

StopLoanSharks National Newsletter

Loan shark guilty of “exploitation, extortion and profiteering” imprisoned



**Sarah-Jane
Dixon**

A woman who operated as an illegal money lender for more than seven and half years was sentenced to 45 months in prison following a hearing at Wolverhampton Crown Court.

Sarah-Jane Dixon, 34 was investigated by the England Team, working in partnership

with Wolverhampton Trading Standards. At an earlier hearing she admitted eight counts of illegal money lending in relation to the lucrative unlicensed business she ran from her home in Cannock Road, Wednesfield.

Dixon came to the Team’s attention via reports from West Midlands Police, that she was operating as a loan shark.

In November last year she was arrested and charged on the same day after the Team executed a warrant seizing £9000 in cash from various locations throughout her home.

They also discovered a number of loan books with recordings of the loans given out and payments back.

The loan book which Dixon told IMLT officers was her most recent was valued in excess of £100,000 in terms of payments back. The other three were valued between £79,000 and £110,000.

The figures, although not complete, showed that loan amounts ranged from £50 to more than

Consumer Minister Edward Davey said: "Loan sharks are contemptible. I congratulate the hard work of the Illegal Money Lending team and Wolverhampton Trading Standards in bringing justice and I hope that anyone with further information on loan sharks contacts the team - this conviction shows that these criminal practices will not be tolerated."

£30,000. Most people were paying back around double the amount borrowed. Penalty charges of up to £600 were added for late payments.

One victim had borrowed a total around £15,000 from Dixon over the years, yet paid back around four times this amount.

The court heard how Dixon lent to people within her local community who often found it difficult to access credit through legitimate means. She was known to retain bank and post office cards, along with pin numbers, and withdraw all or nearly all of the money in victim’s accounts, leaving them with barely anything to get by on.

Many of her borrowers handed their cards over as they were frightened of her reputation.

Upon sentencing Dixon, Judge Nawaz said Dixon was guilty of “exploitation, extortion and profiteering”

A further financial investigation is currently underway looking into profit’s which Dixon made illegally, with a hearing set for February 2012

Wales Team convict loan shark landlord



**Derrick
Desmond
Morgan**

The Wales Team obtained a conviction against Derrick Desmond Morgan aged 53 of Parc Newydd, Briton Ferry at Swansea Crown Court. Mr Morgan was a Private Landlord of some 23 properties in the Neath area. He openly advertised and specialised in rentals to DSS claimants.

The manner of his lending was generally to lend to tenants, who on moving into a property, would be required to pay a bond up front. As most of his tenants were financially excluded the bond would be loaned to them by Morgan. No paperwork was given to the tenants and no records kept how much they had repaid. Morgan would continue taking the money from them and only stopped if the tenant challenged him over the amount they had already repaid.

Intelligence suggested that Morgan would keep the tenants' benefit cards, as security and totally control their finances, claiming housing benefit on their

behalf. He controlled their bank accounts and arranged for all monies to be paid direct to him. He would enforce his actions by threats and intimidation which included throwing people out onto the street when they were non compliant.

It became clear that the intelligence was correct with examples of tenants borrowing a bond of £350 and repaying £30 a week over 12 months, making a total repayment of £1560 with an A.P.R. of 5682.8%.

From interviews conducted with witnesses it became clear that Morgan controlled every aspect of their lives. It was clear that he intercepted their mail as quantities of unopened mail were recovered during search. He had control of their bank accounts, including PIN numbers which were recorded on documents also recovered during search.

On 13th August this year, Morgan pleaded guilty to two counts of illegal money lending, three counts of benefit fraud and one count of perverting the course of justice. He was sentenced to a term of 12 months imprisonment

Scottish loan shark ordered to pay up

Convicted loan shark Colin Morrison, 46 from the East End of Glasgow was ordered to pay back more than £7500 following a proceeds of crime hearing in August. Morrison was sentenced to 15 months in prison after pleading guilty to illegal money lending at a hearing earlier this year. Morrison operated his unlicensed business for six years, in the Shettleston and Sandyhills areas of Glasgow.

