

Bills, bills, bills

You are only legally responsible for another person's debt if it is in your and their name or you agreed to be a 'guarantor' (someone who would pay a person's debts if they couldn't). If a debt is in two people's names, both people are responsible for the full amount of the debt. Some bills, like council tax bills, are different though. Anyone over the age of 18 and living at your address could be chased for unpaid council tax payments arising while they lived there.

Happily ever after

A living-together agreement is one way of making sure that, if the relationship ends, things are divided up fairly. It is a document that a solicitor can use to share out people's assets (and debts) if a relationship ends. The agreement lists your financial commitments as a couple, and also what you have agreed should happen if you break up. To find out more about making a living-together agreement, talk to someone at your local citizens advice bureau, see a solicitor or fill in the forms on the internet by visiting the website listed at the end of this guide.

If you are moving home, remember that you must register to vote on the electoral roll at your new address as soon as possible. You will also need to tell any organisations you have a credit agreement with that your contact details have changed. A copy of your credit report will help you remember the organisations you currently deal with.

Useful contacts

- **Experian Customer Support Centre**
Phone: 0844 481 8000
Website: www.experian.co.uk
- **Citizens Advice**
Your local citizens advice bureau will be able to give you advice about your rights relating to your home and your money. Look in The Phone Book under 'Citizens Advice Bureau.'
Website: www.adviceguide.org.uk
- **Consumer Credit Counselling Service**
Phone: 0800 138 1111
Website: www.cccs.co.uk
- **National Debtline**
Phone: 0808 808 4000
Website: www.nationaldebtline.co.uk
- **Community Legal Service (CLS) Direct**
Phone: 0845 345 4345
Website: www.clsdirect.org.uk
- **Relate**
Phone: 0845 456 1310
Website: www.relate.org.uk
- **Living together agreements**
Website: www.advicenow.org.uk/go/livingtogether/index

Customer Support Centre
Experian
PO Box 1135
Warrington
WA55 1EP

www.experian.co.uk



Other leaflets

This leaflet comes from a series of advice guides to help you understand how credit reports are produced and used and when they affect your life. Other guides available in this series are listed below.

- Bereavement or serious illness
- Refused credit
- Redundancy or reduction of income
- Moving home
- Students and young people
- Relationship breakdown

To get copies of all these guides, visit www.experian.co.uk/learningzone.

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Living together

Credit Crossroads



Experian is a leading UK credit reference agency. When you apply for credit, you will probably give the lender (the company you want credit from) permission to carry out a credit check through us. We do not decide who should get credit, but the information we provide may help the lender to decide.

We hope this guide, for people who are considering moving in with a partner or are already living together, will help you understand the importance of your credit report.

How it all works

When you apply for credit, lenders have to make sure that you are who you say you are and live where you say you live. They also want to make sure that you are likely to be able to keep up the repayments. They will look at the information you give them when you apply (such as your job and income). They will also look at the information we hold about you, which we call your credit report (sometimes called your credit file).

It is important you understand the information on your credit report. Your credit report must also be up to date because it helps lenders check:

- your name and address;
- how you have managed credit in the past; and
- how you are managing credit at the moment.

If your report shows that you repay credit on time, this will usually help you get credit. It may also help you get the best credit deals.

Once you close a credit account (such as a credit card, a loan or a mortgage), details of how you handled your payments stay on your report for six years. Negative information (such as a court judgment, a bankruptcy or a 'default' - a credit account you have broken the terms of) also stays on your report for six years.

You can ask us to send you a copy of your credit report. We will also send you information to help you understand it and answer any questions you have. You can also get help and advice from our website.

To order a copy of your credit report, visit www.experian.co.uk or call 0844 481 8000. You will need to pay £2 if you apply online or £4 if you apply by phone.

You can also write to:
Customer Support Centre
Experian
PO Box 1135
Warrington
WA55 1EP

You will need to give your full name, date of birth and all of your addresses over the past six years.

