'?
- \* have little or no paperwork relating to this loan?
- \* still have their bank or post office card, or has it been taken as 'security' against the loan?

These are just some of the signs to look out for, and the CLOs are happy to offer in depth training to support/advice workers, volunteers, or any group which might benefit from further awareness-raising. Sessions are free of charge, and will be tailored to the specific needs of each organisation, so that you will feel confident that you understand the nature of loan shark activity, how to identify it, and what to do if you suspect it's going on. **Phone 02920 871090** and ask any of the CLOs about free training, or email [imlu@cardiff.gov.uk](mailto:imlu@cardiff.gov.uk)

*If you feel your organisation could benefit from this sort of input, please do not hesitate to contact Ryan, Chrissie or Elizabeth on: 02920 871090*

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**Are you a loan shark victim?**  
**A ydych chi'n dioddef oherwydd siarcod benthyg arian?**

If you've been a loan shark victim or know a victim, call our **24 hour hotline** for help and advice in the strictest confidence.

Os ydych chi wedi dioddef oherwydd usuriwr neu'n gwybod am rywun arall sydd wedi dioddef, ffoniwch ein **lllinell 24 awr** am gymorth a chyngor yn gyfrinachol.

**0300 123 33 11**



/stoploansharkswales

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