

BIRMINGHAM CITY COUNCIL

**REPORT OF INTERIM ASSISTANT DIRECTOR OF REGULATION AND
ENFORCEMENT
TO THE LICENSING AND PUBLIC PROTECTION COMMITTEE**

DECEMBER 2020

13 JANUARY 2020
ALL WARDS AFFECTED

**Birmingham City Council hosted
ENGLAND ILLEGAL MONEY LENDING TEAM**

1. Summary

- 1.1 This report provides an update on the work of the England Illegal Money Lending Team (IMLT) hosted by Birmingham City Council's, Regulation and Enforcement Division at 30 November 2020

2. Recommendation

- 2.1 That the report be noted.

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3. Background

- 3.1 The grant funded project was initially piloted in 2004 with teams from Birmingham and Glasgow operating across a specific region. The purpose was to identify if illegal money lending was in operation and, if so, investigate and institute proceedings against those involved. The project was commissioned for an initial period of two years. It was further extended year to year following a number of high profile successful investigations.
- 3.2 There is also a national team covering Scotland, Wales and teams covering Northern Ireland. All of the teams regularly hold meeting, currently virtual, to share best practice and current initiatives.
- 3.3 The IMLT operates across the country using legislative powers under the Consumer Rights Act 2015.
- 3.4 The brief of the IMLT, from its inception, has been to investigate and prosecute illegal money lenders and to provide support to victims and communities under the control of illegal money lenders and by working with partner agencies to deliver this support. From an initial team of seven officers, the team has grown in size and now employs 55 staff in a variety of roles, with a future structure including three apprentices.
- 3.5 Initially officers gather and develop intelligence by working with local services with the aim of corroborating information, warrants are executed and, where appropriate, cases taken into the court process. Another branch of the team (LIAISE officers) support loan shark victims throughout the process and raise awareness, with local, regional and national services, regarding the work of the team.
- 3.6 Since its inception the team has secured over 400 prosecutions for illegal money lending and related activity, leading to 586 years' worth of custodial sentences. They have written off £83 million worth of illegal debt and helped over 30,000 people.
- 3.7 The primary legislation governing the consumer credit industry is the Financial Services and Markets Act 2000 (FSMA), previously the Consumer Credit Act 1974. The Trading Standards Service has a duty to enforce this legislation within its area.
- 3.8 The Financial Services Act 2012 amended the legislation to move the authorisation process under FSMA and retained the enforcement provisions in respect of unauthorised business for local weights and measures authorities (trading Standards). The Financial Services Act also made provision for trading standards to operate nationally in this regard in order to make the administration process easier for the EIMLT.
- 3.9 A fundamental requirement of FSMA is that all potential providers of credit must possess appropriate authority issued by the Financial Conduct Authority. To operate a credit business without authority is a criminal offence which carries a maximum penalty of a £5,000 fine and/or up to two years in prison.

- 3.10 Illegal money lenders, or “loan sharks” as they are more commonly known, have long been recognised as the most unacceptable part of the illegitimate consumer credit industry. Targeting vulnerable communities and individuals, charging exorbitant rates of interest and using whatever means including, at times, fear and intimidation to recover monies ‘owed’. Controlling lives and the community are common traits that illegal money lenders will exhibit during their operations.
- 3.11 When the team was initially set up in 2004 there was little knowledge about the scale of illegal money lending, either in the number of individuals involved or the number of possible victims across the country. Illegal money lenders were rarely, if ever, prosecuted due to victims being reluctant to come forward. Birmingham City Council has now prosecuted over 400 individuals and disrupted many more illegal lenders, stopping the pernicious enterprise.
- 3.12 As well as the work of the team, the government commissioned Independent research by Bristol University (POLICIS) in 2010 which has shown that around 310,000 households across the UK were indebted to illegal money lenders. Work carried out by the team indicates that each person borrowing from an illegal money lender typically has an average loan of £350 each time and pays back double the amount. Roll over loans are typical and this means that a person will have 3 ½ loans annually from the illegal lender. This equates to £1225 borrowed paying back £2450.
- 3.13 Typically illegal money lenders:-
- Start out being friendly – they are often heard of via friends. It is only when repayments are missed their behaviour changes.
 - Offer little or no paperwork.
 - Increase the debt or add additional amounts.
 - Refuse to tell the borrower the interest rate, how much they still owe or how long they will be paying back. (We have seen APR’s as high as 4.5 million %).
 - Take items as security - this may include passports, driving licences or even bank or post office cards with the PIN to withdraw directly from borrower’s accounts.
 - Sometimes resort to intimidation, threats or violence.

