

BIRMINGHAM CITY COUNCIL

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

SEPTEMBER 2019

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.

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.
- 3.2 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.
- 3.3 There is also a national team covering Scotland and a national team covering Wales.
- 3.4 The IMLT operates across the country using legislative powers under the Consumer Rights Act 2015.
- 3.5 The brief of the IMLT, from its inception, has been to investigate and prosecute illegal money lenders and to provide financial inclusion support to victims and communities under the control of illegal money lenders.
- 3.6 From an initial team of seven officers, the team has grown in size and now employs 52 staff in a variety of roles, with a future structure of 60 staff.
- 3.7 Initially officers gather and develop intelligence, then when information is corroborated, 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 partners, of the work of the team, gathering intelligence.
- 3.8 Since its inception the team has secured 394 prosecutions for illegal money lending and related activity, leading to nearly 480 years' worth of custodial sentences. They have written off £74.9 million worth of illegal debt and helped over 29,000 people.
- 3.9 By 2007 this project had proved so successful, that the project was extended to form regional teams across the country with the Birmingham hosted team expanding into five regions. On 1 April 2011, once again building on this success, the regional teams were decommissioned and one National Team was launched. This team, unique of its type across the country, continues to be hosted by Birmingham City Council.
- 3.10 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.

- 3.11 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 IMLT.
- 3.12 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.
- 3.13 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 sometimes fear and intimidation to recover monies ‘owed’ have long been recognised as the hallmarks of their operations.
- 3.14 When the team was initially set up in 2004 there was little knowledge about the scale of loan sharking, either in the number of individuals involved or the number of possible victims across the country. Loan sharks were rarely, if ever, prosecuted. Birmingham City Council has now prosecuted 359 individuals.
- 3.15 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 loan sharks. 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 common place meaning that a person will have 3 ½ loans annually from the illegal lender. This equates to £1225 borrowed paying back £2450.
- 3.16 Typically loan sharks:-
- 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.

- 3.17 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 £3,961,249

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 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.
- 4.3 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. 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.
- 4.4 Recognising the importance of communication in all aspects of the teams work has also been a key priority. The team uses all forms of social media. The hotline is 24/7 and staffed by the team members. This promotes reassurance allows for information to be fed directly to lead investigating officers in respect of the actions of the suspected illegal money lenders.
- 4.5 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 associated 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.

4.6 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.

4.7 Some examples of recent cases include:-

- Operation Witch Hazel (EAST MIDLANDS) – three loan sharks were sentenced at Leicester Crown Court on 03/05/2017 for their participation in an illegal money lending business, which operated across Leicester for a period of seven years. A 52 year old male was sentenced to 9 months imprisonment for his leading role in the illegal enterprise. Two other males were sentenced to terms of imprisonment, suspended, and ordered to complete 120 to 150 hours of unpaid work.
- Operation Hiking (SOUTH WEST) – a 58 year old male who operated an illegal money lending business over a period of 9 years and preyed on vulnerable people was jailed for two years and three months on 18/08/2018. The individual had previously worked as a self-employed agent for a legitimate loans company between October 2002 and April 2014. During this period he was made aware by his employer that he was not allowed to 'parallel lend' or conduct consumer credit activities personally unless he was authorised to do so. A financial investigation revealed over the period in question that there had been over £300,000 cash deposits into accounts held by him or his family.
- Operation Selhurst Park (GREATER LONDON) – A 67 year old male was ordered to pay back £450,000.00 at a hearing at Snaresbrook Crown Court on 02/02/2018. He was ordered to pay back the sum in full within two months or face four and a half years in prison.
- Operation zenith - A 53 year old male who ran an illegal money lending business over a period of approximately 8 years and received over £1 million in loan repayments was jailed for 15 months at Preston Crown Court on 07/08/2017. His partner, aged 58, received a 9 month suspended prison sentence and 160 hours unpaid work after she was found guilty of laundering cash from her partner's loan shark business.
- Operation Boniface – A Consultant was ordered to pay back £525,000 in proceeds of crime. He had previously been given a 10 month prison sentence, suspended for 2 years in October 2016 for illegally lending money to dozens of hospital workers – mostly Filipinos. He was required to pay the money within 3 months or face a default sentence of 5 years in prison.
- Operation Cornwallis - Four loan sharks, who ran a sophisticated illegal money lending business across Manchester, were sentenced to prison. As

part of the same operation, two other defendants were sentenced for drug related offences. The sentences totalled over eight years.

