

# **When Payday Loans Go Wrong**

**Steve Perry**

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# **When Payday Loans Go Wrong**

*Based on a true story*

## **DEDICATIONS**

Dedicated to the loving memory of John Thomas Roby, gone from our sight but never our hearts.

With thanks to both my loving family and close friends who have endured my constant ramblings over the past few months.

To my best friend Ian just one word – justice!

Finally, with special thanks to one Stella Creasy, whose passionate and relentless fight for the cause has been truly inspirational and has restored my faith in politics – I thank you for that.

## PREFACE

There was a time, not so long ago when my life could have been considered to be relatively normal. 27 years old with a job I enjoyed, a close circle of friends and a loving family. I had had some problems with the banks which had hampered my life financially, but I was happy with my life. Then two years ago I took out a payday loan and my life has never been the same since. Never could I have envisaged the suffering to follow, how one single payday loan could turn into no less than 64 loans in just under two years, turning an initial loan of just a few hundred pounds into £7000 worth of dead money, and total repayments of loans to over £22000. Never could I have envisaged that a spiraling level of debt would leave me a shadow of a man, broken and beaten and on the verge of suicide.

Many factors have contributed to the catastrophic situation I faced and the costs of which I am still paying to this day. These factors will be explored throughout this book. The developments of the last few months have made me realise that I am not alone in this situation. Payday lending is becoming an increasing danger to the financial fabric of our society, as the lenders' wealth increase so does their power and new ways of marketing and advertising which reels in new customers every passing day.

Experience has taught me that Payday borrowing is a practice that should be totally avoided. Anyone considering a payday loan is to explore all other options first and to anyone who is already in arrears to learn from my mistakes. It is too late for me, the damage has already been caused and is irreversible, but the contents of this book can prevent others from walking in my footsteps. For that purpose this book has been published.

This book reveals the last two years of my life told through the eyes of Jack Robinson, a fictional tabloid journalist who was sent to uncover the truth behind my payday borrowing. Whilst my journalist and interview is fictional the rest most certainly isn't. We will explore every last detail of my borrowing, citing real names, real dates, facts and figures. More importantly I will explain to you exactly what I have achieved through fighting back against the loan industry and why tough new regulations are an absolute necessity to prevent impending financial disaster.

But what is payday borrowing? How does it work? Why is it such a dangerous practice? Firstly we need to understand what a Payday Lender is. Payday Lenders are a relatively new phenomenon and have achieved great business success in the United States, until they were effectively banned in many states. The concept behind a payday loan is simple and to some might seem to be a handy financial tool. A payday lender typically operates online and will offer a short term loan linked to your monthly wages. Usually amounts up to £750 can

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be loaned to a customer with a maximum term time of 31 days. The agreed repayment date would normally be your next payday in which the full loan value would be repaid together with interest which generally is around 30 percent of the amount borrowed.

Payday Loans can be applied for online and the application forms require only basic information making them a fast and seemingly effective tool for a short term loan requirement. When utilised correctly and as a one-off, a payday loan may fix those emergency situations we all seem to find ourselves facing from time to time.

The danger of payday borrowing is when it becomes habitual and the inability to repay the borrowed amount in the agreed timescales. Most payday lending companies allow customers to roll-over the loans, which is usually the repayment of interest only on a loan with the full borrowed amount rolled over for another month however the interest is re-added to the loan. Other payday lenders do not allow this facility, and the typical customer who is afraid to incur charges and penalties through missing a payment will repay a loan in full and re-loan immediately afterwards, which could have the same results as rolling over a loan.

Many defenders of the system would place the blame for such circumstances on the customer taking the loans and argue very strong points. However my own experience has proven to me that joint accountability must be recognised for these situations. If a loan cannot be repaid in full first time round there is a strong likelihood the loan was never sustainable in the first instance, and that thorough credit checking should have been undertaken by the payday loan company. I would also strongly argue that the rollover loan facility is nothing more than a money making spin and serves no benefit to the customer. These issues and 'responsible lending' will be discussed at great length throughout this book in an attempt to raise awareness to the readers of the pitfalls of payday lending and how the term responsible lending is nothing more than a lie.

