

STOP LOAN SHARKS

Intervention . Support . Education

Below is a script for debt advice, welfare, housing, benefit advice or income recovery officers to approach the subject of loan sharks (illegal money lenders) during appointments with clients.

Question 1: Do you know what a loan shark is?

Adviser: Please tell the client that they are illegal.

“Loan sharks are money lenders who do not have the correct permission to lend. An illegal lender may be a work colleague, friend of a friend or known in the local community. He or she might appear friendly at first but then may use threats and violence to get money back they have lent.

Loan sharks do not often give paperwork or receipts and they often charge at least double the amount borrowed if not more. You may incur high charges for missing a payment. You might be left with very little money to live on once you are involved with them.”

Question 2: Have you heard of the Illegal Money Lending Team or the Stop Loan Sharks Project?

Adviser: Tell the client about the Illegal Money Lending Team.

“Trading Standards Illegal Money Lending Team is an England wide unit that investigates loan sharks and provides one to one support for borrowers. The team has helped over 31,000 victims and have a 100% prosecution success rate.”

Information: “Here is a leaflet which has the Stop Loan Sharks Team’s helpline number on should you wish to report a loan shark. You can also text, email or speak to the Stop Loan Sharks Team via Face Book or their website”.

Adviser: You can also explain that the person can remain anonymous if they wish; all calls are treated confidentially.

Questioning tactics

Question 3: If someone says they have borrowed from a friend.

Advisor: Ask if their “friend” is lending to anyone else *(if it’s a friend they will normally have only lent money to you, not lots of people)*.

Does the “friend” come round? *(Friends pop in for a cuppa, you’ll know where they live if it’s your friend)*.

Ask if the “friend” is charging them interest *(you might give a friend a bit extra as a thank you but not thousands of percent interest)*.

Question 4: Someone says they have borrowed from a door-step loan provider.

Sometimes collectors employed or previously employed by legitimate companies will have their own loan books and lend illegally. This is called parallel lending...

...Advisor: *Ask to see the payment book – has it got a logo? (Legal companies should provide a payment book with company details).*

Ask how they make payments: Does the lender take them to the cash point as a favour? Door-step collectors are not allowed to drive people to cash points.

Do they ever receive letters from the company?

The client may have lost their paperwork but will remember getting a book, introduction letter, statements or notification of changes from the company at some point. If they've never received any of the above, it's probably not a legitimate door-step loan provider.

If you have previously received Stop Loan Sharks training but would like to book a further session specifically aimed at getting victims to open up and learning how to encourage reporting, please let us know.

For more information about illegal lenders, to order literature or to book a free training session please contact your local LIAISE Officer. If you do not know who this is please email LIAISE Manager: catherine.wohlers@birmingham.gov.uk

Web: www.stoploansharks.co.uk

Hotline: 0300 555 2222

Email: reportaloanshark@stoploansharks.gov.uk

Facebook:

www.facebook.com/stoploansharksproject

Twitter: [#stoploansharks](https://twitter.com/stoploansharks)

Text number: 07860022116

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