

The Information Commissioner regularly receives queries from people who have had problems obtaining credit.

Such problems may arise when attempting to borrow money from a bank, a finance company or a building society, when trying to obtain a credit card, store card, or a loyalty card, or when trying to obtain a mail order catalogue, etc.

No-one has a right to credit and a lender can always refuse to give credit. For example, the lender may take the view that you may not be able to meet the repayments for the size of loan requested and therefore decide that you are an unacceptable risk.

Many lenders use credit scoring systems make checks with ***credit reference agencies*** to obtain details about you and your credit history.

What information does a credit reference agency hold?

Credit reference agencies in the UK are bound by the Consumer Credit Act 1974, which has been updated and amended by the Consumer Credit Act 2006, to provide accurate information about you to lenders. They do not keep "blacklists", nor do they give an opinion regarding your credit worthiness. An agency will not know why a particular lender has refused to give you credit.

A credit reference agency usually holds the following information:

- **Public Record Information**, including:

Electoral Register

This provides proof of where you live and how long you have lived there.

Court Judgments

If you have had a money judgment made against you in Court details of the judgment will have been passed by the Court to an organisation called [Registry Trust Ltd](#), who provide this information to credit reference agencies. Registry Trust Ltd holds details of all money judgments in the British Isles with the exception of the Bailiwick of Guernsey. A judgment will normally remain on file for 6 years.

If a judgment has been made against you, there are particular rules, which differ depending upon the jurisdiction of the court, on how to have the judgment marked as "satisfied" once the debt has been paid.

***If a judgment was made against you in the Isle of Man you should contact:
The General Registry, Isle of Man Courts of Justice, Deemsters Walk, Douglas IM1 3AR.***

For judgments in other jurisdictions, please contact the relevant court.

Bankruptcies or Administration Orders

If you have been made bankrupt or had an administration order made this information will be on your file. This information is normally retained on file for 6 years.

- **Details of your current and previous credit accounts**

Many lenders provide information to credit reference agencies regarding your credit history. This information may include whether you have kept your payments up-to-date or whether you have been or are in arrears. It should be remembered that a good credit history is likely to help you obtain credit.

- **Other Information** including:

Record of Searches

Your credit reference file may contain a record of the searches made by lenders.

Council of Mortgage Lenders' Repossession Register

Only members of the Council of Mortgage Lenders can see this information. If you have had property repossessed this will show on the register.

Credit Industry Fraud Avoidance System (CIFAS) Reports

This scheme is intended not only to warn lenders of a potential fraud but also to protect people from fraud. CIFAS members record information when a fraud or an attempted fraud has been detected. The information may not directly relate to you but may, for example, indicate that someone has tried to impersonate you. Lenders will not refuse credit due to a CIFAS report but may need to take extra steps, such as proving the identity of the person who has applied for credit.

Gone Away Marker

Members of the Gone Away Information Network (GAIN) provide reports when they cannot trace a person whose credit repayments are not up-to-date and who has moved house without providing a forwarding address. This information is only provided to GAIN members.

How long is information kept on credit reference files?

Public record information:

Administration order	<i>Six years from the date of the order, even if paid in full</i>
County court judgment/high court judgment/decreed	<i>Six years from the date of the judgment, even if paid in full (but may be removed if paid in full within one month of the date of judgment)</i>
Electoral roll	Indefinitely
Bankruptcy	<i>Normally six years from the date the bankruptcy begins, even if discharged (unless the bankruptcy lasts longer than this)</i>

Account information

Type of information	Kept for:
Live account	Information is collected until the account is closed, then kept for six years
Closed account	Six years from the date the account is closed
Default Arrangement	Six years from the date of the default to pay Depends on the terms of the arrangement agreed with the lender

Other information

Type of information	Kept for:
Searches	Experian and Equifax one year, (or two years for debt collection searches). Callcredit two years.
Alias information	Depends on your circumstances
Association information	Until the financial link ends, you ask for a disassociation and the credit reference agency changes your records
Linked addresses	As long as is relevant for credit referencing
Council of Mortgage Lenders	Six years
CIFAS	Ongoing if there is evidence of fraud
GAIN	Six years

What problems can arise?

Problems can arise for a number of reasons, including:

- Someone who *in the past* lived at your address had a bad credit record;
- Someone living at the *same address*, either in a separate apartment or as a lodger in your household, has a bad credit record;
- Another member of your *family* has a bad credit record;
- Someone with a *similar address* has a bad credit record;
- Someone with a *similar name* has a bad credit record;
- Someone living at a *previous address of yours* has a bad credit record;
- There is an error in the information given to the credit reference agencies by the lender;
- You have paid off the debt, but that information has failed to reach the credit reference agencies' files;
- You are not on the Electoral Register.

I have been refused credit, what can I do?

Firstly, you should ask the lender why you were refused credit, whether the lender used a credit reference agency and, if so, the name of the agency. The lender may ask that you put your request in writing.

If the lender indicates that there was a problem with your credit reference check, you can write to the credit reference agency to find out what credit record information they hold about you. You do not have to have been refused credit to exercise this right.

You have the right to obtain a copy of your file and, in certain circumstances, to make corrections to and/or add comments to your file.

The main credit reference agencies are:

Equifax Plc

Credit File Advice Centre
PO Box 1140
Bradford
BD1 5US

0870 010 0583

www.equifax.co.uk

Experian Limited

Consumer Help Service
PO Box 8000
Nottingham
NG80 7WF

0844 481 8000

www.experian.co.uk

Callcredit Limited

Consumer Services Team
PO Box 491
Leeds
LS3 1WZ

0870 060 1414

www.callcredit.co.uk/

You must provide the credit reference agency with the following information:

- Your full name
- Date of Birth
- Current address (including postcode)
- Any previous addresses you have held in the past six years, and the length of time at these addresses
- Any previous names you have been known by
- Your signed authority
- The statutory fee of £2, either in the form of a cheque or postal order

The agency may ask for more details to help them find all the information they hold about you and, before sending the file out, to check that you are who you say you are. Otherwise they must send you your file within 7 working days from the receipt of your letter or tell you that they hold no information about you.