To the sceptics and cynics out there, of which there are many (mostly representatives of the payday lending industry) I will address the issue of irresponsible borrowing. I am responsible enough to admit my own faults and weaknesses, and I accept fully my share of the blame in the chaotic situation which has been created in my life. But if the truth be told equal responsibility lies at the feet of those loan companies offering loans or lending in an irresponsible way.

It could easily be perceived by many who would chose to read this book that I am just a bitter customer trying to pass the burden of blame onto the lenders involved in my loan history, and looking to smear their good name at every possible turn. The truth is far from that. It was my own naivety in believing a

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second payday loan was the answer to my initial problem that caused the spiral of debt in the first instance. Hindsight is a beautiful thing, had I known the consequences of my actions at the time, the solution would have been to immediately inform Payday UK that I was unable to meet their repayment terms and agree a repayment strategy with them, which could easily have seen the loan repaid within a few months without having any adverse effect on my personal finances, and the issue would have been brought to a very abrupt and early conclusion.

Certainly following on from this early period of borrowing from more lenders to repay other payday lenders I should have identified that there was clearly no logical way the spiral of borrowing was ever going to pay itself off in the system of borrowing I was using. Whilst I would like to think I am a one off, an 'extreme case' as the phrase has been previously mentioned however it is a known fact that this isn't the case. Whilst many who borrow from payday lenders may do so in a very organised and responsible manner, there is raft of people out there who have racked up thousands of pounds in payday loan debt through exercising the same mode of thought as I have. This method of borrowing to manage debt can only possibly be described as irresponsible borrowing.

What is essential to explore as part of this summary, is - what are the driving forces behind irresponsible borrowing particularly in my case? Whilst I admit to the naivety and stupidity of my previous actions, there could be some degree of logic in my thought process, particularly to the average everyday guy who is not clued-up about money management or can immediately see pitfalls in certain kinds of financial decisions.

I had started a new job which actually paid more than my previous job and although it would have been difficult juggling the payday loans against each other, I think I would have managed to pay it off in a few months if I had stuck to my original budget. Payday UK wanted £75 from me on around the 30th July, and they wanted another £375 ten days later, or at the very least another £75. I knew I didn't have the finances to pay for it. I didn't go to my family because they are just as poor as I am, I didn't want to burden them with my issues. I couldn't have gone to my work, as I had only just started a new job, the last thing you want to do is ask for advance when you first start.

Payday UK had made it pretty clear the consequences of missing payments, late charges, added interest, damaged credit history – they reminded me in grand fashion, enough to make me believe I had to make those minimum repayments no matter what.

Once the loan had spiraled out of hand, one must appreciate the very deep

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human feelings that can't be blocked out. Having gone so far without informing family members, or seeking external help, and certainly not believing the debtors could be approached, as a human being, fear creeps in, a strong feeling of entrapment, solitude and a general feeling that you have got your self into a situation you have no way of getting out of. Stress levels rise to such an extent that you become consumed by the belief all you can do is the very minimum to keep the debtors happy, no matter what the long term cost. It is undeniable, as a person who has experienced all of the above, that these feelings can and will enter a person's mind who has got themselves into so much trouble and once they are in it, it becomes a very difficult task to bring them out. A person with a loan history such as mine takes desperate actions to keep a lid on a desperate situation and what you may call irresponsible borrowing – I call it the desperate cries of a person who feels they have no other options available.

Only through awareness can the system be changed and I would hope by the conclusion of this book you have developed a new understanding of the payday lending system and at the very least it will deter you from ever taking a payday loan.



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# *Chapter 1*

## **The beginning**

When I woke up on the 3<sup>rd</sup> May I knew very little about Steve Perry and almost nothing about payday lending as a whole, and to be quite frank, neither did I care. A four hour trip up North was my punishment for getting a little too close to the truth on my last story. Not that I am bitter, but the amount of sleaze these celebrities get away with make politicians look like angels, but hey that's showbiz and that was my calling in life. Fast cars, bright lights, stalking the city streets to dig the dirt out of every story I could, for one purpose—to make headline news.

