

## **Active Inclusion Newcastle (AIN) Spectrum of illegal money lending advice**

The Active Inclusion Newcastle (AIN) approach seeks to make the best use of the limited face to face and specialist advice services in Newcastle by helping other non-specialist services to prevent and respond to financial exclusion and the risk of homelessness. This means moving from signposting to proportionate responses in which all partners can play a role. To aid us in this process we have developed spectrums of advice for benefits, money management (which covers both debt and budgeting advice) and housing and homelessness. This spectrum of advice covers illegal money lending. It describes three broad tiers or levels of advice and acts as a tool to help us to better understand where organisations fit into our provision in Newcastle and what support they need to do this. The information on the following pages:

- provides examples of staff, organisations and services that may fit under each tier
- describes the expected knowledge and role for each tier
- states what training, information and support is available to each tier.

We think that work to tackle illegal money lending and to support loan shark victims can be divided into the following tiers. These are described in detail below:

Tier 1: General information to tackle illegal money lending and support residents affected by loan shark debt

Tier 2: General advice to tackle illegal money lending and support residents affected by loan shark debt

Tier 3: Specialist advice to tackle illegal money lending and support residents affected by loan shark debt

### **Tier 1: General information to tackle illegal money lending and support residents affected by loan shark debt**

#### **Aim:**

Staff and volunteers have a general overview of the dangers of loan sharks and an ability to provide information to help people to access appropriate support.

#### **Who provides this:**

Frontline staff who come into contact with residents that may be affected by loan shark behaviour.

Examples: Customer Service and Library staff, some community organisations, foodbank volunteers, representatives from faith groups, health professionals, such as health visitors and GPs, and school staff

#### **Expected knowledge:**

- Have a general overview of the dangers of loan sharks and the impact that they can have on individuals, households and communities
- Know how to respond to conversations about illegal money lending and loan sharks
- Know that there is support available to loan shark victims

- Know how to signpost / refer loan shark victims to the Illegal Money Lending Team for advice or support
- Have a general understanding of the free and trusted debt advice providers in Newcastle and know where to find their contact information
- Know what is meant by the term 'affordable credit' and where to find further information (including contact details) for organisations who provide it

#### **Expected role:**

- Be prepared to talk to residents about money worries, particularly the dangers of loan sharks
- Identify some of the 'warning' signs from conversations with residents, which could indicate signs of loan shark activity
- Signpost and / or refer to appropriate services for advice and support. This could include organisations such as the Illegal Money Lending Team or free and impartial debt advice providers
- Pass on information relating to suspected loan shark activity to the relevant organisations

#### **Training, information and support:**

- AIN offer – [toolkits](#) (illegal money lending, affordable credit and debt), [Borrow wisely leaflet](#), [Newcastle City Council website](#), consultancy contact details
- Stop Loan Shark training
- Community Advocate Stop Loan Shark training
- Resources provided by the Illegal Money Lending Team, such as leaflets and postcards
- Personal Finance Education Group money management education materials developed by the Illegal Money Lending Team (this information is wider than the dangers of loan sharks)

### **Tier 2: General advice to tackle illegal money lending and support residents affected by loan shark debt**

#### **Aim:**

Staff and volunteers are able to identify signs of potential loan shark activity, have a good understanding of the different support available for loan shark victims and know how to make meaningful referrals to the Illegal Money Lending Team.

#### **Who provides this:**

Frontline staff and volunteers who have an existing relationship with residents and are in a position to identify potential money worries, including signs of loan shark debt.

Examples: Advice and Support Workers, Probation staff, Social Workers, (some) community organisations, debt and other advice providers, supported housing providers

#### **Expected knowledge:**

- All knowledge and skills identified in Tier 1
- Be able to identify potential signs of loan shark activity at an individual level. This could be as a result of a conversation with a resident, a change in their behaviour or an inability /

unwillingness to produce valuable identification documents, such as a passport, car log book or bank card

- Know how to report suspected loan shark activity to the relevant organisations. This will include providing accurate and as much relevant information as possible, so that officers can follow up on the intelligence provided
- Know what support is available for loan shark victims

**Expected role:**

- As in Tier 1 plus:
- Identify the warning signs of loan shark activity
- Report suspected loan shark activity to the relevant organisations
- Make referrals to the Illegal Money Lending Team for suspected loan shark victims
- Make referrals to free and impartial debt advice providers, if needed, including providing support to gather any documentation needed for an appointment
- Make referrals to affordable credit providers, if needed
- Make referrals to organisations who can undertake a benefit entitlement check

**Training, information and support:**

- As outlined in tier 1 plus:
- Enhanced Stop Loan Sharks training
- Information about making appropriate referrals to organisations

**Tier 3: Specialist advice to tackle illegal money lending and support residents affected by loan shark debt**

**Aim:**

Specialist organisations to act on and investigate reported or suspected loan shark activity. In addition, some organisations within this tier also hold the power to prosecute loan sharks, as well as being able to provide direct support to loan shark victims.

**Who provides this:**

Staff who work in specialist roles tasked with acting on and investigating suspected loan shark activity.

Examples: Illegal Money Lending Team, Trading Standards (some elements)

**Expected knowledge:**

- As in Tiers 1 and 2 plus:
- Know in depth the impact that loan sharks have on individuals, households and communities
- Know how to work with organisations to promote the importance of tackling loan sharks
- Know what different advice provision is available in Newcastle, including debt advice and affordable credit providers, and how to refer residents to this support

**Expected role:**

- As in Tiers 1 and 2 plus:

- Act on and investigate suspected loan shark activity, including following up on intelligence provided by agencies and members of the public
- Provide support to loan shark victims, including providing emotional support and making referrals to agencies such as affordable credit providers or free and impartial debt advice agencies
- Prosecute loan sharks (only the Illegal Money Lending Team)

**Training, information and support:**

- Internal arrangements (internal training, supervision, attending other relevant meetings)
- Other organisations' offers
- AIN consultancy information – debt advice and Welfare Rights
- Public resources – [Newcastle City Council website](#), [www.gov.uk](http://www.gov.uk)