He charged interest up to an exorbitant 719214% APR with victims paying back the balance in a very short space of time. He often preyed on vulnerable

people leaving them with little money to live on.

When the Scotland Team executed warrants at Morrison's home in March 2010, they seized £7230 in cash. A further £13,000 was found in bank accounts belonging to Morrison, despite the fact he was unemployed and claiming benefits.



Colin Morrison

Crackdown on illegal money lenders

- Jagdev Singh Dhillon, 56 from Havering appeared at Snaresbrook Crown Court having pleaded guilty to charges of illegal money lending and money laundering, at an earlier hearing. He was sentenced to 12 months in prison, suspended for 12 months; along with an order to complete 200 hours of unpaid work and pay back £5000 in costs.

During a search of his home in Nelmes Way, Hornchurch, a diary was found which detailed loans to several people. The records showed thousands of pounds had been lent to borrowers. One victim claims she paid back more than £7000 after taking out a £1500 loan. The court heard how victims were made to hand over cheques as security on loans, often for thousands of pounds. A further financial investigation is now underway to determine how much profit Dhillon made illegally.

- Darren Reynolds, 45 who operated in and around Plumstead, East London was sentenced to three months imprisonment and ordered to complete 200 hours of unpaid work. He was convicted of illegal money lending and money laundering following a two day trial. He was also found to be in breach of a previous suspended sentence.

Reynolds retained borrowers' bank cards and doubled the amount owed if a payment was missed. When victims were close to repaying their loan he would call to offer another. One victim repaid more than £2000 after borrowing £50 to be told she still owed another £2100.

- At a hearing at Newcastle Crown Court, David Freeman, 52 was ordered to pay a £250 fine plus £100 in costs, in addition to forfeiting £4500 which was seized by the North East Team during the investigation. During the search the Team found the cash along with complex loan books, which would indicate that Freeman had loaned money to around 70 people.
- Lolita Reyes 54, from Enfield in London was sentenced to six months in prison suspended for two years, and ordered to complete 150 hours of unpaid work. She admitted running an illegal money lending business for more than six years from her home. During a warrant, executed by the London Team, 10 passports were found.

Reyes admitted making borrowers lodge the passports with her 'as security' on her illegal loans, as she had no legitimate means of ensuring they paid back the amount she wanted.

As well as passports; notebooks, a diary and other documentation containing names and amounts, was seized as evidence of her illegal business. Reyes's mobile phone was found to contain text messages, demanding payment from her borrowers.

- Alison King, 48 appeared at Luton Crown Court less than three weeks after her son Gary King, 28 was convicted of running an illegal money lending business and sentenced to 10 months imprisonment. She was charged with possession of Class B drugs and a firearm, and sentenced to 60 hours unpaid work following an investigation by the England Team. She was originally charged with illegal money lending but these charges were later dropped. She was also ordered to pay £100 in costs.
- Maurice Saggors 52 from the Waltham Cross area of Hertfordshire pleaded guilty to illegal money lending and acquiring criminal property just before he was due to stand trial at St Albans Crown Court. He was arrested after the Team received information from the Police before executing a warrant at his home. They seized and removed a number of documents; including cashbooks which showed illegal loans had been dealt out to around 26 people. He will be sentenced later this month.
- A 40 year old man from Romford in Havering has been charged with illegal money lending and blackmail following an investigation by the England Team. He is next due to appear at Basildon Crown Court in November for a plea and case management hearing.
- A 35 year old man from Bishops Stortford in Hertfordshire has been charged with illegal money lending and money laundering following an investigation by the England Team. He is due to make his second appearance at North and East Hertfordshire Magistrates Court in October.
- A 38 year old man from Cumbria has been

