



**NATIONAL
TRADING
STANDARDS**

Illegal Money Lending
Team England

INVESTIGATING AND PROSECUTING LOAN SHARKS

NEWS RELEASE



Ref: Christmas Loan Shark Warning 2016

Date: December 2016

CHRISTMAS WARNING

STEER CLEAR OF LOAN SHARKS THIS CHRISTMAS!

The England Illegal Money Lending Team are working with partner agencies across England to warn people of the dangers of borrowing from loan sharks in the run up to Christmas.

The National Team, who investigate and prosecute illegal money lending offences, are advising residents to steer clear of loan sharks who may be offering quick cash loans to afford luxury items.

What is a Loan Shark?

A loan shark is someone who lends money without the correct permission from the Financial Conduct Authority. Loan sharks may initially appear friendly and act as though they're offering a community service. This behaviour soon changes once monies are owed. Loan sharks will commonly resort to bullying tactics such as violence and intimidation to enforce repayment, causing borrowers endless misery.

Loan sharks rarely provide paperwork on the loans they give out and will often refuse to tell the borrower how much they owe, the period they have to pay it back by and how much interest they are being charged. In July, a Manchester loan shark was prosecuted for his illegal money lending business whereby he charged his victims a staggering 4.5 million per cent APR.

How can I help?

The England Illegal Money Lending Team are urging residents to get talking about loan sharks on social media during Christmas by using the designated hashtag #StopLoanSharks

Keep up with the latest news stories from IMLT on Twitter (@LoanSharkNews) or Facebook (www.facebook.com/stoploansharksproject)

If you're like the 26,000 loan shark victims that IMLT have helped, get in touch by calling the team's 24 hour hotline on 0300 555 2222 or email reportaloanshark@stoploansharks.gov.uk

Nationally, the England Illegal Money Lending Team have secured 368 prosecutions, leading to over 318 years' worth of custodial sentences. The team have also written off over £71 Million of illegal debt.

Tony Quigley, Head of Service for the England Illegal Money Lending Team comments:

"We are working with partner organisations and local communities to promote the Stop Loan Sharks message. Our aim is to let those borrowing from loan sharks, especially in the run up to Christmas, know that help is available.

"If you or someone you know has been a victim of a loan shark, we urge you to call our 24-hour hotline on 0300 555 2222 where your call will be handled confidentially by one of our trained Officers."

To report a loan shark:

Call the 24/7 confidential hotline 0300 555 2222

Text a report to 078600 22116

E-mail reportaloanshark@stoploansharks.gov.uk

Private message us on www.facebook.com/stoploansharksproject

**** ENDS ****

For more information contact Holly-Leigh Luckman, Press Officer for the Illegal Money Lending Team on 0121 464 4699 or email Holly.Luckman@birmingham.gov.uk

To speak to the National Trading Standards Board with a more general enquiry please call 020 7025 7570 or e-mail nationaltradingstandards@grayling.com.

Notes to Editors:

The National Trading Standards Board is a group of senior and experienced local government heads of trading standards, representing all trading standards services across England and Wales. The Board has been set up by the Government as part of changes to the consumer protection landscape and an enhanced role for trading standards.

The National Trading Standards Board provides leadership influence, support and resources to help combat consumer and business detriment locally, regionally and nationally.

The Stop Loan Sharks Project consists of three Illegal money lending teams in England, Scotland and Wales. The National Trading Standards Board has responsibility for the England and Wales Illegal Money Lending Teams that are hosted by Birmingham City Council and Cardiff Council. There are separate arrangements in place in Scotland.

Nationally, Illegal Money Lending Teams have secured more than 368 prosecutions for illegal money lending and related activity, leading to nearly 318 years' worth of custodial sentences. They have written off £71.75 million worth of illegal debt and helped over 26,000 victims.

The Illegal Money Lending Teams in England and Wales work in partnership with local Trading Standards Authorities in their related countries. They consist of specialist officers who investigate and prosecute illegal money lending and related activity and LIAISE officers who support victims and raise awareness of the dangers of borrowing from illegal money lenders.

Examples of prosecutions IMLT have secured this year include:

- **Operation JODO** – Thomas Johnson from Stockport who charged his victims 4.5 million per cent APR, was sentenced to 33 months in prison on 28th July. He had received in excess of £200,000 from his illegal money lending business, charging a standard rate of 100% interest for every £1 he loaned out.

Johnson threatened to break the legs of a victim if they didn't pay, threatening that no-one got away without paying.

Other threats involved Johnson telling the victim that he would put them in a wheelchair, claiming he had a space to bury his body.

- **Operation LEMBATA** – Kevin Colin White and Adrian James Dowse were sentenced to 2 years and 9 months each on the 2nd November for their illegal money lending business. The loan sharks from Portsmouth supplied victims with cash loans and motor vehicles on credit. The value of their loan book totalled over £700,000. When the sale of a motor vehicle was made, the loan sharks would retain the second set of keys which enabled them to continue an influence over their victims or in the event of default, recover the vehicle without warning.