

Credit where credit's due

How paying your rent on time can help you to

- Access lower cost goods and services
 - Build a positive credit history
 - Create an online identity
-

**BIG
ISSUE
INVEST**

By Social Entrepreneurs
For Social Entrepreneurs





Question

“I don’t have credit cards or loans, so this isn’t relevant to me?”

Answer

“Yes it is, a positive credit rating can help you get better deals on some of your household bills.”



Question

“We have been refused credit for loans and other things so many times before, will this really help?”

Answer

“Yes, regular rent payments will show that you can manage your budget and could open up cheaper mainstream credit.”



Question

“When I want a fridge or a cooker, I get it off the catalogue. I can’t get credit from the big high street retailers. Will this development help me?”

Answer

“Paying your rent on time will definitely help you to build a positive credit history and could help you qualify for affordable credit from high street shops.”



Question

“Why is it that every time I try to buy something online, or apply for a savings account, I get refused because they say I can’t prove who I am or where I live?”

Answer

“Your credit history is used by wide range of organisations to simply and quickly check your identity, including your address and previous addresses. The more credit history you have, the easier it is for you to prove you are who you say you are, and live where you say you live.”

The Rental Exchange

Get recognised for paying your rent on time

We believe that you should get credit for paying your rent on time. That's why your landlord is working with Big Issue Invest and Experian to support the Rental Exchange.

What is happening?

Big Issue Invest - part of the well-known Big Issue Group - and the information services company Experian are working with landlords across the UK to give you an opportunity to improve your credit rating. Each month, details of the rent you pay will now be added to your Experian credit report.

Experian is one of the main organisations that provide lenders with credit reports and ratings. You might have seen the TV adverts for CreditExpert promoting this service to customers.

Why is this important to me?

Unfairly, some social housing tenants can often struggle to access affordable credit, such as a loan or credit card, because they don't have much credit history. You may have experienced this yourself.

Having a strong and positive credit history helps demonstrate to lenders that you can be trusted to repay what you borrow, so it can help you get new credit when you want it.

If you have a positive credit history it can also help you get better value deals, such as a low interest rate on a loan, which are often reserved for people with good credit ratings.

Most tenants pay their rent on time so this development will see new positive information added to their Experian credit report.

A credit history can also make it easier for you to access other goods and services, such as insurance or when dealing with your utilities supplier or mobile phone provider. This is because a wide range of organisations now use this information to simply and quickly check your identity, avoiding the need to provide documents to prove your name and address, or simply to help them manage your account.

“I think that would be good. Good for my future. It definitely makes sense. It gives you the building blocks to get on the ladder if you want to (borrow) money.”

“That would help you get a loan at the bank if you are able to prove that you do pay your rent monthly and that could boost your credibility. More like other people. I like that.”

Independent Tenant Survey 2012



What is a credit report and credit rating?

Your credit report is a factual history of any credit you've used in the past six years and how you paid it back. It also includes any credit you have at the moment.

Examples of credit include credit cards, loans, bank overdrafts, mobile phone contracts and catalogues. Your report can also include gas, electricity and water accounts.

Lenders use your credit report to help calculate your credit rating, a simple score that suggests how likely it is that you'll repay any credit you get. This score is usually affected by other information too.

This includes the information you provide on your credit application form and any information the lender has about you already – for example, if you've been a customer before.

How will this work?

The Rental Exchange is a secure service which will let your landlord register and share details about the rent you regularly pay.

When you make a new application, the lending organisation should inform you that they want to check your credit information to help to decide whether to provide the goods or services you want.

Lenders - eg banks, an online shop or a utility provider - will check your full credit history to help them make the right decision about whether to provide the goods or services you are trying to get.

Your information will not be shared with any third parties for marketing purposes.

The Rental Exchange has been developed with advice from regulators and consumer groups and fully complies with all relevant laws, including

the Data Protection Act. You can be confident that your information will be kept secure and confidential.

Experian will be able to use your rent payment information in the future to assist other landlords and organisations to:

- Assess and manage any new tenancy agreements you may enter into;
- Assess your financial standing to provide you with suitable products and services;



- Manage any accounts that you may already hold, for example reviewing suitable products or adjusting your current product in light of your current circumstances;
- Contact you in relation to any accounts you may have and recovering debts that you may owe;
- Verify your identity and address to help them make decisions about services they offer; and
- Help prevent crime, fraud and money laundering.



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A positive response from tenants
The majority of tenants that took part in the independent survey said they welcomed this development.

Your housing provider will be able help answer any remaining questions you have. There are also some links for more information below, including how to order your Experian credit report.

[Experian Rental Exchange](#)
To find out more about the Rental Exchange, visit www.experian.co.uk/rental-exchange

[Experian credit report](#)
You can order a one-off Experian credit report for £2 from the Experian website or you can apply by post with a £2 cheque or postal order and your full name, date of birth and addresses over the past six years.

www.experian.co.uk/consumer/statutory-report.html

Experian Customer Support Centre, PO Box 8000, Nottingham, NG80 7WF

Advice about credit reports and credit ratings
www.experian.co.uk/consumer/credit-reports-explained.html

Free advice about debt



Citizens Advice Bureau
www.adviceguide.org.uk or look in the phone book under 'Citizens Advice Bureau'



StepChange Debt Charity
www.stepchange.org.uk
0800 138 1111



National Debtline
www.nationaldebtline.co.uk
0808 808 4000

People seeking help about debt from a free advice agency such as the ones listed above will be able to get a free Experian credit report.

If you would like to know more about how to improve your credit rating, contact us via our website:
www.experian.co.uk/rentalexchange



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