I don't know which I hated the most, the alarm sounding at 5am telling me it's time to get up, the battering of rain against my bedroom window, or the ticking time bomb waiting to explode in my head that said Jack, you should not have been out last night. All I did know was one thing—there is no justice in this world.

Two snooze buttons later and I was up, quick cup of coffee, wash and shave and I was on the road heading up to the delights of Wigan. Driving up the M6 I soon began to realise I should be thinking about questions to ask, I have never been one for researching a case, “just turn up, take it on board and roll with it” that was always my approach. I began to review in my mind what I did know, we had a 29 year old guy that was about as capable of controlling his finances as I had holding down a London Kebab at 2am on a Wednesday morning! I was almost certain this would turn out to be another one of those cases of self pity, “blame the system not me, I was just another innocent victim” I thought.

After a quick stop at the self service for a well earned coffee and bacon sandwich I was off on my travels once again, it was 10am, a meeting arranged with Steve for 11am and only 40 minutes on the sat-nav to go, I was laughing.

As I turned off at the motorway I was soon met by the most ominous of signs, ‘Welcome To Wigan, Home Of Premiership Football’ – I'd reached my destination. It took less than 20 minutes to locate Steve, winding through the council estate I finally drew up to his house, it was everything I had expected it to be from the outside, small semi detached house, no more than 3 bedrooms, a drive with no car, a front garden resembling something like half tidy and a stinking pile of dog poo right outside my car door, yep, I knew I was in the right place.

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Before I had the chance to knock on the door I was greeted a gentleman. I remember that first meeting as clear as day, he was an average sized guy, around 5ft 9, carried with him a distinct beer belly and more than a little excess weight. Longish dark hair in desperate need of a cut, short scraggly beard and as he smiled to greet me I noticed his teeth were in a definite need of a good clean. “Good morning” the gentleman exclaimed, “my name is Steve Perry”.

“Jack Robinson, I’m here from the Gazette” I responded, sharing a tough handshake as we spoke.

Steve introduced me into his living room which had caught me by surprise given his unkempt front garden and his dare I say tramp-like appearance. It was small yet very well kept; the fire had been blazing for quite sometime giving off a radiant and comforting heat, certainly in comparison to the storm outside. At that point I realised one simple fact, his mother was well and truly responsible for looking after the inside, self keeping and the gardening; well that was Steve’s department. The walls were littered with photographs galore, family members of all generations, those that had passed on, parents, brothers, nephews in tow and my instincts had told me there were strong family connections.

Now I may not be the greatest reporter in the world when it comes to research, but if I have one gift in my favor, I can read people like a book. Within 10 minutes of being with Steve I knew what kind of man I was dealing with, a nice guy, a family guy but a man with a troubled mind, he had a strange and almost empty look in his eyes, like his life had been pulled from underneath him, and he hadn’t the slightest idea on how to get it back. He spoke to me with a tremor in his voice, he was afraid of the interview to come; I could smell it from him.

With that in mind I wasted little time in getting to work, if only to put his mind at ease. Of course it had very little to do with looking at the clock, and looking forward to travelling back to London as quickly as possible.

Before asking Steve about the loans I first wanted to know about the man that existed prior to the first loan, and the start of all the madness. Steve was your average 27 year old guy from a small town in the North, working in administration he had both the ability and the commitment to work hard, when he felt the cause was right, like most men he enjoyed his football and his weekend boozing. As a man he kept fairly quiet with just a small group of close and important friends. Whilst he told me a few stories from his earlier, happier years, I got the impression he was quite the character despite his quiet lifestyle, always the comedian and had the ability to tell a story in such a way that kept you engrossed until the very end, usually culminating in ferocious laughter at his expense. Never afraid to put himself in the firing line for his friends and family, he would have taken a beating if he needed to. He also told me of his recent change in mentality regarding his health, how he had taken to running at the start of 2009 which had led to a substantial loss in weight. His confidence had

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grown in line with his new slim figure, that he was popular with the ladies and life by all accounts was beginning to take shape for him.

I remember I had found it hard to believe that the pale, shadow of a man could have been the same person he was describing. I wondered to myself what life could have done to this man to break him in such a way and I hastened to think, perhaps there was something interesting in this story after all.

