



# City Insider: Welby vs Wonga

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## **Church credit union: Welby vs Wonga**

An early Christmas present may be en route to Archbishop Justin Welby, pictured below. Word has it that the Financial Conduct Authority has finally found the time — in among the regulator’s embarrassing gaffes, cancelled bonuses and the rest — to grant approval to the Church of England’s big sally into financial services.

The Churches’ Mutual Credit Union is set to get regulatory approval before the end of the year, City Insider gathers. About time. The church has wanted to create its own credit union — a mutual not-for-profit savings and loans institution — since 2008. Approval for the CMCU had been due by this summer but apparently something more important came up at the FCA.

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The latest info on the credit union’s website says “various

savings and loans products” will be rolled out by December 31. Top of the list is a “short-term loan” of “£250-£2000” with a typical 26.82 per cent APR. Pricey yes, but a far cry from Wonga’s normal 5,853 per cent. Soon the archbishop may be able to fulfil his old threat to compete payday lenders “out of existence”. One snag — you have to work for the church to use the CMCU. Goodwill to (some) men.

### **Co-operative Bank: Ex-con trick**

A U-turn at the Co-Op Bank. The struggling lender has written to some of its former prisoner clients. It’s terminating their accounts because of “a change in our risk appetite”.

Letters went out recently to about 400 individuals. The Co-op’s ethical business model once extended to actively signing up prison inmates. This generated decent publicity — and a decent slug of business. Steve Dagworthy, a senior bod at [Prison Consultants](#), which coaches white-collar convicts in how to cope with prison, told City Insider: “One of the root causes of recidivism is the inability to function normally, including having a basic bank account. Yet all the ex-prisoners that I know have had their bank accounts closed in this way. It is a pity that they are now paying for the Co-op’s mistakes as well as their own.”

The Co-op is grappling with a capital black hole following multiple scandals. City Insider wonders what the bank of choice is for former chairman Paul Flowers, the disgraced church minister dubbed the “Crystal Methodist”. The reverend pleaded guilty in May to possession of class A drugs. But he was handed a modest fine, rather than a prison sentence. That should have kept him off the Co-op’s customer blacklist. Maybe.

### **Daniel Stewart: Down the hatch**

Sad to report — City Insider’s prediction of a couple of months ago has come to pass. Thursday night’s “Champagne Odyssey” Christmas do thrown by broker [Daniel Stewart](#) was a chance to drown sorrows rather than celebrate. Friday will be the firm’s last day as an authorised [nominated adviser](#) to Aim companies, after mounting pressure from regulators.

### **Mary-Anne Daly: Shaking it up**

Pulses were racing among the septuagenarians at Cazenove’s private wealth management bash at the British Museum this week. Mary-Anne Daly, who heads the group, took to the stage in a risqué sleeveless black cocktail dress. Specs set back on immaculately coiffed blonde hair, Daly — 27 years of experience in investment and banking — cut a glamorous figure. It’s probably part of the mission to shake up the fusty old Cazenove brand now fused with Schroders. Just so long as she doesn’t bump the clients off with heart attacks.