



The Consumer Council

# Consumer



# for life

## Understanding Your Credit Report

An education pack for tutors and teachers



[www.consumer-council.org.uk](http://www.consumer-council.org.uk)



## **The Consumer Council**

**This publication is available in the following formats on request:**

- **Braille**
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[www.consumerline.org](http://www.consumerline.org)

Consumer Skills for Life is intended to provide general guidance only and should not be regarded as a complete or authoritative interpretation of the law. The advice given is of a background nature and may not apply in all individual circumstances.

Every effort has been made to ensure that the information is correct at the time of printing

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# Consumer Skills for Life

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# Consumer Skills for Life

## How to use this pack

1. Understanding Your Credit Report aims to raise awareness among learners on how to access their credit report. It includes four exercises, support materials and answers to assist learners through the exercises.
2. This pack will help learners to understand:
  - Information that credit reference agencies hold about them;
  - How they can get a copy of their credit report and what to do if the information is wrong; and
  - How to maintain a good credit history to improve their chances of getting credit to buy things like a car or a sofa.
3. This pack is designed for front line staff including family, health workers and literacy and numeracy tutors to deliver training in the community and voluntary sectors. You do not have to be a financial literacy tutor or consumer rights expert to deliver this pack. Tutors should decide if support materials need to be adapted before giving information out to learners.
4. Choose between using the exercises with individuals, in pairs, in small groups or as part of a whole group discussion. This resource can be photocopied. You can also download it at **[www.consumeruncil.org.uk](http://www.consumeruncil.org.uk)**
5. It is important that tutors do **not** give specific consumer advice to learners. Contact Consumerline on **0300 123 6262** or visit **[www.consumerline.org](http://www.consumerline.org)** for expert consumer help.
6. Tutors **should not give specific financial or welfare advice** to learners. Tutors should refer learners to any of the following organisations:

advice4debtNI	0800 917 4607
Advice NI	028 9064 5919
Citizens Advice	028 9023 1120
Consumer Credit Counselling Service	0800 138 1111



## Useful Resources and Websites

Here are some useful resources in the websites listed below to help you and your learners find out more about credit reports.

### 1. Experian Ltd [www.experian.co.uk](http://www.experian.co.uk)

- Example Credit Report
- Your Credit Report Explained: A step-by-step guide to help you understand your Experian credit report
- Getting Credit: A Beginner's Guide
- Credit Crossroads – Students and Young People leaflet
- Getting Credit: A Beginner's Guide and the Creditability computer game.

### 2. Information Commissioner's Office [www.ico.gov.uk](http://www.ico.gov.uk)

- Credit Explained – Data Protection
- Identity Theft and Fraud

### 3. Consumer Financial Education Body [www.moneymadeclar.org.uk](http://www.moneymadeclar.org.uk)

- Credit Reference Agencies
- Credit Scoring
- Online Fraud
- Identity Fraud
- Affinity Fraud

### 4. Money Saving Expert [www.moneysavingexpert.com](http://www.moneysavingexpert.com)

- Credit Rating - how it works and how to improve it.

### 5. Consumerline [www.consumerline.org](http://www.consumerline.org)

- Refused Credit
- Credit

## Support Materials for Learners

### Information on credit reports



Nobody has the right to credit. Before giving you credit, **lenders** such as **banks, loan companies and shops** want to be confident that you can repay the money they lend. To help them do this, they may look at the information held by companies called **credit reference agencies**.

#### 1. What is a credit reference agency?

The definition of a credit reference agency is “a person carrying on a business comprising the furnishing of information relevant to the financial standing of individuals, being information collected by the agency for that purpose”.

Credit reference agencies give lenders a range of information about potential borrowers, which lenders use to make their decisions. If you are an adult living in the UK, it's almost certain your name and details are held in the files of the three main credit reference agencies: **Experian Ltd, Equifax Plc and Callcredit Ltd**. The information shared may include information about your previous credit history. This information is called a **credit reference file** or a **credit report**.

#### 2. Can lenders check my credit history?

Yes. If you apply for a loan, lenders may ask your permission to contact a credit reference agency for a copy of your credit report. Having a good credit history will improve your chances of getting credit so the information on your credit report is **very important**. Lenders may only provide information to one of the three credit reference agencies. Therefore, each credit reference agency may hold different amounts of information on you.

If you have a financial link such as a **joint account** with someone, a lender may look at information about that person's credit history.