For Steve the nightmare began back in June 2009. He had been convinced by his friends to take a small break from the stress and pressures of life and work, however on the short term he lacked enough money to do so. Having no reason to believe his employers would be able to loan him the money, and certain he did not want to broach the question to any of his family members, he turned to the glamour and glitz of the payday loan system, in particular Payday UK. Steve told me of what he considered to be the great appeal of the payday loan system,

“Well the reality is it’s just so easy to obtain isn’t it” Steve told me. “You just need to be over 18, in permanent employment and earning over £750 per month and if you have all of those then you are likely to qualify, then providing you have a bank account and a debit card to repay the loan its pretty much a done deal.”

At the time I found it incredibly difficult to comprehend, I asked Steve if he was missing some truth out of his story, that common sense would surely suggest that there was more to a loan application than what amounts in effect to nothing at all.

Steve continued to tell me about applying for his first loan with Payday UK;

“Well they had a really simple and easy online form, they wanted my name, address, date of birth, contact number and email of course and last but not least, my average monthly earnings. I had my doubts at the time but they told me they were a responsible loan provider, that they would confirm I was the person taking out the loan, that I was permanently employed and that I would be able to repay the loan, they wanted to be sure the money went into my account and no one else’s and that I could repay them in a simple and hassle free way. I didn’t have much time to sort things out, so clearly this way the way forward for me”

At this point he had captured my interest, I found it inconceivable that a company seemingly operated in such a way, and legally, had I stumbled across a loan shark?

We continued to discuss at length the financial background to Steve’s request for a loan, and the implications of having to repay the loan. On the 10<sup>th</sup> June 2009 Steve had borrowed a relatively small amount of £250 for a period of time no longer than 3 weeks. He told me that at the time he felt certain he could repay the loan on time and cover the additional costs without falling into further

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problems which amounted to just over £310, there was an honesty in his eyes, I found myself obliged to believe him.

However as Steve continued to talk to me about his problems it became apparent to me that he had managed his remaining finances in a very poor way as on the 13<sup>th</sup> July he took out his second payday loan. We had to pause for a few moments as Steve, almost shamefully realised in his own mind the problems this had caused. In his mind nearly two years of hell could have been avoided if it was not for one simple mistake. After a couple of moment's silence Steve simply claimed "I should never have taken that second loan. As sure as I was about the first, my lesson should have been learnt, the second loan was not the answer and although it was the easiest it spelt only danger."

I remember asking Steve about why he took the second loan, since it would have appeared to be the catalyst for all the following pain and hardship, it was important to really understand what led him to this decision. He explained to me it was a weakness on his part, too ashamed to ask his family for help, certain he would receive none from his employer, taking out a second loan was the only clear solution.

We took a small break at this point while Steve went to make us both a hot drink and it gave me some time to ponder the information provided, it wasn't the fast cars, the big city lights, the glitz and glamour of chasing pop-stars and actors for a little bit of filth, and at this time it still wasn't exactly my cup of tea of a story but there was something there and I couldn't put my finger on what it was which had gained my curiosity in such a way. Then it hit me, there was filth in this story and at this time the finger of blame was finely balanced. On the one hand we had a man, who by his own recognition had acted carelessly in taking out a payday loan in the first instance, who had proven beyond doubt that within less than a month that he lacked the financial muscle to pull himself right back out of trouble. On the other hand, the payday loan company, widely regarded by many people to be part of a new legal loan shark industry, who had quite easily allowed this man to take out a loan in the first instance and not only that but allow him to return in less than two weeks to take out another loan, this time at a higher amount. This was only the start of the ride, the first loop in a financial rollercoaster, at which point either side could be blamed for the madness to follow. I decided to sit on the fence, accepting that either or even joint responsibility and accountability should be the conclusion of this. Steve had returned with the coffee and we were ready to continue.

On 3rd July 2009 Steve took his second loan with Payday UK, this time borrowing £300. I immediately noticed one thing, he had borrowed more than previously and I couldn't help but wonder why. I asked Steve the question and he simply responded by telling me he had foolishly mismanaged the whole process and he needed to claw back as much of the money as possible at the

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time. I felt as though it was a simple situation to work out, that if this man was unable to repay the lower amount without struggling, surely common sense would prevail and he would have realised borrowing a larger amount could not have been the answer. Steve told me that he felt certain if he could get over the following month or so then he could have resolved the situation swiftly. What Steve didn't know was that worse news was to follow.

