

SLOUGH BOROUGH COUNCIL

REPORT TO: Overview & Scrutiny **DATE:** 8th April 2014

CONTACT OFFICER: Angela Satterly , Compliance Team Leader
Tel: 01753 875226

(For all enquiries) (01753) 875666

WARD(S): All

PART I **FOR INFORMATION**

LOAN SHARKS – A PARTNERSHIP INITIATIVE

1 Purpose of Report

To inform Members of the work carried out to protect Slough residents and in particular the most vulnerable in our communities who are most at risk from falling into the hands of rogues operating as 'loansharks'.

2 Recommendation

The Committee is requested to note the report.

3 Slough Wellbeing Strategy Priorities–

The benefits that the Loanshark work can deliver to the Council and Slough residents are significant and in particular impact positively on the following priorities:

- Economy and Skills:
- Health and Wellbeing
- Housing
- Safer Communities

Civic responsibility – The Loanshark initiatives are designed to inform and empower residents to resist illegal money lenders and come forward with information that will benefit their communities.

Improving the image of the town – reducing the fear of crime

4 Joint Strategic Needs Assessment (JSNA)

Slough has areas of significant deprivation and poverty. The JSNA recognises links between poverty and health inequalities. It is often the poorer and more vulnerable members of our communities who become victims of illegal money lending. The Loanshark initiatives increase the Councils and our partners' capacity and opportunity to protect residents and improve their life opportunities.

5 **Other Implications**

(a) **Financial**

There are no financial implications of proposed action. Investigation costs and promotional material costs are met by the Illegal Money lending Team. Officer's time costs are covered by existing operational budgets

(b) **Risk Management**

Risk	Mitigating action	Opportunities
Legal	Specialist Investigations are carried out by the Illegal Money Lending Team (ILMT) under an agreed protocol.	
Property	None	None
Human Rights	None	None
Health and Safety	Risk assessments are carried out for all officers on door to door operations and offers work in pairs	None
Employment Issues	None	None
Equalities Issues	None	None
Community Support	The voluntary sector is engaged	To inform and empower residents
Communications	SBC Comms are involved	The ILMT provide support material
Community Safety	TVP and Community Wardens are included in the planning of initiatives.	Kerbing the operations of Loansharks has a positive impact on the crime and disorder and the fear of crime
Financial	None	The ILMT is funded by central government
Timetable for delivery	ongoing through 2014	
Project Capacity		
Other	None	None

(c) **Human Rights Act and Other Legal Implications**

There are Human Rights Act Implications.

(d) **Equalities Impact Assessment**

There is no identified need for the completion of an EIA as the Loanshark work is based on national legislation and codes that have already undergone assessment.

6 Supporting Information

6.1 Background

The Trading Standards Team at Slough are supported in their local 'Loan shark' work by an agreed protocol with the Illegal Money Lending Team (IMLT), which is hosted by Birmingham City Council and funded from central government, to provide a specialist task force designed to tackle illegal money lending across regional boundaries.

We have access to highly experienced investigators, who also provide training for our officers and local awareness support for the Council which is co-ordinated locally by the Trading Standards Service.

During 2013 the Trading Standards Service engaged with key partner agencies, and colleagues such as licensing and neighbourhood enforcement teams, Thames Valley Police, and the local community run Credit Union and were very well supported by local councillors and Slough's MP Fiona Mactaggart.

Together we established the most appropriate areas to hold an event to raise awareness of loan sharks and inform the residents of the misery that these loan sharks bring to ordinary peoples life's, when they borrow even small amounts and fail to make the repayments, which in most cases included horrendous interest rates. The evidence clearly shows that when consumers understand the risks involved in using a loan shark, have an understanding of the alternatives available and that there is support available they are less likely to fall into serious debt. In addition awareness campaigns increases the consumers confidence to report loan shark activity in their communities which can then be investigated by the Illegal Money Lending Team on our behalf.

An agreement was reached with partners to roll out the intervention in the Britwell and Chalvey areas during 2013. Both area's have high levels of deprivation and many residents are financial vulnerable, being either unemployed, young single parents or families on low income or retired.

6.2 Project Delivery

- Over **700 'shark' beer-mats and flyers were distributed**; shark articles were included in two newsletters for taxi drivers. An article was distributed by Slough Older Peoples Forum and sent out to their elderly members and Age Concern. Posters and flyers were put in food bags given out by Slough Food Bank
- Free Awareness training was provided by the Illegal Money Lending Team (IMLT) included Children's Services, Family Support, Citizen's Advice staff and [volunteers at Slough Food Bank](#) plus response Officers from Slough Police. **100% of attendees said that they found the training very useful.**
- Leaflets delivered to **640 households**. A multi-agency door-knock to residents in the Britwell area provided residents with information about loan sharks and the credit union. The Credit Union were on hand at Land Mark Place to give advice and open accounts.

- Slough Communications included an article for the Citizen magazine, information was sent out to church groups in Slough, a radio interview was aired on Time Radio and a press release in the Slough Observer

6.3 Outcomes

1. 27 new accounts were opened with the Credit Union.
2. Further training was subsequently provided to the Council's homeless service, private rented sector, addiction & mental health officers, and some over 55s
3. Increased awareness for consumers. Before our intervention 98% of the consumers we spoke to did not realise loan sharks were operating illegally, and that their rates were unenforceable.
4. Intelligence gathered as part of the awareness campaign provided leads relating to three different loan sharks. This information was passed to the IMLT for further investigation on our behalf.
5. The innovative and successful work in Slough on increasing awareness of was recognised by the IMLT and Slough won the Regional Loan Shark Award.

6.4 Slough Loan shark work for 2014

Nationally, there remains concern about the operation of loan sharks however, because of the illicit nature of their operation local data for Slough is difficult to obtain.

1. Discussions are underway for a new "themed project" with trading standards & partners during September 2014.
2. Schools in Slough will be encouraged to take up the opportunity use training for 5-11 years "money safe" & 11-19 year olds "safer lending".
3. A cartoon video lesson featuring sharks as the loan sharks and penguins as trading standards officers aimed at young children is also available and will be promoted; 9 Slough schools have shown interest so far.

7 Comments of Other Committees

None

8 Conclusion

The Trading Standards Service and our partners are committed to protecting our vulnerable residents against illegal money lending and we plan during 2014 to continue to support the delivery of loan shark initiatives in Slough to improve awareness, gather intelligence on illegal activity, and with others promote alternatives.

9 Background Papers

- '1' Lessons about keeping our money safe for 5 -11 year olds
- '2' Lessons in safer lending and borrowing for 11-19 year olds

Hard Copies of these papers will be available at the meeting.