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- charged with illegal money lending, two counts of money laundering and possession of a class B drug, following an investigation by the England Team. He pleaded guilty to the drug offence at the first hearing, but proceedings are ongoing for the other offences. He is next due to appear at Carlisle Crown Court in October for a plea and case management hearing.
- A 33 year old from Liverpool has been charged with illegal money lending, money laundering and possession of cocaine and cannabis with intent to supply following a joint investigation by the England Team and Merseyside Police. He is due to make his second appearance at Liverpool Magistrates in November.
 - A man aged 50 from Swindon has been charged with illegal money lending and money laundering following an investigation by the England Team. He is due to appear at Swindon Magistrates in October.
 - Court proceedings are ongoing for cases in Kings Lynn, Preston, Stoke, Surrey and London.
 - Warrants were executed and arrests made in Birmingham, Essex, Oldham, Southampton, Bury, the Wirral, Rochdale and West Yorkshire.

England Team appeal for Community Advocates

The England Team are appealing for local community members to help raise awareness of the dangers of borrowing from loan sharks.

The Team are launching the Community Advocates scheme aimed at volunteers, neighbourhood watch groups, credit union volunteers, tenant groups, returnees to work, parents groups and any other group of people wishing to make a difference.

Advocates will be offered a free half day training course which will enable them to describe the tell tale signs of loan shark activity, identify the needs of victims and understand why they use loan sharks. They will then work with the Team to develop an action plan which will help protect their community, by warning people of the dangers and promoting the alternatives.

In the North West housing provider Riverside, became one of the first organisations to sign up for the scheme. Tenants from Kensington, Dovecot, Sefton, North Liverpool and St Helens learnt about the dangers.

Laura Bostock, financial inclusion project manager from Riverside, said: "The community advocates scheme is a great way of increasing awareness of illegal money lending in communities across the country. The Riverside tenants who undertook the training found it really useful and are now more aware of the tell tale signs of loan sharks and know where to point their friends and neighbours if they need advice and support."

AKSA housing who work predominately with Asian communities in Oldham were also involved. The organisation worked in partnership with the Team to look at effective ways of targeting their tenants.

As a follow up, they reproduced awareness raising leaflets in three different languages to ensure the information was accessible to everyone. Tenants were encouraged to contact a Financial Inclusion Officer at the organisation who was able to translate and report directly to the England Illegal Money Lending Team.

Anyone interested in becoming an advocate should contact England Team, LIAISE manager Catherine.wohlers@birmingham.gov.uk

Facebook and You Tube appeal launched

An online campaign has been launched to encourage victims of loan sharks to seek help.

The Project's Facebook page offers an innovative new way for victims to contact the Teams.

The page also features information about the Project, and signs to look out for which would help people spot loan sharks. It will include updates from the Teams and information and photographs relating to upcoming and past community events.

The page will run alongside the Projects, Twitter site and a brand new You Tube channel, featuring victim's real life stories, which highlight how harrowing experiences with illegal money lenders can be.

Find us on Facebook:

www.facebook.com/stoploansharksproject

Follow us on Twitter:

www.twitter.com/loansharknews

Subscribe to our You Tube Channel:

www.youtube.com/stoploansharks

SIMLU Information Sessions

The Scottish Team provided information sessions for the staff at Job Centre Plus in Gellatly Street, Dundee, NHS Greater Glasgow & Clyde Healthier, Wealthier Children Project & Berwickshire Housing Association in the South of Scotland. This is part of the Scottish Team's continued work to raise awareness of the dangers of loan sharks across all areas of Scotland.

If you are interested in hosting information sessions for your staff and/or volunteers or are looking for some one to come along to your team meetings to discuss the issues of loan sharks please call 0141 276 0645.

Launch Events



Partner agencies discuss the issue at the North Tyneside Launch

The England Team have hosted launch events in Northamptonshire, North Tyneside, South Tyneside and Croydon. In North Tyneside Elected Mayor for North Tyneside, Mrs Linda Arkley attended the launch the Riverside Children's Centre in North Shields.

Mrs Arkley was joined by North Tyneside Council staff, including those who work with vulnerable adults and young families, across the borough.