To add to the financial trauma Steve had switched jobs around that time, taking a week or two out of work resulting in a shortfall in cash. This change in workplace circumstances presented Steve with a whole new problem, a new payday, a break in the routine wage structure, a financial problem at a time in his life when the last thing he needed was more financial problems. One obstacle in particular stood in the path of Steve as he began to explain. "Around the 29<sup>th</sup> July I needed to repay £375 and I was clearly not in a position to repay this amount at the time, so I approached Payday UK for the solution. They had advised me that the best thing I could do was to 'defer' the loan for another month, which would mean I would only have to pay the interest only on the chosen payment date, the interest at this point would be added back onto the loan and the £375 would be due for payment again a month later. The other problem at this time though was that I had changed jobs, and my pay date had changed to the 10<sup>th</sup> of each month. Unfortunately their customer services representative told me that I would have to repay the £375 on the 10<sup>th</sup> of August, and not the 29<sup>th</sup> as previously agreed"

I remember thinking this was a strange policy to have in my mind, as it would have resulted in two interest payment plus the borrowed amounts, in just over two weeks which is an extraordinary amount of money to repay. I allowed Steve to continue to explain

"I was told unfortunately it was company policy and nothing could be done, I had pleaded for the original payment to be pushed back two weeks until the 10<sup>th</sup> to allow me to try and rectify the situation but it was greeted with a lack of enthusiasm on their part and ultimately the proposal was rejected"

Steve was staring disaster in the face and had no logical way out, he lacked the money to pay the interest at the end of July and barely had the ability to repay anything in August either. Whilst he maintained a high level of responsibility for the initial problems, I couldn't help but think Payday UK could have done so much more to help him in his unfortunate plight. Perhaps if they had come up with an alternative solution at the time, all of what Steve suffered could have been avoided. Hindsight is a beautiful and dangerous toy I remember him telling me, how right he was.

Still too embarrassed to speak to his parents and having only just joined a new company Steve soon realised there was only one immediate answer ... a second payday loan, specifically, Payday Express.

## *Chapter 2*

### **All Aboard The Payday Express**

On 22<sup>nd</sup> July 2009 Steve made what he described as the most ill advised and ridiculous decision of his life. He made the decision that only a payday loan could be the solution to his budding loan crisis, knowing a swift response would follow and cash immediately in the bank, he completed the online application with Payday Express. “It was just as easy” Steve told me, “Complete the online application and you would receive a decision within minutes! I didn’t think there would be many problems with applying as their requirements were not really any different to Payday UK, be over 18, live in the UK and as long as your full time employed and earning over £750 a month you are eligible. Either way I completed the standard forms and my application was accepted. £160 winging its way into my bank account.”

I asked Steve specifically if any questions had been asked regarding any other financial commitments, to me it seemed common sense that part of the loan application process would have included other bills, debts or how would they know if he was in a suitable position to repay. Steve’s response was swift and straight to the point when he said “well they claimed later that I provided certain information, including the loan to Payday UK, I am not so sure, but I kind of believed them.” The cogs in my mind had really slipped into motion, the coffee was beginning to kick in, I realised that Steve should never have been approved for that second loan; there wasn’t anything about his financial status that would have suggested he was in a sound position to make those repayments. I had made my first real definitive opinion. Payday Express should never have allowed that loan to be processed, Steve and Payday UK should have been clipped round their ears for a match made not in heaven but hell, and Payday Express should have stayed well clear.

As it happens as Steve continued to tell me, the loan was approved and the funds hit his account in time to make the interest only payment to Payday UK. One mountain climbed, only two left to fall down.

The agreement with Payday Express was identical to that of Payday UK. The similarity in names also beginning to frustrate my notes – taking notes was never my strong point either. Either payment in full or an interest only payment of £40 was required to appease them and it was due the same time as Payday UK.