- 4.8 In the last two years the team conducted 92 operations resulting in 128 arrests.

5. Victim Contacts

- 5.1 There were 598 contacts with victims in 2018-19. 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 £960,638.00 of new victim debt during 2018-19.

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 The number of clients saying they had long term health conditions increased by 2% compared to 2017 up to 49%.

- 20% said they had a physical illness
- 18% 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, an increase on last year's figure of 4%.
- 25% of victims we have asked said that they had considered committing suicide during their life-time including 6% who had attempted suicide. 16% said this was during the time of their involvement with the loan shark.
- 75% of borrowers said that they were in a state of worry, stress, depression or severe anxiety because of their involvement with a loan shark and 38% told us that they had been abused verbally and/or threatened with physical harm (or actually harmed) by the loan shark.
- 75% of respondents paid rent for their home, either to a social landlord or private property owner.
- 15% of victims had lived in their property for less than one year, compared to 10% in 2017 and 3% in 2016. This may reflect the rise in shorter tenancy agreements across the UK. The ages of those living in premises for less than one year ranged from 21 to 58 years.

- 30% of respondents said that they had visited a debt advisor; this is 7% less than in 2016.
- 11% 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" and "I didn't think they could help."
- 60% had heard of the term "Credit Union". Whilst having heard of the term, 25% of clients didn't know what a Credit Union is but the remaining 34% did with 3% being existing members. 40% said they 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.
- 64% of victims were claiming benefits, which is an increase of 5% on 2017. 13% of respondents claiming benefits were on Universal Credit – a rise of 3% on 2017.
- 14% had requested welfare help from local councils – an increase of 6% compared to 2016 but 3% lower than last year.
- 17% had visited food banks within the last year.
- 74% of respondents didn't have home contents insurance.
- 46% had pre-payment meters installed for fuel supplies whilst 27% paid by direct debit or standing order through their bank. 13% had fuel costs included in their rent payments or paid for by their employer.

6.3 59% of victims interviewed owed money for:

- Loan repayments and/or credit card bills to banks
- Council tax arrears
- Door-step loans
- Utility bills
- Credit Union arrears
- Nursery arrears
- Hire purchase companies or catalogues
- Pay-day and sub-prime loans
- Rent or mortgage arrears
- TV licence payments

- Outstanding phone bills

7. Victim Statistics

- 7.1 37% of those who we've supported this year are unemployed.
- 7.2 65% of victims supported during 2018 were told about the loan shark by friends or family members.
- 7.3 15% got to know them within their local community including support groups and social groups.
- 7.4 12% met the lender at work. Loan sharks will appear friendly at first until repayments are missed.
- 7.5 70% had borrowed from the loan shark more than once.
- 7.6 48% of borrowers believed the loan shark was their friend at the point of borrowing.
- 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 42% went without food, fuel or missed rent or mortgage payments in order to repay the loan shark and 17% had visited food banks.

Reason	%	Reason	%
Household bills / Everyday living expenses	28	College / University costs	2
Business costs	10	Holiday	2
Health care or funeral costs	7	Home improvements	2
To help out family members	7	Loan passed on because of non-payment by relative	2
Celebration event	6	Rent and Deposit	2
Drug or Alcohol Addiction	6	Travel costs	2
Furniture or electrical goods	5	Baby expenses	1
Gambling	5	Car tax	1
Mortgage / Rent arrears	4	Debt consolidation	1
Vehicle purchase or repair	4	Vets fees	1
Benefits sanction / late wage payment	2	Visa costs	1

