

28th May 2020

DON'T BE A LOAN SHARK VICTIM

The coronavirus outbreak has led to many people across Wales finding themselves having to deal with an uncertain financial situation.

An unprecedented number of people have suddenly become financially vulnerable, either through losing their jobs or having cash flow problems.

This leads to worry and concerns regarding the payment of the most important bills like rent, utilities and basic necessities.

If you find yourself in this position, it may seem tempting to borrow money from an unlicensed lender as a quick fix.

Unlicensed lenders (loan sharks) may look to take advantage of those who are most vulnerable at this time and who feel that they have nowhere else to turn for help.

They are often based in the local community and, if you are in a financial crisis, they may seem friendly at the beginning. However, they can cause people immense misery in the long term.

The Wales Illegal Money Lending Unit (WIMLU) is a specialist Trading Standards team which investigates and prosecutes loan sharks.

WIMLU is warning that loan sharks are likely to be taking advantage of the Covid-19 pandemic by offering loans to people who have been hit financially by the crisis.

Its 24-hour confidential hotline remains open throughout the crisis. If you, or anyone you know has borrowed from a loan shark, call for advice and support on 0300 123 33 11.

For those in financial trouble, the worst thing to do is borrow from a loan shark. These are far safer options and no matter how bad the situation seems, help is out there:

- StepChange Debt Charity have information and advice for those worried about debt and the coronavirus
- The Money Advice Service has a guide to support that might be available to you and changes to the benefits system
- Citizens Advice has information about accessing food banks and other emergency help in your local area
- The Financial Conduct Authority (FCA) have advice on avoiding loan fee scams and a register of authorised lenders
- The Wales Illegal Money Lending Unit can be contacted on 0300 123 33 11.