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England Illegal Money Lending Team

This presentation contains subjects that may cause upset such as
references to self harm, suicide and criminal activities

So What is an Illegal Money Lender (IML)?

- The definition of an IML (more commonly known as a loan shark) is someone who lends money in the course of a trade or business without the correct permission to do so from the Financial Conduct Authority (FCA) and to lend money illegally in the UK is a criminal offence
- It has nothing to do with a high APR or interest rate or default fees that are being charged
- It has nothing to do with the intimidation, harassment, threats or worse that the IML uses to enforce payment
- It is simply that they **don't** have the correct permission and authority of the Financial Conduct Authority to lend money
- The search facility on the FCA website can be used by anyone to check and see if a lender is authorised and has that permission to lend money legally and if they haven't, then report them to us so that we can investigate them further.

So What Are The Effects Of The High Interest Rates That IML's Charge – These Are All True Stories



- One young mum borrowed £75 to buy school uniforms for her kids and paid back over £30,000 in 5 years and tried several times to take her own life



- One young man borrowed £250 off a guy in the pub to buy his mates car and paid back over £90,000 over 22 years and was referred into us by the Samaritans



- One couple borrowed £300 to pay a vets bill and paid back over £30,000 in just over 3 years and the gentleman who is wheelchair bound was hospitalised by the IML

- **TACTICS USED BY LOAN SHARKS**



News

**'Loan shark
made me dig
my own grave'**

CONTRACTURAL AGREEMENT BETWEEN MR xxxxxx (IML) AND MS xxxxx (Victim)

By signing below you acknowledge that you have read this document, the loan advertisement, all subsequent emails by Mr XX and that you fully understand the nature of the loan agreement.

Mr X agrees to lend Ms X the sum of £25,000 for a period of 52 weeks. In return Ms X agrees to the following conditions:

A repayment of £250 will be paid to Mr X by Ms X every week for 52 weeks (total £13000) when the remaining £12,000 will be paid in full. Should there be a default on any payment then interest of 25% of the loan will be added for every missed payment ie: £6250.

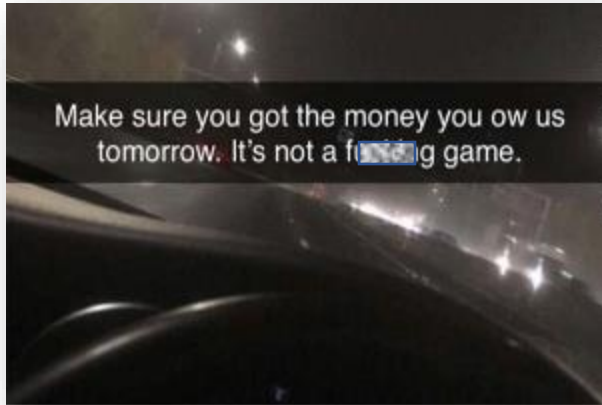
Interest on the loan capital will also be rendered in kind with Ms X agreeing to provide sexual gratification for Mr X and satisfy all his other needs and desires.

Ms X does agree to photographs being taken during sexual liaison with Mr X and held as security against future loan repayments. Should there be a missed payment Mr X will make these photos public.

Ms X also agrees to surrendering her passport into the possession of Mr X for the duration of the loan

Signed Mr X

Signed..... Ms X.



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–The Snapchat illegal lender

- Business student at University
- Paid an influencer to advertise his loans on Snapchat
- Never met any of his victims
- Asked for photos of ID, benefit entitlement and front door
- Used Snapchat to threaten victims – showing his location to be near to their house
- Charged 100%, pay within a month
- Berkshire victim had threats to burn his house down after being charged £7,000 for a £1,000 loan
- Sentenced to 16 months imprisonment

So How Can You Now Transfer This
Knowledge Into Helping Your Service Users,
Your Clients, Your Family & Your Friends

Uncovering a potential borrower (or illegal money lender) is all about taking the knowledge and converting it into a conversation, having the CONFIDENCE to ask the difficult questions, then exploring the answers and also by helping people overcome their fears and barriers about the situation that they find themselves in as on average it takes a borrower 3.5 years to tell anyone that they are in debt to a loan shark

Below Is An Example Of A Question Which Can Then Lead Into A Conversation

- “So what has happened that has caused you to ask for help”;
- from a foodbank/to manage your debts/to ask for a loan or a grant or a payment from a hardship fund/with topping up your gas and electric meters/with paying your bills/with putting food on your table/because your money isn’t stretching far enough?
- **A great follow on question to ask is “are you in this situation because you owe money to someone and you’re having to pay them back?”**
- And for those that say YES, then explore this some more by asking the questions on the following slide;

Great Follow Up Questions To Ask Are

- How much did you borrow? How much are you paying back? How often are you paying this and how long have you been paying for? How many times have you borrowed money off this person?
- Do you know if that person is lending money to other people?
- How do you make your payments?
- Have they taken anything off you as security against the loan e.g. driving licence, passport, bank card, jewellery or anything else?
- How well do you know this person and how did you meet them?
- **What happens if you miss a payment?**



OFFICIAL

What Happens Next?

- As soon as you suspect that your client is in debt to a potential loan shark, then the client should be encouraged (with you present) to speak to us immediately for help, advise and an initial assessment either by phoning our 24/7 Helpline on 0300 555 2222 or via our Live Chat on our website www.stoploansharks.co.uk between 09:00 – 17:00 on Monday's to Friday's inclusive
- If the borrower insists that they do not want to contact us there and then, then they are to be provided with our contact details and encouraged to contact us as soon as possible
- The borrower, whenever they contact us, will receive help and assistance and they can always withhold their personal details and then decide what they want to happen next
- The most important point to remember is that if the borrower does nothing, then they will continue to pay the loan shark and will also continue to be abused by them. **If they change nothing then nothing changes.**

So Why Is Reporting An IML Or A Person Affected By Them So Important?

- **IT'S ABOUT THE PROTECTION & SAFEGUARDING of victims**
- 81% of them are in a state of worry, stress, depression
- **31% of them told us that they had considered suicide due to being involved with an IML**
- **14% of them had attempted suicide due to being involved with an IML**
- 31% of them had been abused/harmed/threatened prior to our intervention including nearly 10% being forced into providing sexual favours as part payment

Victim Experiences

- “I couldn't eat or live properly because all of my money was going to the lender. I felt suicidal and desperate. I was paying so much back that I had to keep borrowing in order to eat the following month. When I changed my phone number the lender contacted family members to get them to make me repay”.
- “It affected all aspects of my life! They contacted my parents telling them I owe money. They came to my workplace to intimidate me. The loan shark told me to become a prostitute to pay off my debt”.
- “I’ve been sexually assaulted and threatened that he had someone who would “deal with me”.
- “The loan sharks turned up at my home night and day. I’ve been working two jobs to make ends meet. My wife is threatening to leave me because of the situation”.

Ways to contact the IMLT

24/7/365 Helpline – 0300 555 2222 All calls are totally confidential and are not recorded

Website: www.stoploansharks.co.uk – RECITE

Live Chat available Mon – Fri between 09:00 & 17:00 – callers remain anonymous



WhatsApp & Text: 07860 022116

Mobile Phone App: Stop Loan Sharks



My Contact Details

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Thank you for listening