Download information from Consumerline about credit.  
Visit **[www.consumerline.org](http://www.consumerline.org)**



## Support Materials for Learners

### Information on credit reports



#### 3. What information do credit reference agencies hold on me?

The information credit reference agencies hold on you includes:

- Your **address**. This is taken from the **Electoral Register** and will confirm you live at the address you say you do;
- **Court Judgments** and **bankruptcies**;
- Details of **previous and existing credit accounts**; and
- Other **credit checks**.

A credit report will show loans, mortgages, store and credit cards you have and whether these have been paid on time. It will also show any **missed payments** and any **defaults**, (which are credit accounts you have broken the terms of).

#### 4. What is a credit scoring system?

Lenders use credit reference agencies to get financial information about you to feed into their **credit scoring system**. Most lenders operate a credit scoring system to help them decide whether they should offer you credit. If your total score is below the acceptable level, you'll be refused credit.



If you need to register your name on the Electoral Register contact the Electoral Office for Northern Ireland on 0800 4320 712 or text phone 0800 3284 502 or visit [www.eoni.org.uk](http://www.eoni.org.uk)



Check your credit report for **fraud** or mistakes **at least every year**. Write to **all three** credit reference agencies and ask them for a **statutory copy** your credit report. Each credit report will cost £2.

## Support Materials for Learners

### Information on credit reports



#### 5. Why do lenders use a credit scoring system?

The credit scoring system helps lenders decide if you meet the criteria of the typical customer. Each lender has their own scoring system, but you'll generally score more points if you:

- Have a **permanent** and **secure** job;
- **Own** your own home and/or **live** at the same address for at least a year;
- Have a **good credit history** by **repaying** other credit agreements on time; and
- Are married or in a civil partnership.

However, you certainly don't have to be all of these things to apply for a loan!

#### 6. Will my credit rating be affected if I get behind with repayments?

Other things like your income and debts are also usually taken into account in a credit scoring system. For example, if you get behind with repayments of credit or store cards, hire purchase items, mortgage repayments or mail order catalogue purchases, then your credit rating may be affected. You can ask the lender to explain the **main** reason you have been refused credit.



Pay all your bills **on time** to improve your credit score! Plan ahead and set yourself a budget. Download a copy of the Consumer Council's Home Budget Planner [www.consumerCouncil.org.uk](http://www.consumerCouncil.org.uk)



Carrying out a lot of credit searches may affect your credit rating. When you apply for credit, ask the lender to do a '**quotation search**' and **not** a '**credit search**', (if you're just trying to get a specific quote for a loan). This means the enquiry won't have a negative impact on your credit score.



Be careful! Applying for several cards or loans all at once can damage your credit record.



# Support Materials for Learners

## Information on credit reports



### 1. How can I get a copy of my credit report?

By law, under the Data Protection Act, you can **write** to any of the credit reference agencies and ask for a copy of your credit report. Don't worry that agencies hold 'secret' information about you! You can see whatever information the lenders have available in your name.

### 2. What is the cheapest way of getting a copy of my credit report?

- **Write a letter** and ask for a copy of your **statutory** credit report. Each credit reference agency is allowed to charge a fee of £2; or
- **E-mail** and ask for a copy of your **statutory credit report**. You can now order a single copy of your statutory credit report from the credit reference agencies' website for £2, if you have a valid debit or credit card. You can ask for this report to be posted to you or you can choose to view it on the internet.

### 3. What other ways can I get a copy of my credit report?

You may find that the credit reference agencies offer you other services, such as allowing you to ask for your credit report over the phone or internet or to look at your file online. There may be a higher fee for these extra services.

Sometimes there are advertisements on the internet that say you can get your credit report by signing up, for example, to a free 30-day trial of its service. If you forget to cancel this after the free trial, you could be left paying a large bill!

### 4. I was turned down for credit by a retailer. Can I ask them which credit reference agency they used?

- Yes. Consumers **have legal rights**. They should put their request in **writing** to the retailer and ask them which credit reference agency they consulted with. A consumer has **28 days** from being refused credit to ask for this information. If you do not get a response, you should send the lender a follow-up letter.

# What's on a Credit report?

## Exercise One



### Tutor Instructions

#### About this exercise

Learners are asked to answer questions about personal information held in credit reports as part of a group discussion.