8. Awareness Raising Work – Partners

- 8.1 In 2018-19 the team trained over 21,000 frontline staff.
- 8.2 A presentation was delivered to Erosh – an organisation that provide services for the over 55s, in Manchester and Greater Manchester and IMLT information is now in their policies for financial abuse and safeguarding with a referral mechanism put in place.
- 8.3 A project with South Sheffield Education learning partnership (SSELP) to provide information to parents and staff about the IMLT has taken place. It was delivered in two schools which are situated in areas with high levels of deprivation. The project included training for staff and input into coffee mornings for parents. A new money clinic has been set up at the school where referrals are made to key local agencies including Citizen's Advice, the credit union and food bank. Additionally access is provided through a single point of contact to the hardship scheme to consider clearing rent and council tax arrears. £30,000 of arrears has been cleared during 2019 for parents at risk of illegal money lending in this way.
- 8.4 A project with Thames Valley Police's Stronghold Team, raising awareness of loan sharking across the TVP region is on-going. Training has been provided, events organised and social media messages circulated. A community event was held which approximately 8,000 visitors attended during the day.
- 8.5 Work has taken place with jobcentres across East Anglia (at a total of 26 sites across Suffolk, Norfolk and Cambridgeshire) which has seen the development of a tri-county network for work-coaches that deal specifically with vulnerable clients. Part of the upskilling and training for this network is a product called "Community Coaching". This is broken down into 15 social justice topics, one of which includes illegal money lending.
- 8.6 A Black Country event was held to gauge commitment to financial inclusion from local providers. The day led to a financial inclusion initiative being set up which is still being progressed. The IMLT have carried out a number of training events across the local authority areas as a result. A charter signing event was held at Wolverhampton with the Bishop in attendance and awareness days took place in Walsall.

9. National Partnerships

- 9.1 The IMLT have been working with the Home Office as part of their Serious Organised Crime pilot projects for Community Co-ordinators looking at building Community Resilience, through the 4 Ps: Prepare, Prevent, Protect and Pursue. The LIAISE community engagement model has been identified as best practice in driving forward the pilot schemes delivery within local communities.

- 9.2 Work has been on going with the Money Advice Service and Young Money in order to update and achieve reaccreditation for the IMLT free education packs for primary and secondary schools. Feedback received from industry experts on the updates was extremely positive when the packs were promoted at the Young Money Centre of Excellence Annual Conference and the resources have now successfully been awarded reaccreditation.
- 9.3 Significant work has been completed to provide development and support of a charitable scheme to ease consumer's ability to check the status regarding legal permission of lenders against the national register. Work with the "Loan Smart" project has involved the Treasury, Cabinet Office, Financial Conduct Authority, IMLT and agencies such as Stepchange. The project was launched in October and the Loan Smart website is now up and running. Road show events have taken part across the country to promote the Loan Smart website, urging people to check lenders before they borrow and highlighting the dangers of borrowing from loan sharks.
- 9.4 The team have linked in with Development Youth Practice (DYP). A UK wide specialist training and consultancy social enterprise, DYP provide training and resources to all those working with young people and disadvantaged groups.
- 9.5 Working closely with the IMLT, DYP have developed a toolkit for advice and guidance in dealing with illegal money lending matters as well as delivering specific workshops about loan sharks across London and other parts of the country.
- 9.6 LIAISE staff have accompanied the National Crime Agency, Border Patrol, Gangmasters and the Labour Abuse Authority on combined intelligence initiatives across the country. Joint work has also been conducted with the Anti-Slavery Unit with a successful funding bid through the big lottery grant which has seen the opening of a safe house for victims of slavery and loan sharks.

10. Stop Loan Sharks Awards 2018

- 10.1 The winners of the Stop Loan Sharks awards 2018 were announced in March. Three winners will each receive £3,000 proceeds of crime money to help spread the Stop Loan Sharks message in their area. They are:
- Cheltenham Borough Homes
 - Cheshire Police – Operation Grippled
 - Just Credit Union and Homer Lake Primary School
- 10.2 As well as the overall winners, seven further organisations received a "Highly Commended" award for the work they had undertaken to protect their communities from illegal money lenders. They were:

- East Sussex Credit Union
- Headway Swindon
- Bauer Media Newcastle
- Havant Citizen's Advice
- Cash Box Credit Union
- Radio Northumberland
- Derbyshire District Citizen's Advice

11. Credit Union Incentives

11.1 Over 100 incentive schemes have taken place during 2018-19, with credit unions across the country. The totals for number of accounts opened, savings and borrowing totals are still coming in. Notable examples are:

- Hull Credit Union with 194 new accounts opened which met the savings criteria
- Cash Box Credit Union in Tameside providing £49,441.00 worth of loans to new account holders
- Swan Credit Union in Milton Keynes whose new members from the IMLT incentive scheme have saved £59,966.17.

