

I am worried about illegal lending

If you have already borrowed from someone you believe is not licensed to lend, there is help and guidance available.

If you have borrowed money from someone who is not legally licensed to lend, it is important to note that you have not broken the law – they have.

What is an illegal money lender?

If you can answer yes to one or more of these questions, you may be borrowing from an illegal money lender:

- Did they offer you a cash loan?
- Did they not give you paperwork?
- Did they add huge amounts of interest or APR to your loan?
- Have they threatened you?
- Are you scared of people finding out?
- Have they taken your bank card, benefit card, passport, watch or other valuables from you?

An illegal money lender is anyone who makes it their business to profit from lending money, but who is not licenced or regulated by the authorities.

An illegal money lender might be a friend or acquaintance, or they might simply be someone known around your area for lending money. They will often deal in cash, seldom provide any paperwork, and will demand very high interest rates (or they may not even be clear about what you have to pay back).

If you cannot make repayments, illegal money lenders will often threaten violence or demand that you give them valuable items as an alternative to a repayment. If you can't make repayments, they may try to force you to do "favours" for them, which may involve getting involved in criminal activity yourself.

Illegal money lenders often prey on vulnerable people in the community: people who believe they have no alternative to borrowing from them, perhaps as a result of poor credit history, or who are out of work or on benefits.

Lending money without a licence is illegal. However, it's important to recognise - if you borrow from an illegal money lender, you have not broken the law, they have.

Other information is available on the [Department of Justice's website](#).

Is your lender legal?

If someone is lending you money, they must be registered with the Financial Conduct Authority.

You can search the [Financial Conduct Authority database](#) for all legal money lenders in the UK.

Reporting an illegal money lender

Illegal money lending is an offence, enforceable by the Police Service of Northern Ireland.

If you have experienced difficulties with illegal money lending, or you have been the victim of violence or feel threatened or intimidated as a result of unpaid debts with an illegal money lender, help is available.

[See what help and support is available.](#)



Help and advice about illegal lenders

If you have been the victim of illegal money lending, or you find yourself in financial difficulties that are leading you to consider borrowing money from an illegal money lender, there is help at hand.

[Help and advice](#)

The Consumer Council for Northern Ireland is authorised and regulated by The Financial Conduct Authority to act as a credit broker. Our Firm Number is 913082.