#### What to do

1. Support materials for this exercise are on pages 4-7.
2. Read and discuss the support materials with the learners.
3. Give out a copy of the exercise and go through the instructions with the groups.
4. Prepare learners to participate in a group discussion about credit reports.
5. Work through the questions and provide learners with the opportunity to share their own life experiences.
6. Record the learners' comments.
7. Correct answers and provide feedback when the exercise is completed.
8. Reinforce the importance of having a good credit rating.
9. Answers are on pages 10-11.

### Learner Instructions



#### About this exercise

Understanding what information credit reference agencies hold on your credit report is important if you apply for things like a car loan, mail order catalogue or a loan to buy a sofa.

#### What to do

1. Discuss your views in a group and answer the questions in the exercise.
2. Check your answers with the tutor when you have finished the exercise.

# What's on a Credit report?



## Exercise One

### Questions

1. Can anyone get credit?
2. What is 'credit rating'?
3. What can you do if you are refused credit?
4. Do credit reference agencies keep a 'blacklist'?
5. If you apply for credit from a finance company and you are refused will this show on your credit report?
6. If a finance company turns you down for credit will others do the same?
7. What can you do if you think the information on your credit report is not accurate?
8. If the people who lived previously at your address had a bad credit rating would this affect your credit report?

# What's on a Credit report?

## Answers to Exercise One



### 1. Can anyone get credit?

No. A creditor does not have to give you credit. Also, you have to be over 18 years of age to apply for credit.

### 2. What is 'credit rating'?

Most creditors use a credit scoring system to work out your credit rating. This helps them decide whether they should give you credit. This will vary from lender to lender. Credit scoring does not take account of your gender, religion or political beliefs.

### 3. What can you do if you are refused credit?

- If a lender uses credit scoring and you are refused credit, a consumer has the right to be told which credit reference agency was consulted. You can ask the lender to explain the main reason why you were turned down for credit. For example there may be information on your credit reference file that the lender thinks is negative. Or perhaps you did not reach the lender's pass mark for getting the loan.
- Lenders may also try to make sure they do not offer credit to people who may not be able to afford it. So even if you repay your existing credit accounts on time, a lender may not want to overburden you with more.
- You should be aware that lenders do not have to give you details of how their credit scoring works. If a lender refuses you credit because they worked out your credit score just by using a computer, you can ask them to review the decision.
- If a lender did not just use a computer to work out your credit score and you have other relevant information that you think will alter the decision, you can ask the lender to review it. **Even if a lender reviews its decision, it may still turn you down.**
- Write to the three main credit reference agencies and ask for a copy of your credit report. Your credit report will have details of how you managed your commitments in the past and how much you currently owe. For more information see **[www.consumerline.org](http://www.consumerline.org)**

# What's on a Credit report?



## Answers to Exercise One

### 4. Do credit reference agencies keep a 'blacklist'?

No. Credit reference agencies only hold information provided by creditors (for example, a shop or finance company). Most of it is actually positive!

### 5. If you apply for credit from a finance company and you are refused will this show on your report?

The credit reference agency's records will show you asked for credit but not if you got it.

### 6. If a finance company turns you down for credit will others do the same?

Not necessarily. Each company has different rules for giving credit and make their own judgements.

### 7. What can you do if you think the information on your credit report is not accurate?

If you think you have been wrongly refused credit because of an error on the credit reference agency file you should do the following:

**Step 1** – Write to the credit reference agency. You should ask them for a copy of their file about you. The law says that information held about you must be accurate and up to date.

**Step 2** – If the credit reference agency refuses, write to the Information Commissioner's Office.

### 8. If the people who lived previously at your address had a bad credit rating would this affect your credit report?

No. This should not affect you. Credit checks are made on **people**, not addresses. Your credit report can only be linked to someone else's if you have applied for credit together or joined your finances up in some other way – for example having a joint bank account.

# Does Credit History Matter?

## Exercise Two

### Tutor Instructions



#### About this exercise

Learners are asked to answer questions about five characters' credit reports as part of a group discussion.

#### What to do

1. Give out a copy of the exercise and go through the instructions with the groups.
2. Prepare learners to participate in a group discussion about people's credit reports.
3. Work through the questions and provide learners with the opportunities to share their own life experiences.
4. Record the learners' comments.
5. Correct answers and provide feedback when the exercise is completed.
6. Reinforce the importance of having a good credit rating.
7. Answers are on pages 15-16.