12. Credit Union Guaranteed Loans Pilot

12.1 In April 2018 a new project was launched with six credit unions, three located in urban areas and three rural. The IMLT used proceeds of crime money and funding from the Treasury to "guarantee" up to £50,000 of loans with each credit union, allowing them to reduce their lending criteria so that people who would currently just miss out on being able to access a loan would be able to get one. An important factor was that the scheme wasn't promoted to the public or the members applying for credit – they didn't know they had not got a normal loan.

12.2 The credit unions taking part were:

- Holdfast Credit Union, Essex
- Wyvern Credit Union, Dorset
- Whitehaven Credit Union, Cumbria
- Croydon, Merton and Sutton Credit Union
- Citysave Credit Union, Birmingham

- Leeds Credit Union

- 12.3 Data is still being processed as the scheme was rolled out at different times however the evidence captured is extremely positive, indicating the project has been great success.
- 12.4 All of the 6 Credit Unions that took part in the pilot achieved their targets in terms of loan default rate with an average of 10% - the default target set was 20%.
- 12.5 To date a total of £965,091.00 has been lent to credit union members who would not have normally qualified for a loan. Savings attached to the loan repayments reported for each member ranged from £52 over the year to £1,038, money that probably wouldn't have been saved without the credit union account.
- 12.6 The average household income of borrowers was £15,299.00. A comparison for the reason people required the loans against the reason victims borrow from loan sharks can be seen below.

Comparison to loan shark victims:

Reasons for borrowing...

	Credit Union members %	Loan Shark victims (2018 data) %
Benefits bridging	2	2
Business costs	1	10
Celebration event	11	6
Education/nursery fees	4	2
Health care/Funeral costs	3	7
Holiday	8	2
Home Improvement/repairs	11	2
Household goods/everyday living expenses	19	28
Rent arrears	1	4
Rent or mortgage deposit	2	2
Vehicle purchase, insurance or repair	10	4

13. Proceeds of Crime

When the team secure a successful prosecution of an illegal money lender they actively look to seize assets utilising the teams accredited financial investigators through the Proceeds of Crime Act (POCA). All money seized from the criminal benefit made by loan sharks is then reinvested back into local communities to raise awareness about the dangers of using loan sharks.

A large number of proceeds of crime projects have come to fruition during 2018/19. Examples are:

East of England

Oblique Arts – £4,940 awarded to an arts/theatre project for adults with learning disabilities culminating with several performances across communities in the Cambridge area.

Opening Doors – £4,976 provided for a user led organisation representing people with learning disabilities. Service users were trained and bespoke publicity produced and circulated to 50 Norfolk organisations.

Arts Olam – £3,400 was awarded to an artist working with prison inmates. A public mural was created in Ipswich. Additional match funding was provided by Ipswich Borough Council.

East Midlands

Citizens Advice, South Derbyshire and City (CASDAC) – received £2,780 & £2,500 for project delivery in two separate areas. Training was provided to front line staff and loan shark awareness events were held. “Drop boxes” were created and placed in CASDAC offices to enable clients to provide anonymous information about loan sharks within their community.



Citizens Advice, North Derbyshire Buxton – £2,000 was given for awareness raising events pointing out the dangers of using a loan shark. A credit union promotion “Amnesty Day” and an estate wide “Art to Advice Trail” were held.

The “Art to Advice Trail” aimed to engage families by getting children to draw pictures of sharks and bees (a local symbol). Residents then followed the Art Trail, and learnt about loan sharks and how to report them. A free activity for residents over the half term holidays was then held, the pictures were spread across six local buildings on the Gamesley estate including doctors, pharmacies, churches and local stores. Each picture had a short paragraph about the dangers of loan sharks and promoted the credit union as a safe option.

Central England

Telford CAB – £2,200 was awarded to a local scouts group to create a money badge based on IMLT education packs. In order for scouts to receive the badge they had to take part in activities focused around learning about money and embedding the anti loan shark message in a fun way.