- 3.14 Throughout its life the project has been funded by central government. This funding was always on a yearly basis and subject to annual submissions which meant the team's grant was never secure long term. However, in 2016 it was announced that a levy would be applied to credit businesses (as part of the fee they already pay to operate legitimately). This funding commenced on 1 April 2017 and has secured the work of investigating illegal lenders. The current budget for the teams activities is £4,150,249

4. Operating the Illegal Money Lending Team

- 4.1 The success of the team can be attributed to a number of factors, the quality of the intelligence gathered, the hotline and dedicated website, social media, partner engagement and partner participation. These relationships are developed and grown by the Liaise Officers (Leads in Awareness, Intelligence, Support and Education).
- 4.2 The Stop Loan Sharks brand was first introduced back in 2004 and has continued to be developed since its inception. The team has a social media presence including Facebook, Youtube, Instagram, snapchat and twitter accounts, as well as its own website and twitter accounts
- 4.3 The team takes a fully agile and flexible approach to tackling this type of criminality, recognising that "one hat size does not fit all" circumstances. The Legislation changes under the Consumer Rights Act provide authorisation for Birmingham City Council to operate across England and Wales in respect of offences under the Financial Services and Markets Act 2000 (FSMA), changes that were introduced to lighten the administrative burden on the team and allow them to fully function in all geographical areas.
- 4.4 The Head of Service and Operational Managers within the team have the delegated authority to proffer charges at police stations, institute proceedings through the report process and make decisions regarding the outcome of investigations throughout the process. This authority speeds up the court process, allowing, in some cases, suspects to be arrested, interviewed and charged the same day. In some instances the defendant has been brought before the courts within 24 hours.
- 4.5 Recognising the importance of communication in all aspects of the teams work has also been a key priority. The hotline is 24/7 and staffed by the team members. This promotes reassurance and allows for information to be fed directly to lead investigating officers in respect of the actions of the suspected illegal money lenders. The IMLT have launched a new Live Chat service on their website, enabling victims to access support discreetly and talk online with a Stop Loan Sharks Support Officer, safely and in confidence. Live Chat provides a valuable route to support and has allowed people who are isolating and don't want their partner to know about the debts to engage with IMLT. A new smartphone app has also been launched to help loan shark victims. The Stop Loan Sharks App offers support and information for anyone who may be involved with a loan shark, or those concerned about someone they know.

The App has had over 430 downloads and the IMLT have the functionality to send push notifications about loan shark arrests and court cases based on the user's location.

Facebook Ad Campaign

The IMLT delivered a Facebook Ad campaign at the start of lockdown to increase brand awareness and website traffic. The campaign specifically targeted people in areas where there was known loan shark activity. The Ads included a call-to-action button which sent people straight to the Stop Loan Sharks website for help. The campaign successfully reached over one million people and generated numerous new intelligence reports.

App featured in MoneySavingExpert's Money Tips Email

The Stop Loan Sharks App was featured as 'Campaign of the Week' in Martin Lewis' Money Saving Expert's Money Tips Email and sent to 12 million MSE subscribers. Simon Read, Consumer Finance Journalist and Social Media Influencer also tweeted about the SLS App and shared the download links with his 15.6K followers.