If you apply in writing, the report costs £2. You need to send a cheque or postal order, made payable to Experian Ltd, with your letter.

To view your credit report online (over the internet) you can join our 'CreditExpert' credit-report monitoring service. For more details, including a free CreditExpert trial, visit www.creditexpert.co.uk.

New beginnings

Moving in with a partner can be an exciting time. It can also be very expensive. Buying new furniture and kitchen appliances, and decorating your new home, may be high on your list of priorities. As a result, you may decide to use credit to help you spread the cost. If you decide to apply for credit together or to open a joint bank account, you and your partner's credit reports will probably become linked. This link is called a 'financial association' and will appear on both of your reports. Your name (but not any financial information about you) will appear on your partner's credit report, and their name will appear on yours.

Just paying the rent together does not create a financial association, so a 'financial associate' (someone you are linked to) will usually be someone you live with in a personal relationship, such as a husband or wife. Temporary arrangements, such as students sharing a rented flat or business relationships, do not count. We will record a financial association when we are told that two people are linked. We could be told by a financial organisation if you have applied for a joint loan, or you can tell us yourselves when you apply for a copy of your credit report.

Once two people are linked and one of them applies for credit, lenders will be able to see and take account of information about the other. It is important for lenders to be able to do this because the way one of you manages credit is likely to affect the other. When two people share and contribute to a household budget, or have joint credit commitments, lenders need to know about both partners even when just one of them applies for credit.

Some lenders will let you choose to be assessed on your own without using information about your partner. But if you do this, the lender will only take account of your income. You will also have to declare that your partner does not have bad debts and the lender can check that this is true.

First steps

Many of us find talking about personal finances difficult. Income, spending habits, debts and savings can be difficult to discuss with your partner, particularly if you have different attitudes to money. But it is important to talk about and agree how things will work because, according to the counselling service Relate, money is the most common issue couples fall out about. Not only do you need to agree how the day-to-day household finances will work, but also what would happen if you split up or if one of you became sick or even died. Not very romantic is it?

If you did split with your partner, where would you live? What would happen to the money each of you had put into the home you shared? Thinking about what would happen to your money, your home and your belongings if you were no longer together isn't being pessimistic, it's just common sense.

Discussing past and present financial commitments with your partner is a good way to start your new life together. You could start by ordering copies of your credit reports and going through them together. Drawing up a household budget might be boring, but it means you will both know where you stand financially. You may split the bills equally, decide to pay into a joint account, or decide who pays for what. By working out how much you need to set aside for household expenses, you can then work out how much you will have spare for extras and savings.

Rights and responsibilities

A long-term relationship is sometimes referred to as a 'common-law marriage', but it is not a term the law recognises. Unless you get married or enter into a civil partnership (a formal arrangement that gives same-sex couples the same legal status as a married couples), your relationship won't automatically entitle you to anything if it ends, no matter how long you have been together.

If you have a mortgage and your partner is moving in with you, you might decide to add your partner to the mortgage. Even if you don't do this, for legal reasons you will still probably need to let your mortgage lender know that your partner is moving in with you (if they are over 18). If you have been claiming a single-person discount for council tax, you will need to contact your local council and let them know that your circumstances have changed.

It's important to find out what your rights are when sharing a home. If you are buying, can your name be added to the mortgage? How much will you put towards the rent or mortgage? If you are renting, you must tell the landlord if someone moves in on a permanent basis. If your name is not on the tenancy agreement or mortgage, you may have no right to stay if your partner asks you to move out or if anything happens to them.

When your circumstances change it's sensible to make sure you are receiving the right benefits and tax credits. See the 'Useful contacts' section at the end of this guide for details of organisations that can help you do this.

If your relationship ends, our leaflet 'Relationship breakdown' will help you break any financial links with your partner. Details of all our leaflets are included at the end of this guide.

You should both also think about making a will. Couples who are not married or in a civil partnership have no legal inheritance rights and you need to make sure that your wishes will be carried out if the worst happened.