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I used the mountainous analogy on Steve and with a sarcastic chuckle he responded with “I hate mountains and always have. I knew what was coming, I knew how high the mountain was and I didn’t like the weather conditions either. There was no way I could climb it, no way, I would have surely fallen. So I did what was rapidly become the stupid thing to do and I made interest only payments, on both loans.”

I paused for a bit of reflection at this point as we really were at the start of the descent. Following a very poorly managed few months from Steve he had found himself owing £575 in debts despite only borrowing £460 and he had already repaid £190 in interest on that amount. There was so much that could have been done at that time I remember thinking to myself, so I asked Steve why he didn’t challenge the issue further, did he not realise that the road he was walking was never going to give him the solution he so desperately needed. He had to take a few moments to respond but when he did he told me “it was a desperate and lonely time for me, I felt I had gotten myself into a bad corner and that there was only myself who could get myself back out of it. Payday UK had made it pretty clear to me that they were not willing to aid me in any way, I felt sure Payday Express would do the same and so I just continued to walk the path, hoping that something will fix it for me”.

Things can only get better I thought? Well they couldn’t have got much worse for him and then he began to tell me about Wonga.Com.

Wonga as described by Steve presented a totally different animal, he had read from their website that they, apparently, were a ground breaking online lender and were offering a short term loan with more speed, convenience and flexibility than banks, High street lenders and other websites.

By the time Steve began using Wonga.Com his situation had grown bleak indeed, it became clear to me that he was never going to approach his family, friends or his employers for the help he so desperately needed. He had found himself trapped inside a cycle of payday borrowing that could only be controlled through further payday borrowing, with its only purpose to balance his monthly income against expenditure on a regular basis.

Steve took his first loan through Wonga at an amount of £260 on the 12<sup>th</sup> August, once again he had hoped this would somehow put a block on the borrowing trend and he would be able to use this loan to repay his other loan commitments. Four weeks later Steve repaid over £340 to Wonga for his troubles, as well as £75 to Payday UK and £40 to Payday Express. This was Steve’s birthday weekend – happy birthday Steve I thought.

There was a real sadness about Steve’s history with Wonga, his whole history was built around repaying a loan in full, and re-loaning rather than deferring payments, the reason Steve gave was that “whilst other companies would take



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the interest only and push the rest on the following month, re-adding the interest, Wonga operated differently. Wonga took a percentage of the loan as payment and then added new interest onto it, with the new balance being higher than the previous. Thus each month it would have become more difficult to repay the loan.” For Steve the solution was to repay in full and immediately, or as soon as he needed to, re-loan again in an attempt to save himself some vital funds.

What started to become blatantly obvious was that a spiraling debt was already evident, with Steve having decided that somehow the payday lending route was the only way he could somehow save his financial mess. Steve brought a fourth company into the equation – Pounds Till Payday. Much like the other lenders, a process becoming all too repetitive, Pounds Till Payday had claimed that using them, you can avoid the typical obstacles that came with borrowing money.

At this time in the interview I had made up my mind who I considered to hold the key responsibility in the plight of Steve Perry. I placed the blame squarely on the payday lenders who had used Steve’s situation for their own financial gain. Whilst I had reserved a degree of appreciation that the companies involved had not knowingly contributed to a devastating spiral of debt, their blatant lack of responsibility in offering loans in a way which carried no worthy credit checks and no means of establishing a customer’s ability to comfortably repay a loan had placed them totally in the firing line for blame. I looked at the situation knowing that at least two of the companies involved, had they undertook worthy credit checks amongst other things should never have agreed to a loan in the first instance. I wondered just how much pain and suffering could have been avoided if these companies had played their part in responsible lending and prevented the situation from escalating in the way I was later told it would.

Taking a moment out now from the general format of my story, I have pondered long and hard on how to elaborate on the full details of Steve’s story. The reality is that Steve had embarked on a quest of almost self destruction, that the payday market would send his finances down a route it would never recover from. I feel that I could talk for hours about every single loan Steve took in 2009, how easy it was to acquire them, how quickly new loans were taken. For the interest of the reader, and through consultation at this time with Steve himself, I have decided simply to summarise Steve’s remaining loan experiences for the year through simple spreadsheets. Looking at it I’m sure you will agree that it is plain madness.