- 4.6 The investigations by the team have resulted in a number of high profile court cases that have included serious criminal offences, investigated and prosecuted by Birmingham City Council. The strategy to prosecute for all matters has resulted in the prosecution of offences that may not normally be associated with a Trading Standards Service. The decisions to prosecute offences such as rape, blackmail, kidnapping wounding and assault were made after careful consideration and in consultation with Legal Services. It was recognised that these offences were directly linked with illegal money lending and occurred as a direct result of the involvement with this activity.
- 4.7 Raising awareness of the team with the public, but also with other interested parties has been critical for gathering the right intelligence. The involvement of the police and support furnished by them throughout the operations has been extremely beneficial, and the embedded Police Officers (first introduced by the Birmingham project) have given the team an added dimension to its investigatory powers.
- 4.8 Some examples of recent cases include:-
 - OPERATION NATTERJACK (CENTSA region) – On 1st August 2019, Colin DEVEREUX was sentenced to 22 months imprisonment at Warwick Crown Court. DEVEREUX had operated as a loan shark for seven years, he charged 40% interest on loans. He was also given three months to pay a Confiscation Order in the sum of £100,000.00 or face a further 12 months imprisonment under the Proceeds of Crime Act.

- OPERATION DOWNES (Greater London region) – on 13th February 2020, brother and sister, John MULVEY aged 54 and Mary WILDING aged 68, were sentenced at Isleworth Crown Court for offences of illegal money lending and money laundering. Wilding had previously worked for a legitimate loans company before setting up the illegal business with her brother. Between 2013 and 2017 they loaned out £334k, over 404 loans, to 53 regular borrowers, charging 25% interest. They were sentenced to 12 months suspended for two years respectively. Proceeds of Crime Act confiscation proceedings are ongoing.
- OPERATION CORSICA (South West region) – On 14th July 2020, at Exeter Crown Court, Mahli BINMORE and Simon SAUNDERS, were both sentenced for illegal money lending and money laundering offences. The prosecution said that BINMORE knowingly allowed the use of her bank account for victims to make payments to her partner who was also involved in the business. The court heard SAUNDERS had delivered loans and collected repayments from other loan victims in the Brixham area. BINMORE was sentenced to 20 months imprisonment, suspended for 18 months and 150 hours unpaid work. SAUNDERS received an 8-month prison sentence, suspended for 18 months and was ordered to complete 150 hours unpaid work.
- OPERATION THREE RIVERS (EETSA region)– On 3rd September 2020, at St Albans Crown Court Mr BARRERA pleaded guilty in respect of illegal money lending offences. He was sentenced to 12 months custody on each to be served concurrently. In respect of a Proceeds of Crime Act offence, Mr BARRERA was sentenced to 2 months custody to be served consecutively. A total of 14 months. The sentence was suspended for 18 months. A contribution to costs was ordered in the sum of £400, which Mr BARRERA has 2 months to pay.

4.9 Between July 2019 and October 2020 the team conducted 54 operations resulting in 60 arrests, However, the team like all agencies have been hindered by the current pandemic.

5. Victim Contacts

5.1 There were 476 contacts with victims in 2019-20. A lot of these were to offer emotional support and safety advice, but there were also referrals to credit unions, housing, debt advice and mental health services.

5.2 The team dealt with £1,465,321 of new victim debt in 2019-20.

6. Victim Profile:

6.1 The gender split of borrowers was 51% female and 49% male. 44% of victims supported were parents with an average of two children per family.

6.2

- 46% of clients with long term health conditions.
- 14% said they had a physical illness.
- 21% had mental health issues.
- A further 11% said they suffered from both mental and physical illness.
- 9% of borrowers said they acted as a carer for someone over 18.
- 25% of victims said that they had considered suicide during their lifetime including 6% who had attempted suicide. 18% said this was during the time of their involvement with the loan shark.
- 79% of borrowers said that they were in a state of worry, stress, depression or severe anxiety because of their involvement with a loan shark (a rise of 4% on 2018) and 44% told us that they had been abused verbally and/or threatened with physical harm (or actually harmed) by the loan shark – an increase of 6% on the year before.
- 75% of respondents paid rent for their home, either to a social landlord or private property owner.
- 39% of respondents said that they had visited a debt advisor; this is 9% more than in 2018.
- 49% of those who had accessed debt advice said they had told the debt advisor about the loan shark; Comments made by victims who said they hadn't mentioned the lender included "I was too scared", I didn't think they could help" or "the advisor didn't ask about loan shark debt".
- 59% had heard of the term "Credit Union". Whilst having heard of the credit unions, 25% of clients didn't know what one is. 37% did know what a credit union is, including 3% who were already members. The remainder had never heard of a Credit Union.
- 97% of respondents had bank accounts. This number has risen gradually from 82% in 2011 reflecting the need for accounts for benefit transfer or wage payments.
- 62% of victims were claiming benefits. 23% of respondents claiming benefits were on Universal Credit – a rise of 10% on 2018.

