

Useful contacts

- **Experian Consumer Help Service**
Phone: 0844 481 8000
Website: www.experian.co.uk
- **Community Legal Service Direct**
Phone: 0845 345 4345
Website: www.clsdirect.org.uk
- **Trades Union Congress (TUC)**
A guide about your rights at work, including if you lose your job
Website: www.worksmart.org.uk/rights
- **Citizens Advice**
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

Consumer Help Service
Experian
PO Box 8000
Nottingham
NG80 7WF
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
- Living together
- Moving home
- Students and young people
- Relationship breakdown

To order free copies of all these guides, visit www.experian.co.uk/learningzone or call 0800 013 0161 and leave your name and address.

Information we hold about you may not be the same as that held by any other credit reference agency.



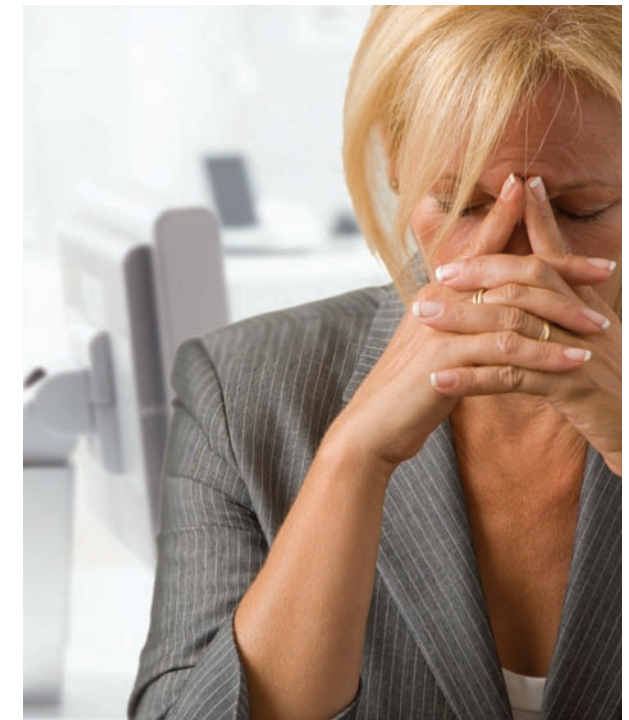
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Redundancy or reduction of income

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 will help you cope with credit after being made redundant or having your income reduced.

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 £3.50 if you apply by phone.

You can also write to;
Consumer Help Service
Experian
PO Box 8000
Nottingham
NG80 7WF.

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.

Get in touch as soon as possible

If you lose your job, you are probably very busy looking for a new one. Don't let this stop you from staying in control of your finances to avoid problems in the future.

It is important to act now. If it takes longer than you think to find a job, the delay could seriously affect your finances and your credit report.

If you have less money coming in, you might not be able to pay all your bills. This is especially likely if your drop in income was sudden or unexpected and you couldn't budget for it. You should check whether you have an insurance policy you can claim on (such as income-protection or payment-protection insurance).

You should also review any tax credits and benefits you currently get or may be entitled to. See the 'Useful contacts' section at the end of this guide for details of organisations that can help you do this.

As soon as you know you are going to lose your job, have to work part time or receive a lower income, contact the lenders you have credit with and tell them about your new circumstances straight away.

Be a responsible borrower

Lenders won't think less of you if you tell them your income has dropped. If you tell them about any change in your circumstances, and keep them up to date, they will actually see you as a responsible borrower.

If you own your home, it is most important to contact your mortgage lender. If you find it difficult to pay your mortgage in the future, you could lose your home. But if you let your mortgage lender know about your change in circumstances as soon as possible, they might be able to help. They do not want to repossess your home and would much rather agree reduced payments or a payment holiday to help you out.

The same is true for other lenders, including any credit card companies, banks or finance companies you have loans or other credit accounts with.

They do not want the expense and bother of chasing you for payments, or, in extreme cases, taking you to court. They would much rather find a way of letting you pay less each month, or even freezing your repayments for a while until you find a new job.

Sort it out soon

Lenders can only help you if you tell them about your circumstances. It's important to act as soon as you think you may have difficulties. Don't let things start to go wrong before you do anything. Contact all the companies you have a credit account with, even if you think you can manage your repayments for a while. Start with your debts for the most important things, such as your mortgage or rent, fuel and council tax.

Getting a copy of your credit report might help you remember all the lenders you need to contact. Your report will also help you to understand how your ability to get credit could be affected if you fell behind with any of your repayments. If you think you might struggle to keep up all your repayments, get advice from a citizens advice bureau, the Consumer Credit Counselling Service or National Debtline. Contact details are given at the end of this leaflet. They can also help you get a free copy of your credit report.

When you apply for a job or to rent a property, some employers and landlords will get your permission to check your credit report. Although they won't see details of your credit accounts, they will see any court judgments and bankruptcies. So if you let your finances get out of control it may affect your chance of getting a job or a new home in the future.

Protect your credit history by acting sensibly. If you lose your job and find you have less money coming in, let your lenders know.