In Northamptonshire staff from various local organisations including Northampton Credit Union, CAB, Job Centre Plus, Children's Centres, Community Safety Partners, NHS, Welfare and Benefit Services, Community Law Services, Longhurst Housing and the Money Advice Service, attended an event to mark the renewal of the county council's agreement with the Team.

In South Tyneside the event was well attended, with ITV television and other local media covering the launch.

Future events are planned in Bath on Wednesday 26th October and Middlesbrough on Friday 28th October.

Cheryl Wells,
Senior Trading Standards Officer at Thurrock Council with Sid the Shark



TFest in Thurrock

Representatives from the England Team and Thurrock Trading Standards attended TFest musical festival in Thurrock to offer information and advice to visitors. The Team hosted a stall in the One Thurrock Tent, focused around building stronger communities. The Team launched in the area in October last year, and their involvement in this event forms part of the ongoing work here.

Money Makeover Event- Birmingham

The England Team sponsored a free money makeover event in Birmingham City Centre in August.

Working in partnership with Birmingham City Council’s Financial Inclusion Partnership the Team were involved in a fun-packed day with a serious message.

There were games and activities for kids and ‘Sid’, the Team’s shark mascot, made an appearance. Meanwhile representatives from various agencies were able to offer information and expert advice.



The Lord Mayor of Birmingham, Councillor Anita Ward, with Sid the Shark.

SIMLU at the University of Dundee’s Fresher’s Fair



The Scottish Team recently attended the University of Dundee’s Fresher’s Fair providing information on loan sharks to students new and old.

The Scottish Team has been working closely with the student union and the Student Funding Service to promote the dangers that borrowing money from a loan shark entails and will continue this partnership in the coming months.

from L to R, Sharon Sweeney (Student Funding Officer), Fiona Watt (Student Funding Unit) John Pollock (Scottish Team)

Campaign in Norfolk

The England Team worked in partnership with Norfolk Trading Standards and Cotman Housing to launch a campaign to target loan sharks in Norwich. Over the coming months the Team will;

- Host free Community Advocate sessions for young parents, adults over 60 and any other resident groups who are interested in learning more about the issue, and how they can help to raise awareness locally.
- Distribute leaflets, with information about reporting loan sharks, to properties across Bowthorpe. A voucher allowing residents to open a credit union account will be included with the leaflet, to encourage people to turn to

legal financial services instead of loan sharks.

- Host training sessions for staff at Cotman Housing and other housing associations. Sessions will also be held for Police Officers and staff at Surestart Children's Centres.
- Display banners, posters and other publicity material throughout the community.
- Work in two local schools, Ormiston Academy and Cotessey Junior, teaching children about the issue, and encouraging them to avoid illegal money lenders in adult life.
- Attend a community funday offering information and advice.

LG Group Annual Conference

Representatives from the England Team attended the Local Government Group Annual Conference in June. The Team held an exhibition stall at the event and offered information about the work of the Project to attendees across three days.

Association of Scottish Neighbourhood Watches AGM

The Scottish Team recently attended the Association of Scottish Neighbourhood Watches AGM which was held in Glasgow. This gave the unit an opportunity to speak to delegates who represent areas across Scotland that could be vulnerable to loan sharks. The event was well attended and proved to be a useful day for the Scottish Team's staff.

Partnership work with North Yorkshire Credit Union

The England Team joined forces with North Yorkshire Credit Union in a bid to deter people away from callous loan sharks, and encourage them to start saving instead.

Using money confiscated from a convicted loan shark, the Team sponsored a quiz, which was won by Gemma from Eastfield. Gemma received a £50 prize in a North Yorkshire Credit Union Christmas Account.

Work with CABs

The England Team have hosted enhanced training sessions for CAB staff across the country. The staff may come across victims of illegal money lenders, as they deal with the public on a daily basis. Through the sessions they are shown how to spot the key signs, and support the victims as they get help.

Work with landlords in Barrow

The England Team, hosted a presentation for bar staff at the Barrow Barwatch meeting, which explained how illegal lenders operate and what help is available for those who fall victim.

