

Help and support if you owe money to a loan shark

What is a loan shark?

Loan sharks are people or companies who charge you for borrowing money with very high interest rates. They're not regulated by the Financial Conduct Authority (FCA) and their operations are illegal. However, it isn't illegal to borrow money from someone, so you haven't broken the law if you find yourself in this position.

You can search the [Financial Services Register](#) for companies and individuals authorised by the FCA.

How can I tell if someone is a loan shark?

Loan sharks set out to make money from lending money. Some warning signs to look out for are:

- No paperwork – the loan giver wants to charge you interest but has provided no paperwork for your loan.
- Holding your possessions – a loan shark may want to keep something of yours whilst the loan is active (for example, your passport).
- Hidden charges – they may keep adding further interest so that your loan is never payable.
- No guidance – they refuse to provide you with any information about the loan such as repayment details or interest rates.
- Aggression – a loan shark may be intimidating and use threatening behaviour if you don't pay on time.
- Appearing friendly – a loan shark may act friendly initially, but their behaviour can soon change once you've received the loan.

What do I do if I have a loan shark debt?

It's important to remember that if you've borrowed from a loan shark, it's not your fault. Loan sharks often use fear and intimidation to keep you trapped. Seeking help won't get you into trouble because it's the loan shark who is breaking the law, not you. They have no legal right to demand repayment for money lent illegally and they're not able to take you to court. If you're worried about your safety, don't stop payments abruptly. We advise reaching out to a specialist for advice before taking any action.

How do I report a loan shark?

If you spot a loan shark or you've borrowed money from one, you can report them anonymously. In the UK, it's simple to report a loan shark, you can do this via a multitude of channels. The organisations listed below will also be able to offer guidance and support on your lending circumstances.

England - Illegal Money Lending Team

[Report a loan shark online](#)

reportaloanshark@stoploansharks.gov.uk

Telephone: 0300 555 2222

Text a report to 07860 022 116

Wales - Wales Illegal Money Lending Unit

imlu@cardiff.gov.uk

Telephone: 0300 123 3311

Text a report to 07772 608 931

Scotland - Trading Standards Scotland

[Report a loan shark online](#)

Telephone: 0800 074 0878

Northern Ireland - Trading Standards Consumerline

www.consumerline.org

Telephone: 0300 123 6262

What financial help is available?

It's always advisable to borrow money from a safe and legal lender. If you're worried you may not receive credit due to being on a low income or having a poor credit rating, there may still be options available.

- Your bank and creditors – we recommend reaching out to your banking provider and your creditors, explaining your financial difficulty and seeing what options they provide to you.
- Government help - start by looking into what benefits you may be able to receive by using the [Entitledto Calculator](#). In just ten minutes, it'll provide an overview of the benefits you may qualify for and offer guidance on how to apply. You may also be able to receive an early benefit payment.
- Utilities assistance – if you're struggling with high gas and electricity arrears, you can contact your energy provider who may give you emergency credit. Please note that this^[EG1] must be paid back. Fuel vouchers may also be available to you from your local council.
- Borrowing from a Credit Union – [Credit Unions](#) provide loans at low^[EG2] er interest rates whilst also encouraging savings and providing advice.

Remember, if you're unable to keep up with repayments, our team are here and ready to help