Birmingham City Council Financial Inclusion Partnership – £3,500 was provided for neighbourhood projects within the Financial Inclusion Partnership to award small grants to areas impacted by loan sharks.

Northfield Partnership – £5,000 produced a fun beach theme festival in Northfield: The one day event raised awareness and was called “No Sharks at the Beach.” A warning video was shown throughout the day and an interactive mobile graffiti mural was produced to be displayed at various prominent community venues.



White Socks Theatre – £5,000 was awarded for a tour of secondary schools and pupil referral units in the Worcestershire area. An hour long interactive workshop used live actors and multimedia to highlight the issues that affect people involved in illegal money lending with over 2,000 students involved.



Yorkshire

Leeds City Council – £5,000 was awarded. Working in partnership with Leeds Money Buddies, a book aimed at children was created. The book teaching about all things money related including the anti-loan shark message was given out free to children in deprived communities and also held as stock in school libraries and book nooks.

North West

Orford Youth Service – £3,500 was provided to thirty-five young people who wanted to deliver an art project to engage their peers and local community in Orford and get them talking about the dangers of using loan sharks.



Aaron Dunleavy – £5,000 was used for a film entitled “Landsharks.” The movie was unveiled in Blackburn and local agencies were invited to view and show to their service users. Landsharks has since won various awards including a showing at the Italian Giffoni Film Festival and was also a winner at the Raindance short film awards in London. Additionally, Great Places have showcased the film to the children’s centres in Blackburn.

Tameside Council – £4,990 was awarded to a local artist to work with the young people and the Create team. They designed faces of people saying no to loan sharks. Their work will be displayed in the entrance of their new building. 1,200 students from Denton High School received an input regarding the dangers of loan sharks via a video and assembly inputs.

Halton Credit Union – £5,000 was awarded and an animation has been developed to raise the awareness of the dangers of using loan sharks and promoting credit unions as a safe alternative for accessing credit. The animation can be altered so that any credit union in England can use it.

Blackpool Citizens Advice – £1,250 resulted in delivery of a number of days and weeks of action in Blackpool with a specific social media campaign running throughout the year.

City West – £4,850 was awarded for a six week art project that will take place at different venues across Salford. Reaching approximately 200 young people, the scheme will enable them to use their own ideas and they will also be asked to manage the allocated budget for their project. Each piece of art will then be displayed in a local community facility and will include key messages regarding loan sharks.

Engage – £5,000 was given to a credit union project designed for young vulnerable adults starting employment. The funding provided budgeting tools, money management and a mentoring project.

Great Places – £4,700 was awarded to Great Places: Artists ran a series of public drop-in sessions and school awareness workshops. This involved fun activities such as making fish themed lanterns and a large showstopper illuminated shark sculpture. School children also learnt how to better manage their money during sessions, using the IMLT financial education packs. The creative pieces went on display at More Music's popular Lantern Festival in November and later were able to be viewed at the White Elephant Art Gallery.



London

ASKI – £2,424 was used to promote the credit union, Citizen's Advice and the IMLT to disengaged older people aged 65-88 from the Caribbean, Asian, Chinese, Kurdish and Turkish communities in Croydon. ASKI also ran intergenerational arts and crafts sessions on the theme of the dangers of using loan sharks.

Partnership for Young London (PYL) in conjunction with Development Youth Practice (DYP) – £4,990 was awarded to PYL who held workshops with DYP and the Illegal Money Lending team on topics around young people, money and loan sharks. This training was specifically for those who work or volunteer in youth organisations in London, supporting and working directly with vulnerable young people.

