All about your credit report

**Confused by your credit report? You’re not alone. In fact, 2019 research by Experian showed that almost half of the UK had never checked their credit score. We’ve teamed up with StepChange to explain what your credit report is, how to get it, and why it’s important.**

What’s a credit report?

Your credit report is a summary of your financial history provided by a credit reference agency (CRA). They share information about your credit history with lenders, to help them decide whether they should lend money to you.

How do I get one?

In the UK, there are three main agencies that you can request your credit report from. In no particular order, these are Experian, Equifax and Callcredit. You’re legally entitled to a copy of your full credit report from each agency. It costs £2 where it is not given free of charge. The reports can sometimes differ between agencies. This means that if you want to get a full picture, it’s a good idea to ask for a report from all three.

What’s on my credit report?

As well as your name, address, date of birth and electoral roll details, your credit report includes any previous names and addresses. It also includes ‘associations’, which are financial links with other people, such as joint accounts.

Your credit report contains details of any debts you might have. This includes loans, overdrafts, credit cards, some utility bills, mortgages, secured loans and hire purchase agreements (eg for a car or household goods).

It also contains information supplied by the Insolvency service and Registry trust. This will show whether you’re subject to any forms of insolvency like bankruptcy or an IVA in England, Wales or Northern Ireland. If you live in Scotland, it will show if you’re subject to a trust deed or bankruptcy, including LILA (now discontinued) or MAP.

In all countries, any bankruptcy restriction orders or undertakings   
  
will also be shown. Any court judgments, where a lender or other organisation has taken you to court, will also show on your credit   
report.

These include CCJs in England and Wales, decrees in Scotland, or  
Money Judgements in Northern Ireland. In England and Wales these   
can also include magistrates’ financial penalties – but only if the court has ordered this because payments have not been made.

What does my credit report mean?

Your credit report will show some of (or all) the following information for each debt:

* If the account is still active, or closed
* If there are any [‘defaults’](https://moneyaware.co.uk/2011/09/default-notices-what-are-they-and-what-do-they-mean/)on your accounts
* If payments are up-to-date
* Current balances owed and the credit limit
* If the debt has been passed to a debt collection agency
* If reduced payments are being made
* If you were ever registered as ‘gone away’
* Details of accounts in ‘dispute’
* If you’ve withdrawn cash on a credit card

For closed accounts, it will show whether the debt is:

* Settled – the debt was paid in full and never defaulted
* Partially settled – the lender accepted a reduced amount to settle the debt
* Satisfied – the account was paid in full but previously defaulted
* Partially satisfied – the lender accepted a reduced amount to settle the debt, but the account previously defaulted

How long does information stay on my credit report?

Normally, information stays on your credit file for six years, but there are some exceptions:

* Bankruptcy restriction orders or undertakings appear for their entire duration, which can be up to 15 years.
* IVAs are removed six years from the date of approval, or once they’ve been formally completed - this can take longer than six years.
* Magistrates’ fines in England and Wales appear for up to five years.

What if there’s a mistake?

If you find a mistake on your credit report, you can contact the CRA or the lender involved and ask them to correct or remove the mistake. This is important because errors on your report could prevent you from being able to obtain credit in the future.

If you think that you have been the victim of fraud (for example, someone else taking out credit in your name), you should also contact the police.

You can also ask the CRA to add a ‘notice of correction’ to your credit report of up to 200 words, which potential lenders will see. This notice can explain the cause of your debt, or explain to a lender why the information on your credit file may be misleading.

How do I check my credit score?

CRAs can provide you with what’s known as your ‘credit score’. The higher your score, the less of a ‘credit risk’ you are considered.

You can use you credit score as a rough guide to how likely the CRA thinks it is that companies will lend to you. However, each lender has their own criteria which they don’t make public, so your credit score does not necessarily mean you definitely will or won’t be able to get credit.

Can I improve my credit score?

It’s possible to improve a low credit score. This can increase your chances of being accepted for credit, and help you get a better interest rate.

* Firstly, get a copy of your credit report and make sure all the information is correct. Check whether you’re on the electoral register, and keep your household bills up to date.
* Taking out a small amount of credit and repaying it on time may improve your credit score by showing you can use credit responsibly. For example, spending regularly on a credit card with a small limit, and clearing the balance in full each month.
* If you have lots of cards and accounts that you don’t use any more, consider closing some of them.