### Learner Instructions



#### About this exercise

Paying bills on time and keeping up payments on credit agreements can help you build a good credit history. This exercise will help you understand what information is held on credit reports and if it affects your chances of getting credit. You will look at the type of information that is held on five characters' credit reports.

#### What to do

1. Discuss your views in a group and answer the questions in the exercise.
2. Check your answers with the tutor when you have finished the exercise.



# Does Credit History Matter?



## Exercise Two

Tick the answers you think are right.

### 1. Dave

Dave bought a mobile phone. His contract was to pay £35 on the 10<sup>th</sup> of each month by direct debit. One month he did not have enough money in his bank account so the direct debit was not paid.

**Would this show on his credit report?**

Yes ☐

No ☐

### 2. Jane

Jane lost her job. She had credit cards and could not afford the minimum payment. She contacted the companies, let them know of her situation and agreed to make a token payment of £2 a month.

**Would this show on her credit report?**

Yes ☐

No ☐

### 3. Susie

Susie had a new baby and needed a lot of things but did not have the cash. Her friend suggested that Susie should get her own mail order catalogue and she would get commission on the amount she paid back. Susie applied for, got the catalogue and ordered goods. She got into debt and couldn't pay back the money.

**Would this show on her credit report?**

Yes ☐

No ☐

# Does Credit History Matter?



## Exercise Two

Take the answers you think are right.

### 4. John

John's car broke down. He needed to get it fixed to get to work but already had a loan with the bank. A friend told him to use a loan shark. John borrowed the money but the interest was very high and he missed payments.

Would this show on his credit report?

Yes

☐

No

☐

### 5. Tony

Tony shared a house with two other students. The landline phone bill was in his name. The bill arrived and was very high. They all had a disagreement about the costs of the phone calls. They got a final notice from the phone company. Eventually, after a long period they paid the bill. Tony got the phone disconnected because they were all moving out of the house.

The phone company had added late payment charges and Tony did not realise this because he had not left a forwarding address. Five years later Tony wanted to buy a car on hire purchase.

Would this show on his credit report?

Yes

☐

No

☐

# Does Credit History matter?



## Answers to Exercise Two

### 1. Dave

Dave bought a mobile phone. His contract was to pay £35 on the 10<sup>th</sup> of each month by direct debit. One month he did not have enough money in his bank account so the direct debit was not paid.

**Would this show on his credit report?** Yes ☒

Late payments would be recorded on his credit report.

### 2. Jane

Jane lost her job. She had credit cards and could not afford the minimum payment. She contacted the companies, let them know of her situation and agreed to make a token payment of £2 a month.

**Would this show on her credit report?** Yes ☒

It would show she had not made the contractual payment but had made an arrangement with the creditors. This would show she acted responsibly.

### 3. Susie

Susie had a new baby and needed a lot of things but did not have the cash. Her friend suggested that Susie should get her own mail order catalogue and she would get commission on the amount she paid back. Susie applied for, got the catalogue and ordered goods. She got into debt and couldn't pay back the money.

**Would this show on her credit report?** Yes ☒

# Does Credit History Matter?

## Answers to Exercise Two



### 4. John

John's car broke down. He needed to get it fixed to get to work but already had a loan with the bank. A friend told him to use a loan shark. John borrowed the money but the interest was very high and he missed payments.

Would this show on his credit report? No ☒

Unlicensed money lenders or loan sharks are illegal and do not swap credit information with credit reference agencies. Make sure you avoid loan sharks because:

- The interest rates will be very high and you may find it difficult to keep up the repayments;
- You may be forced to get a second loan to pay off the first, causing your debts to spiral out of control; and
- They may use violence or intimidation to collect debts.

Even licensed lenders offer high interest loans with Annual Percentage Rates (APRs) of 1737% and 3253% currently available (January 2011).

**Always** use the APR to compare loans and ask "what is the total amount that I will have to pay back?" Be aware of charges for **late or missed payments**. Generally, the **lower the APR** the better the deal but if you are thinking about borrowing **shop around**.

### 5. Tony

Tony shared a house with two other students. The landline phone bill was in his name. The bill arrived and was very high. They all had a disagreement about the costs of the phone calls. They got a final notice from the phone company. Eventually, after a long period they paid the bill. Tony got the phone disconnected because they were all moving out of the house.