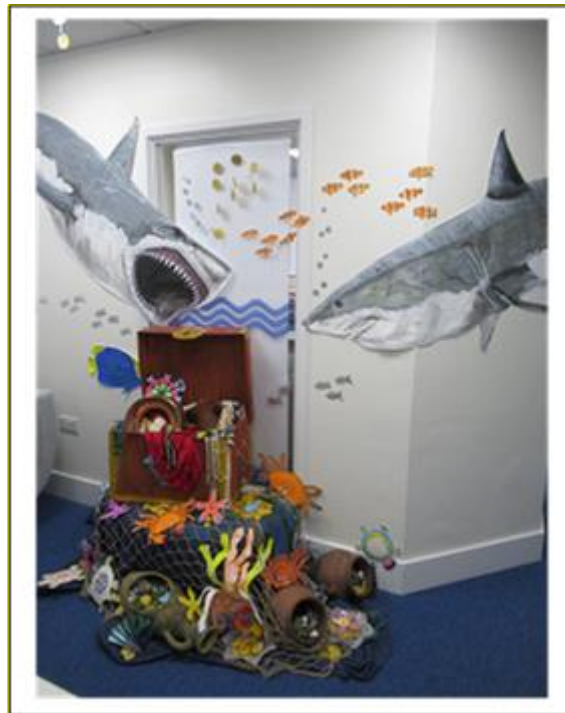
Prison Radio Association – £4,950 was used by the Prison Radio Association to create audio scripts, written and performed by prisoners at Brixton Prison in London talking about the perils of being involved with loan sharks and the support and help that is available both inside and outside of prison.

South West

Plymouth Citizen's Advice – £3,550 was used for a community arts project with Plymouth College of Arts. Students produced an anti-loan shark graffiti mural in a prominent subway location close to the central train station in Plymouth.

Headway, Swindon – £2,745 was awarded. Many of the 90 clients who attend the centre took part in the creation of a complete underwater wall display which runs the length of the main corridor with the main centrepiece being a shark.

IMLT messages run throughout the display and visitors to the centre have said it has become a talking point in which the Illegal Money Lending Team is always mentioned.



Cheltenham Borough Homes – £5,000 awarded. Funding was to be used to wrap Cheltenham Borough Homes vehicles with Stop Loan Sharks information and eye catching pictures to bring attention to their vans.

They have already wrapped 5 of their vans with a 'Keep the Wolf from your Door' and are now looking into a different picture to wrap on 5 more of their vehicles. The vehicles are in use every day and provide maximum viewings in key community areas.



North East

Bauer Media – £ 5,000 was used for school based IMLT awareness and education project where students devised their own radio advert to raise awareness of illegal money lending and warn against the dangers of loan sharks. The project culminated in the production of a radio jingle that was aired on local radio and listened to by over 200,000 people.

Debbie Owen – a £5,000 award produced five different loan shark film clips based on the “usual suspects” concept. These clips were played on loops on small TV screens in the back of Black Cabs in Tyne and Wear in the run up to Christmas and had a viewing audience of over 92,000 people.



Cedarwood Trust – £4,200 was used to create a pantomime written by the Blowin A Hooley Theatre Group. Cinderella, with a modern day take on being in debt to a loan shark, was performed across various community locations.

Radio Northumberland – a £1,200 award produced an anti-loan shark song written by a local poet and punk band. The song was aired across local radio receiving large download and streaming figures. Additionally the band performed the song at the prestigious Rebellion festival.

South East

Havant Citizen's Advice – £2,250 was awarded to the “Work Out Your Money” team to provide interactive workshops featuring the IMLT education packs in schools around the Havant area. Funding was also spent on an A4 cardboard folder for students to take the lesson work home, thus delivering the anti-loan shark message to parents and guardians as well.

Banbury Citizen's Advice – £2,162.50 was used to hold pop-up events across the area including stalls at Banbury and District Show, Town Mayor's Sunday, Banbury PlayDay, Banbury Music Mix, Summerfest and Canal Day culminating in a “Santa and the shark shack” evening at the town Christmas lights switch on. Preparation for the events included creation of a short story warning of the dangers of loan sharks.

Age UK, Horsham – £697 was used for a Sharky tea-party raising awareness of the anti-loan shark message in a fun and interactive way. The audience were all older people who enjoyed a cuddle with Glenda and singing along to an IMLT song, the words of which was then drafted for future use in singing workshops.



Winchester District Council – £1,515 funded year round activities across the area including pop-up stalls, training sessions with staff, partners and university students and a Charter event to spread the stop loan sharks message and promote the credit union.

Information was disseminated widely through tenant's packs, local media and libraries.



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 £3,961,249

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 Loan Sharks 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 loan sharks 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.