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### Payday UK

Date	Type	Description	In	Out
10/06/2009	BCG	MEM CONSUMER FINANCE	250	
30/06/2009	DEB	MONTH END MONEY CD1225		312.5
13/07/2009	BCG	MEM CONSUMER FINANCE	300	
31/07/2009	DEB	MONTH END MONEY CD1225		75
13/08/2009	DEB	MONTH END MONEY CD1233		75
15/09/2009	DEB	MONTH END MONEY CD1233		125
13/10/2009	DEB	MONTH END MONEY CD1233		102.5
27/10/2009	DEB	MONTH END MONEY CD1233		262.5
28/10/2009	BCG	MEM CONSUMER FINANCE	420	
13/11/2009	DEB	MONTH END MONEY CD1233		105
15/12/2009	DEB	MONTH END MONEY CD1233		525

### Payday Express

Date	Type	Description	In	Out
22/07/2009	FPI	EXPRESS FIN (BROM)	160	
12/08/2009	DEB	EXPRESS FINANCECD1225		40
14/09/2009	DEB	EXPRESS FINANCE BCD1233		20
14/09/2009	DEB	EXPRESS FINANCE BCD1233		20
13/10/2009	DEB	EXPRESS FINANCE BCD1233		200
15/10/2009	FPI	EXPRESS FIN (BROM)	160	
12/11/2009	DEB	PAYDAY EXPRESS CD1233		40
14/12/2009	DEB	PAYDAY EXPRESS CD1233		200

### Wonga.Com

Date	Type	Description	In	Out
04/08/2009	FPI	WONGA.COM	105	
10/08/2009	DEB	WONGA.COMCD1233		117.04
12/08/2009	FPI	WONGA.COM	260	
15/09/2009	DEB	WONGA.COMCD1233		341.44
23/09/2009	FPI	WONGA.COM	230	
15/10/2009	DEB	WONGA.COMCD1233		350.88
21/10/2009	FPI	WONGA.COM	424	
13/11/2009	DEB	WONGA.COMCD1233		514.22
16/11/2009	FPI	WONGA.COM	273	
15/12/2009	DEB	WONGA.COMCD1233		349.92

## When Payday Loans Go Wrong

### **Pounds Till Payday**

Date	Type	Description	In	Out
28/08/2009	FPI	POUNDSTILLPAYDAY	150	
10/09/2009	DD	POUNDSTILLPAYDAY		97.48
10/09/2009	DD	POUNDSTILLPAYDAY		97.49
25/11/2009	FPI	POUNDSTILLPAYDAY	150	
10/12/2009	DD	POUNDSTILLPAYDAY		97.48
10/12/2009	DD	POUNDSTILLPAYDAY		97.49

Before moving onto 2010 we sat down between us to summarise what had happened over the first 6 months of Steve's ordeal. He had borrowed an initial sum of money to pay for a short term holiday which at the time he had quite wrongly felt confident of repaying. His initial failings in managing the situation correctly had resulted in no less than a dozen loans taken over the 6 months at a combined value of £3000 with a staggering 23 repayments on this amount totaling more than £3500. Whilst some may argue the interest rate is pretty acceptable, in my eyes the reality was a high street bank offering a loan of £3000 would have taken around £3500 back over a two year period – this was done over six months.

By December Steve felt the continuous stress of failing to manage things was becoming all too great and turned to an alternative source to try to remedy the situation realising that he couldn't save himself through payday loans. He acquired funds from a close friend to the sum of £1500 in order to pay off the debts; however it would need to be repaid at a rate of £300 per month, for 6 months to follow.

Steve told me he looked back at that time as being one of his greatest regrets when he told me, "It should have ended there. I had been given this one chance, this one glorious opportunity to rid myself of this nightmare and start 2010 with a new outlook, a new responsibility and a new determination to get back on track with my life. There was only one thing that stopped me, and that was my own lack of strength. I lacked the ability to control myself, to spend correctly and to throw away a party lifestyle for just six months when I would finally be debt free. I was weak, and a fool with no respect for the severity of my problems, and 2010 would become a year of ultimate hell."