- 21% had requested welfare help from local councils – an increase of 7% compared to 2018.
- 24% had visited food banks within the last year – a rise of 7% compared to 2018.
- 73% of respondents didn't have home contents insurance.
- 44% had pre-payment meters installed for fuel supplies whilst 36% paid by direct debit or standing order through their bank.
- 2% had SMART meters installed.
- 7% had fuel costs included in their rent payments.
- The remainder of clients paid via the post office or via top-ups by phone, or reported being homeless.

6.3 69% of victims interviewed owed money to legal creditors, an increase of 10% compared to 2018, for:

- Loan repayments and/or credit card bills to banks.
- Council tax arrears.
- Door-step loans.
- Student loans.
- Utility bills.
- Overdue phone bills.
- Hire purchase companies or catalogues.
- Pay-day and sub-prime loans.
- Rent or mortgage arrears.
- Benefit overpayment.

The average amount owed was £12,749.26 - a rise of more than £5,000 on 2018.

6.4 40% of clients told us that they had priority debts including rent, mortgage or council tax arrears.

7. Victim Statistics

- 7.1 31% of those supported during 2019 were unemployed – a decrease of 6% on the previous year. 53% were in work – either full or part time whilst the remainder were retired, home carers or students.
- 7.2 65% of victims supported during 2019 were told about the loan shark by friends or family members.
- 7.3 22% got to know them within their local community including support groups and social groups. Illegal money lenders will appear friendly at first until repayments are missed.
- 7.4 12% met the lender at work.
- 7.5 71% had borrowed from the loan shark more than once.
- 7.6 64% of borrowers believed the loan shark was their friend at the point of borrowing (a rise of 16% on the year before).
- 7.7 Whilst 22% of victims had been paying their loan back for less than a year at point of contact, some had been repaying for up to 15 years.
- 7.8 46% went without food, fuel or missed rent or mortgage payments in order to repay the loan shark.

Reason for borrowing	%	Reason for borrowing	%
Baby expenses	2	Health care or funeral costs	6
Benefits sanction/late wage payment	2	Holiday	8
Business costs	8	Home improvements	2
Celebration event	5	Household bills & everyday living expenses	25
Childcare	1	Legal costs	3
Clothing	1	Moving costs	2
Council tax arrears	1	Rent & Deposit	2
Debt consolidation	1	Rent arrears	2
Drug or Alcohol addiction	4	Tax bill	1
Education costs	3	To help out family members	8
Furniture or electrical goods	4	Vehicle Purchase or repair	5
Gambling addiction	4	Vets fees	1

The lowest amount borrowed from a loan shark was £60 for new baby expenses.

One person who borrowed £75 paid back over £13,000 over eighteen months and still had an outstanding balance of £600.

Another borrower received £300 from the loan shark. After repaying £15,000 over two years, the lender was demanding a further £170.

8. Training – Partners

8.1 In 2019-20 the team trained over 15,000 frontline staff.

8.2 Since the start of the initial lockdown in March 2020 the majority of this training has moved online. The team have expanded the number of sessions delivered to include one on the victim's journey, a specialist session for Police, and a session looking at the importance of credit unions. Over 7000 professionals have been trained this way, with new sessions coming online all the time.

9. National Partnerships

9.1 The National Housing Federation promoted the IMLT in their newsletter and gave the Team the opportunity to present to the Directors of Finance from social landlords across England as part of their regional meetings.

9.2 LIAISE are working with William Hill Bookmakers via their Director Of Sustainability to do some form of IMLT promotion across their betting shops. We are working towards a national pilot as part of their CSR work.