They also worked alongside Barrow Crime and Disorder Partnership, to distribute 5000 beer mats with the Teams contact details, throughout the city's pubs and bars.

Campaign to tackle loan sharks in Southampton

The England Team are working alongside local partners including Southampton City Council Trading Standards, Hampshire Police and several housing providers to run a campaign to tackle loan sharks in Southampton.

Over the coming months, the Team will be hosting training sessions for frontline staff at each of the organisations, which outline exactly what a loan shark is.

The Team are also involved in Southampton City Council's Child Poverty Strategy, which addresses all areas which affect a child's well being. As part of this strategy the Team will be visiting homes throughout Southampton, offering information and advice.

Door knocking in Blackbird Leys

Working in partnership with Oxfordshire County Council Trading Standards, the England Team were joined by officers from Thames Valley Police and A2 Dominion Housing, as they visited more than 750 homes in the Blackbird Leys area of Oxford offering information and advice to residents.

Loan Shark Awareness Month- Knowsley

Working in partnership with Knowsley Housing Trust and Knowsley Council Trading Standards, the England Team have launched an awareness raising month. Throughout September the Team will be;

- Hosting free Community Advocate sessions for any resident groups who are interested in learning more about the issue.
- Distributing leaflets, with information about where to report a loan shark, to more than 2000 properties in Kirkby and Huyton.
- Training frontline staff at Knowsley Housing Trust and other local organisations how to spot an illegal money lender or a victim of an illegal money lender, in order for them to support their clients.
- Displaying banners, posters and other publicity material throughout the community including magnetic strips on KHT vehicles.
- Working with local primary schools, to teach children about the dangers of borrowing from illegal money lenders.

In October the Team will launch an awareness raising month in Stockport.



Warrington Campaign

A campaign has been launched to target loan sharks in Warrington. Across the coming months the England Team are working in partnership with Warrington Borough Council Trading Standards and other local partners;

- Hosting free Community Advocate sessions for any resident groups who are interested in learning more about the issue, and how they can help to raise awareness locally.
- Working with pubs and bars to raise awareness with customers.
- Distributing leaflets, with information about reporting loan sharks, to properties across Warrington.
- Working with local primary schools to teach children about the dangers of loan sharks.
- Speaking to staff in the Council, at Housing Associations and at Job Centre Plus, ensuring they are aware of the dangers of illegal money lenders, should they come across victims in their day to day work.
- Hosting training sessions for staff at Surestart Children's Centres.
- Displaying banners, posters and other publicity material throughout the community.

Partnership work in Buckinghamshire.

In Buckinghamshire the England Team delivered to a core group including, Children's Centre managers, Social Services, Family Information Officers and members of Buckinghamshire County Council's Child Poverty Team who deal with young people and their families across Buckinghamshire.

It was received so well that three more partnership events have now been planned for later in the year

Summer fun event- Nottinghamshire

The Teams mascot 'Sid' made an appearance at Ashford District Council's Summer Fun Event. Representatives from the Team were available alongside officers from East Midlands Housing to offer information and advice.



Latest stats

To date across the Stop Loan Sharks Project:

- Over 1,700 illegal money lenders have been identified
- Over 500 illegal money lenders have been arrested.
- Almost £40 million worth of illegal debts have been written off.
- Over 190 prosecutions have been secured for illegal money lending and related offences, resulting in prison sentencing totalling more than 117 years plus an indefinite sentence for public protection.
- Over 16,000 victims of illegal money lenders have been helped by the team. These include some of the most hard to reach individuals
- Over £27 million of assets are being investigated (under POCA) with the intention of removing these from illegal lender
- Over 700 victims have been referred to alternate (legal) sources of financial support



To report a loan shark:

Call the **24/7 confidential hotline 0300 555 2222**

Text **'loan shark + your message'** to **60003**

E-mail **reportaloanshark@stoploansharks.gov.uk**

Log-on to **www.direct.gov.uk/stoploansharks**

Twitter **www.twitter.com/loansharknews**



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