The phone company had added late payment charges and Tony did not realise this because he had not left a forwarding address. Five years later Tony wanted to buy a car on hire purchase.

Would this show on his credit report? Yes ☒

The debt would be recorded on his credit report.

## Support Materials for Learners

### Writing to a Credit Reference Agency



#### 1. I want to write to the credit reference agencies. What are their addresses?

Here are the addresses of the three main credit reference agencies. Use the template letter on the next page to help you.

Experian Ltd  
Customer Support Centre  
PO Box 1135  
Warrington  
WA55 1EP

Equifax Plc  
Credit File Advice Centre  
PO Box 1140  
Bradford  
BD1 5US

Callcredit Limited  
One Park Lane  
Leeds  
West Yorkshire  
LS3 1EP

#### Tips on paying for your credit report, if you apply by post.



Never send cash in the post.



If you decide to pay by postal order there is a fee. Check how much this is before you pay.



If you pay by cheque, make the cheque payable to the credit reference agency you have chosen to write to.



Make sure the cheque is crossed to **payee only**. This will make sure the cheque cannot be cashed by anyone else.

## Support Materials for Learners

### Writing to the Credit Reference Agency



#### Template letter

[Your full name]  
[Your full address]  
[Your postcode]

[Date]

[Name of credit reference agency]  
[Agency's address]  
[Agency's postcode]

Dear Sir/ Madam

[Letter title] Credit report

1. Say you would like to get a copy of your statutory credit report under section 7 of the Data Protection Act 1998.
2. Give your full name. Also give any other names you have been known by, for example your maiden name.
3. Give your full current address and say how long you have lived there.
4. Then give other addresses you have lived at during the last six years.
5. Give your date of birth.
6. Say you enclose the fee. Don't forget to enclose your cheque or postal order. Never send cash in the post.
7. Say you would like them to send your credit report within seven working days of receiving your letter.

Yours faithfully  
[Your signature]  
[Your name printed]



# Writing to a Credit Reference Agency

## Exercise Three



### Tutor Instructions

#### About this exercise

Learners are asked to write a letter to a credit reference agency and get a copy of their credit report. Learners' financial privacy should be respected at all times.

#### What to do

1. Support materials for this exercise are on pages 3-7.
2. Read and discuss the support materials with the learners.
3. Give out a copy of the exercise and go through the instructions with the learners.
4. Correct answers and provide feedback when the exercise is completed.
5. Answers are on page 21.

As a follow-on exercise, why not use this real life story "Credit Check Errors Blight Your Name" as part of a class discussion? This can be downloaded at:

[http://www.thisismoney.co.uk/credit-and-loans/article.html?in\\_article\\_id=492785&in\\_page\\_id=9](http://www.thisismoney.co.uk/credit-and-loans/article.html?in_article_id=492785&in_page_id=9)



### Learner Instructions

#### About this exercise

Having a good credit history will improve your chances of getting credit. This exercise will help you find out about your credit score.

#### What to do

1. Write a letter to a credit reference agency and ask for a copy of your credit report.
2. Ask your tutor for a copy of the support materials to help you.
3. You can use the sample letter to help you with the layout.
4. Check the letter with the tutor when you have finished the exercise.
5. The information on your credit report is private and you do not have to share it with anyone unless you want to do so. Your tutor will respect your financial privacy at all times.

# Writing to a Credit Reference Agency



## Exercise Three

It is a good idea to find out what is on your credit report before you apply for credit. It costs £2 to get a written copy of your credit report. You can also see your credit report online but be careful you don't sign up for a more expensive service by mistake as you may be charged more than £2 for this. To see what is recorded on your credit report, write a letter to one of the credit reference agencies listed below and ask them for a copy of your credit report.

Experian Ltd  
Customer Support Centre  
PO Box 1135  
Warrington  
WA55 1EP

Equifax Plc  
Credit File Advice Centre  
PO Box 1140  
Bradford  
BD1 5US

Callcredit Limited  
One Park Lane  
Leeds  
West Yorkshire  
LS3 1EP

### **Include the following information in your letter:**

1. Your full name (for example, your maiden name or other names you had in the past).
2. Your full address, including your postcode.
3. Other addresses you have lived at during the past six years.
4. Your date of birth.