9.3 The team is working closely with the Money Advice and Pensions Service (MaPS) team of Regional Partnership Officers – looking at joint work to target employers, Chambers of Commerce and third sector organisations across the country.

9.4 LIAISE targeted the Association of Mortgage Lenders, after the victim statistics showed that 1 in 5 people who the team supported in 2019 were home owners. A presentation was done to representatives from the main mortgage providers and ongoing work is being done looking at messaging in this area.

10. Localised Partnerships

10.1 Thirteen Housing Services ran a 12 month Stop Loan Sharks Campaign. All frontline staff received training sessions. 16 Tool Box Talk sessions were delivered to the Repairs and Maintenance Teams. A project using Proceeds Of Crime funding (POCA), money confiscated from illegal money lenders, targeting primary schools was successful, as was a credit union incentive. Thirteen Housing engaged in targeted door knocks, loan shark proofed their policies and agreed a single point of contact to act between the social landlord and the IMLT.

10.2 For Birmingham Money Week, LIAISE worked with the city's Financial Inclusion Partnership, focusing on schools and parents. Sid the shark delivered a range of school assemblies and the IMLT lesson plans were promoted as part of this. The week long event also targeted partners via a social media campaign.

10.3 Operation Grippled, Cheshire –

After a successful campaign last year, another £20,000 has been awarded to this operation from B and M Bargains community fund for awareness raising activities. With the funding from B&M, Op Grippled has been able to deliver Stop Loan Sharks Lego animation workshops with Sandymoor Secondary School which resulted in an educational film being produced. A Halloween disco was paid for in Runcorn during which there were greenscreens to take scary pictures of partygoers.

These were then inserted into keyrings which included the Stop Loan Sharks hotline number and given to participants to take home.

Workshops continue to be delivered in secondary schools across Runcorn with students learning about the dangers of knife crime, county lines and illegal money lenders. Materials for Runcorn Rocks were also paid for with the B&M grant.

10.4 LIAISE worked on a proposal with partners and secured £100,000 of the Money Advice Service funding to promote savings in the credit unions in Birmingham.

10.5 An assembly was delivered to St. Barnabus Primary School, Warrington to KS2 children along with a poster competition. All 120 students completed a poster and prizes were given (Amazon vouchers) funded with POCA. A meeting has been arranged with the Police's Schools Engagement Officer with the aim of PCSOs to deliver the IMLT assembly to schools in their areas. We are hoping to showcase the schools work centrally in Warrington along with a "Where's Sharky?" Warrington campaign.

10.6 LIAISE met with Halton Council regarding a "Sharks and Ladders" style board-game as a permanent feature in a local park. The Council are fully on board and have offered space outside the café seating area in Phoenix Park for the Sharks and Ladders to be situated. This is being replicated in a park in Birmingham.

10.7 A Stop Loan Sharks Blackburn Charter event was held in January 2020. The first mixed agency training session has been delivered in Blackburn and has generated lots of interest. A primary headteacher at the training spoke to LIAISE and said:

"I wasn't really sure why I attended your session as I wasn't really sure whether it was relevant or what to expect. I'm so glad I did it was a real eye opener please will you come and work with my school"



Partners sign a Stop Loan Sharks Charter in Sandwell

11. Credit Union Incentives

11.1 Over 1050 incentivised credit union accounts were opened during 2019-20.

11.2 The incentive scheme was examined for its effectiveness. This information refers to 2017-19 so is pre-Covid.

- Savings from active accounts opened throughout England as part of the Stop Loan Sharks savings incentive scheme equates to £1.49 million (the cost of the saving incentive was £165,000).
- This equates to an average of £225 saved per person – enough to provide some financial resilience for the things we see people going to illegal money lenders for (everyday expenses, broken white goods, school uniform).
- From the active accounts 1/3 people had gone on to get a credit union loan.

12. Other Credit Union Work

12.1 Black Country Credit Unions (Wolverhampton, Walsall, Dudley, Sandwell) are working with the Church of England to try and encourage more people to sign up as members. The local Chamber Of Commerce has agreed to work alongside the group and to target increasing payroll deduction amongst the businesses that are members of the Chamber of Commerce. They will:

- Be looking at the current IMLT employer's pack which was piloted with Citysave Credit Union in Birmingham with a view to adapting it to suit a black country offer.

- Utilise the working relationship with the Chamber Of Commerce and see if they will help in getting the message out across the individual areas to interested employers via any mailing lists, events etc.
 - Look at a suitable launch event to promote the offer black country wide.
 - Utilise the IMLT's Press Officer and Black Country Chamber Of Commerce's media/marketing personnel to establish a social media campaign around the launch.
 - Provide a blog/magazine article covering key things for employers to look out for in relation to employees using illegal money lenders. They are considering getting the Chamber's management team to sign one of the IMLT "zero tolerance to loan sharks" charters and take part in a photo opportunity with the IMLT mascot, Sid The Shark.
 - Put together a HR policy document – a one page document which can be shared with employers as part of the information on how our team. can be accessed.
 - Going to record a video with the Chamber of Commerce's President chatting with the IMLT to promote the awareness message.
 - Be speaking at key meetings including one with the Bank of England and the West Midlands Chamber meeting.
- 12.2 Year 2 of the "near miss" credit union scheme has ended and figures are coming in. Default rates are between 4 % and 23% and are still being analysed.
- 12.3 IMLT have developed and launched materials to promote payroll deduction schemes with credit unions. The materials have been downloaded 50 times.
- 12.4 The team have developed and launched an animation to promote credit unions. The cartoon, which can be viewed in chapters, promotes a "generic" credit union or can be tailored to specific credit unions. So far it has been viewed over 3,500 times.

13. Proceeds of Crime

- 13.1 Examples of projects funded by proceeds of crime money since July 2019 include:

Citizens Advice, Derbyshire - Four pop-up events were held across Cotmanhay utilising Sid the Shark highlighting available help and safer borrowing options. Citizens Advice worked alongside 30 year 5 school pupils to design and develop an 'art to advice' trail. Winning posters were displayed by local businesses and shops. Maps for the trail were available from the local school or library. The posters included information around the impact of illegal money lenders, how to report loan shark activity and details of better lending choices.

Barton Neighbourhood Centre - "Barton Bites Back Bigger" project combined arts workshops focusing on the Stop Loan Sharks message, with ethical credit options, local policing and housing association advice drop-in sessions held at the Barton Big Bash event as well as utilising the Hands-on News community newspaper and door-step leafleting to reach a wider audience.

East Sussex Credit Union attended four pride events across the summer in order to raise awareness of illegal money lending within the LGBT+ community. On their pimped-up stand, they offered games and had Sid The Shark, dressed up in rainbow colours, out mingling with the crowds so that individual or group photos could be taken. They also had community advocates available at help points to talk to people about managing their money.

Stoke Mandeville Community Radio recorded an interview on the dangers of using illegal money lenders which was broadcast by the presenters at SMCR. A promotion around the risks of using illegal money lenders and providing alternative measures to deal with financial issues was recorded and played out regularly too.

"A strong message delivered very well by your team – thank you, we learned a lot"

Bradford Anti-poverty project ran Halloween Stop Loan Shark events. The Halloween events included interactive activities, arts and crafts, distribution of publicity materials and informational presentations including loan shark reporting options and alternative borrowing options.

Citizens Advice, Doncaster networked with other charities, local schools, the credit union and youth groups to get the message about illegal money lenders into the community by creating some catchy and informative street art in the town centre. Schools were provided with resources to design their own Stop Loan Sharks posters and a local dance group were tasked with creating a dance to highlight the message too.



Lewisham Credit Union worked with 19 primary schools across the Lewisham and Bromley boroughs of London. The Credit Union presented during school assemblies on the dangers of using illegal money lenders and also asked children to develop anti loan shark slogans. The best 20 of these slogans were used as part of a poster design that will then be displayed near the credit union collection points and branches. There was also a social media campaign to take a selfie with Sharkie.