# Writing to a Credit Reference Agency

## Answers to Exercise Three

[Your full name]  
[Your full address]  
[Your postcode]

[Date]

[Name of credit reference agency]  
[Agency's address]  
[Agency's postcode]

Dear Sir/Madam

Credit report

I would be grateful if you would send me a copy of my credit report.  
My full name and address are listed above. I have lived at this address  
during the last six years. My date of birth is [20/11/80].

I enclose [a £2 fee]. I would be grateful if you would send this  
information to me within 7 working days.

Yours faithfully

[Your signature]

[Your name printed]



## Support Materials for Learners

### Checking Your Credit Report

#### 1. I've got my credit report. What should I look for?

- The credit reference agency has **seven** working days to send you your file after receiving your letter and fee.
- The law says that information held about you **must be accurate and up to date**. If personal information held about you is **incorrect or out of date**, it could lead to you being unfairly refused credit. If you spot incorrect or out of date information on your report, you can either **contact the organisation** that registered it directly or you can **ask the credit reference agency** to investigate for you. There is no charge for this.
- Sometimes the credit reference agencies need **more information** from you before they can send you your file. This is important to make sure that no one else gets your file by mistake or to check that no one else has fraudulently applied for your credit reference file. The credit reference agencies do not have to send you your file until they get this information.
- When you get your credit report **read over it carefully**. Look for negative items, such as late payments, multiple searches and bankruptcies or Court Judgments. If any of these are **wrong**, contact the credit reference agency.
- If you have paid a **Court Judgement** make sure it is shown as **settled** on your credit report. If it is not, contact the court. If you want proof of payment, you can ask the court for a 'Certificate of Satisfaction'. This will cost £10.
- If a **Bankruptcy Order** has ended or been withdrawn and this has not been shown on your credit report, send a copy of your **certificate of discharge or annulment** to all credit reference agencies and ask for your report to be updated.
- If you have **paid off a credit account** (which can include mobile phone bills) but your report does not show this, **contact the lender** and ask them to make the necessary changes. Or contact the **credit reference agency** and they will contact the relevant organisation for you.

## Support Materials for Learners

### Checking Your Credit Report



**I have received my credit report but some of the information is wrong or out of date. What can I do?**

<b>Query</b>	<b>Who to contact</b>
If your query is about the accuracy of a decree or <b>Northern Ireland</b> judgement.	Contact the court directly or visit <a href="http://www.courtsni.gov.uk">www.courtsni.gov.uk</a> for contact details.
If your query is about the accuracy of a CCJ, HCJ or AO in the <b>England</b> and <b>Wales</b> courts, and is <b>not</b> about full payment of the debt.	Ask Registry Trust Limited to check your entry with the courts 020 7380 0133 <a href="http://www.registry-trust.org.uk">www.registry-trust.org.uk</a>
If your query is about other <b>credit information</b> .	You can write to the <b>lender</b> or the <b>credit reference agency</b> . It might be quicker to write directly to the lender if you have been refused credit. Allow a reasonable amount of time, for example 28 days for a response.
If you think the <b>electoral register information</b> is wrong.	Contact the Electoral Office for Northern Ireland on 0800 4320 712 or text phone 0800 3284 502 or visit <a href="http://www.eoni.org.uk">www.eoni.org.uk</a>



Download a copy of “Credit Explained” on the Information Commissioner’s Office website [www.ico.gov.uk](http://www.ico.gov.uk)



Download a copy of Your Credit Report Explained: A step-by-step guide on Experian’s website [www.experian.co.uk](http://www.experian.co.uk)

## Support Materials for Learners

### Checking Your Credit Report



- I wrote to the credit reference agency and explained what information I thought was wrong and why. The credit reference agency has a) not replied to my letter within 28 days or b) it has replied to my letter but taken no action. What can I do?

Query	Explanation
What is a notice of correction?	<ul style="list-style-type: none"> <li>• You can ask the credit reference agency to add a <b>notice of correction</b> to your credit report. It is a statement of up to 200 words which you can write. It will be seen by anyone who looks at the entry on your credit report and should be taken into consideration if you apply for credit.</li> </ul>
What should you write on the notice of correction?	<ul style="list-style-type: none"> <li>• The notice should <b>clearly and accurately</b> explain why you think an entry on your credit report is wrong.</li> </ul>
What should the <b>credit reference agency</b> do if they think your notice of correction is incorrect, defamatory (affecting someone's reputation), frivolous or scandalous, or is for any other reason unsuitable for publication?	<ul style="list-style-type: none"> <li>• The credit reference agency <b>must</b> pass your notice to the Information Commissioner.</li> <li>• The Commissioner will then make an order to say what notice, if any, should be added to your credit report.</li> </ul>



Find out more about your rights. Download a copy of "Credit Explained" on the Information Commissioner's Office website [www.ico.gov.uk](http://www.ico.gov.uk)



## Support Materials for Learners

### Checking Your Credit Report



#### What is a credit repair service?

So called credit repair services claim to be able to remove or change information held by credit reference agencies. You may have found their advertisements in newspapers and magazines and even on the TV or the radio.