Acta worked with local people to develop a performance suitable for those age 14 upwards around the awareness of illegal lending and reporting, including personal experiences from participants. The performance was delivered in 2 areas with an audience of 300 people.

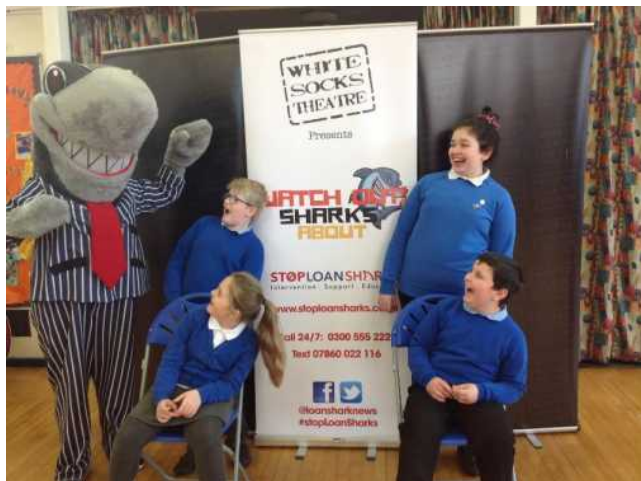
Remake Cornwall delivered a number of workshops including “Make & Mend”, which created community bunting and up-cycled old household tiles which were then used as Mosaic pieces for a community mural. They used supermarket food waste to create shark themed cupcakes to be shared amongst local organisations. The workshops were held within the venue of a community fridge and had a focus on the Stop Loan Sharks message.

Smartlyte - A number of family fun days were delivered within the Balsall Heath/Sparkbrook areas, held in local libraries or children’s centres. Families created stories and board games to highlight the IMLT message. They created motion animations to promote the hotline telephone number and the work culminated in the creation of a board game. A second project used the methodology of storytelling to engage and teach families of the dangers of illegal money lending. Four short stories for children were created alongside a ‘story sack’ that holds play and learning resources. These stories can be used by children and families where English language and literacy skills may be lower.

Telford Food Bank - Wall canvas art has been produced with the input of service-users and volunteers with the themes of food and not being abused by a loan shark to be displayed within the food bank. Literature in relation to illegal money lenders has been put into each food bank parcel given out.

Citysave Credit Union conducted a pilot of a specific paid-for Facebook campaign targeting NHS staff and promoting the credit union to them.

White Socks Theatre toured fifteen primary schools and delivered an hour long interactive production, based on a game show with two families competing. They explored the issues people involved with illegal money lending face, alongside budgeting and financial management options.

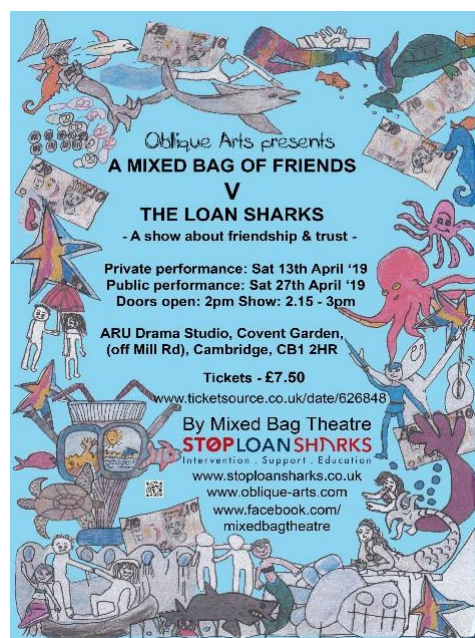


IMLT have worked with the WMASN for over a year now on the safe house project. This is a Birmingham City Council property which has been given for use by the IMLT to place victims of illegal money lenders and modern day slavery into a place of safety. The group has applied to the Big Lottery for funding which will pay for the majority of the house running costs including staffing. IMLT agreed to donate £5,000 POCA to further help with setting up the house and the money will be used to pay primarily for additional security including CCTV and a buzzer entry system, with any remaining money being spent on enhancing the property. By having this property, it will allow victims of loan sharking to be moved on a temporary basis to a safe location until they can decide what their next steps will be.