#### The basic functions of a credit repair agency are:

- Getting information from credit reference agencies on credit history or records on behalf of their customers; and
- Advising customers on altering, removing or hiding information on a credit file with respect to the client's financial rating.

So called credit repair services don't do anything you can't do yourself for a lot less money. Many have been shown to make misleading claims and have in some cases made matters worse for people.



You can sort out your credit report on your own or with expert help **free of charge**. Download information from UK Credit Repair [www.ukcreditrepair.co.uk](http://www.ukcreditrepair.co.uk) You can get **free** advice about:

- The contents of your credit report;
- Court Judgments, bankruptcy, defaulted accounts or other arrears;
- How to sort out your debts; and
- How to apply for credit even if your past is not perfect.

# DIY Credit Repair

## Exercise Four



### Tutor Instructions

#### About this exercise

Learners are asked to fill in missing words in a story about a man who wants to find out about credit repair because of his debt problems.

#### What to do

1. Support materials for this exercise are on pages 22-25.
2. Read and discuss the support materials with the learners.
3. Give out a copy of the support materials and exercise and go through the instructions with the learners.
4. Correct answers and provide feedback when the exercise is completed.
5. Reinforce the importance of having a good credit rating.
6. Answers are on page 28.



### Learner Instructions

#### About this exercise

Do you have a poor credit history record and want to improve it? This exercise shows how a man called John found out more about credit repair services and where to go to for free information and help.

#### What to do

1. Read the story about John who wants to find out about credit repair because of his debt problems.
2. Some words in the story are missing. Use the Word Bank to help you put the right words in the story.
3. Check your answers with the tutor when you have finished the exercise.

# DIY Credit Repair



## Exercise Four

Here is a story about a credit repair service. Read the story first. Use the Word Bank to help you put the right words into the story.

John had \_\_\_\_\_ problems five years ago. John worried about his credit \_\_\_\_\_. He wanted to find out how to improve it. He saw a TV advertisement for a credit \_\_\_\_\_ service. They said they could 'wipe clean' his bad credit history for a \_\_\_\_\_. John thought it was too \_\_\_\_\_ and 'too good to be \_\_\_\_\_!' He thought "no thanks".

### Word Bank

true	expensive	history
debt	repair	fee

Instead, John got \_\_\_\_\_ advice and information from UK Credit Repair's website \_\_\_\_\_. He got free advice on the contents of his credit \_\_\_\_\_. He learned about sorting out debts and applying for credit even though his past was not \_\_\_\_\_.

### Word Bank

perfect	free
report	www.ukcreditrepair.co.uk

## DIY Credit Repair



### Answers to Exercise Four

John had **debt** problems five years ago. John worried about his credit **history**. He wanted to find out how to improve it. He saw a TV advertisement for a credit **repair** service. They said they could ‘wipe clean’ his bad credit history for a **fee**. John thought it was too **expensive** and ‘too good to be **true**!’ He thought “no thanks”.

Instead, John got **free** advice and information from UK Credit Repair **www.ukcreditrepair.co.uk** He got free advice on the contents of his credit report. He learned about sorting out debts and applying for credit even though his past was not **perfect**.

**Notes:**

# Consumer



## for life

### Understanding Your Credit report



#### The Consumer Council

The Consumer Council  
Elizabeth House  
116 Hollywood Rd  
Belfast  
BT4 1NY

Complaints line : 0800 121 6022

Te le / Te xtp ho ne : 028 9067 2488

Fa x: 028 9065 7701

E-ma il: [info@consumercouncil.org.uk](mailto:info@consumercouncil.org.uk)  
[complaints@consumercouncil.org.uk](mailto:complaints@consumercouncil.org.uk)

We b site : [www.consumercouncil.org.uk](http://www.consumercouncil.org.uk)  
[www.consumerline.org](http://www.consumerline.org)