Thirteen Housing and Blowin' A Hooley Theatre delivered three performances of their pantomime with the theme of tackling illegal money lenders at primary schools for the children and parents, during a week of action being delivered in conjunction with the IMLT in Stockton.

East Durham Trust held workshops with local people supported by a professional artist and culminating in a showcase event and a piece of high-profile public artwork. The art varied from a loan shark mosaic to a children's book highlighting loan sharks and was presented in a way that tells children what to do in a friendly and child-like manner. A local storyteller was engaged to get the message across in a fun way and the mosaic will be on a travelling display between all of the centres involved in the project.

Oblique Arts ran youth art workshops for those between 11 and 16 years of age. These workshops looked at the theme of trust and responsibility when it comes to finances including loan sharks. There was an exhibition of the artworks created around this theme, shown in a gallery and also online.



Altru delivered a number of performances to seven schools across the Merseyside and Cheshire area. The performance was around illegal money lending, with touches of “county lines” and knife crime incorporated. Following the performance, the children engaged in a workshop to discuss the issues raised in the performance and then fed back to the ‘victim’ within the performance, telling them of the support measures available.

The Stop The Loan Sharks Musical Roadshow brought people together at community venues, where a local choir and ukulele band played money themed pieces. There was a themed quiz in the middle of the performances and information and videos about illegal money lending were played at either end of the sessions.

“It was terrific to undertake the training from the Illegal Money Lending Team which helped us to really understand some of the issues involved in those who become illegal money lenders, and those who are their victims.”

James Lee House held art workshops for those accessing the accommodation services of the Lifehouse (support services for adult males). During these workshops, clay was used to model 3D sharks and represent the emotions and issues faced by those involved with illegal money lenders. Once complete the sculptures were put on display for a period of time in community venues before being added to an art installation.



Mako Widnes brought a large variety of people together to create a graffiti floor in Widnes outdoor market. Local school children were asked to design small pieces of art which were included in the design and during the two days local people were asked for their experiences or understanding of illegal money lenders which also helped create the design. The final piece included details of where help is available. During the installation live videos were filmed and aired to social media with a final film being produced and added to You Tube.



Whitehaven Credit Union engaged with 6-18 year olds across 5 community centres who designed posters raising awareness of illegal money lending and the hotline number. During the sessions the youngsters learnt about illegal money lenders and money using the IMLT resources. The posters were placed around the community and the young people went on a treasure hunt to find them with the winner receiving a prize.



- 13.2 POCA monies was used to pay for 5 podcasts on topics relating to IMLT which were released during lockdown.

14. Funding

- 14.1 The IMLT project is currently funded by the Treasury.
- 14.2 The governance of the project consists of representatives from the Financial Conduct Authority (FCA), Treasury and the hosting authorities involved (England, Northern Ireland, Scotland and Wales).
- 14.3 The Current budget is £4,150,249.

15. Implications for Resources

- 15.1 The Illegal Money Lending Team is grant funded and therefore all costs for the service are recovered through this provision. Any income and proceeds of crime monies are ring fenced to the team and utilised for the ongoing work.

16. Implications for Policy Priorities

- 16.1 Enforcement action taken against illegal money lenders protects legitimate traders from unfair trading practices and improves the quality of life for those individuals caught within the grips of a loan shark and, as a result, within the poverty trap.
- 16.2 Illegal money lenders prey on the most vulnerable groups and enforcement action to remove them from communities and encourage more sustainable credit sources such as credit unions is important.

- 16.3 Prosecution and removal of illegal money lenders from communities will reduce the fear of intimidation and violence.

17. Public Sector Equality Duty

- 17.1 Illegal Money lenders prey on the most vulnerable members of society. They target people who may be financially excluded and, in many instances, people over whom they can exert power and control. Removing an illegal lender and introducing alternatives helps those individuals that have been trapped by the illegal lender into paying high interest or being forced into carrying out activities, under normal circumstances, they would not commit.

INTERIM ASSISTANT DIRECTOR OF REGULATION AND ENFORCEMENT

Background Papers: Files held by the IMLT.