



Rental Exchange

Frequently Asked Questions



We have prepared this document which we hope will answer any questions you may have about the Rental Exchange. However, if you have a question that has not been answered here or would like to know more about the scheme, please email rentalexchangedata@uk.experian.com and we will come back to you as soon as possible.

What is a Credit Reference Agency (CRA)?

Experian are one of the UK's largest Credit Reference Agencies. We collect and maintain consumer credit information and supply it to credit providers to help them quickly and easily assess credit applications and manage existing credit accounts.

Where do CRAs get their data?

Our data is supplied by credit providers, such as banks, building societies and utility companies, as well as local authorities, Registry Trust Ltd, the Insolvency Service, Fraud Prevention Agencies and housing providers.

Who ensures CRAs use data fairly?

As with all organisations who store or share data, CRAs must comply with UK Data Protection Law, which is monitored by the Information Commissioner's Office. Our use of the electoral roll is regulated by the Representation of the People Act 2000. Experian is also regulated by the Financial Conduct Authority.

What is a credit report and why is it important?

Anyone who is over 18 and has ever taken out credit is likely to have a credit report, held by a Credit Reference Agency. It's a personal history of the credit an individual has had, including mortgages, credit cards, loans, mobile phone contracts and utility bills. Not having an established credit report can make it difficult to prove identity and access credit. For more information on what a credit report is and what sort of information is on there, visit: <https://www.experian.co.uk/downloads/consumer/experian-YCRE.pdf> .

What is the Rental Exchange?

The Rental Exchange is a secure database which holds rental payment information. The information allows tenants with a 'thin file' - a history of little or no credit - to build or establish a credit profile. The data can be accessed by lenders and other service providers when a tenant applies for a product or service that requires a credit check or proof of identity.

Why has it been set up?

Millions of consumers in the UK face financial exclusion and one major cause of this is an information gap in their credit history which can exclude some people from accessing affordable

credit. Whilst information about mortgage payments is included on credit reports, rent payment information currently isn't. This means that tenants who make their rent payments on time are unable to have this positive information registered on their credit report. The Rental Exchange enables tenants to have one of their biggest monthly outlay recorded on their credit file in a secure and compliant way.

How do tenants benefit?

We believe tenants should get recognition for paying their rent on time and the Rental Exchange provides a way for tenants to enhance their credit report without needing to take on new credit agreements. Rental payment data can help lenders to quickly check a tenant's identity online, proving they are who they say they are and that they live where they say they live. In addition, enhancing credit report with on-time rent payments means it may become easier to open a bank account, get a new credit card, have a loan application approved, qualify to pay for gas/electricity via a non-prepay tariff and receive better mobile phone and insurance rates. There is wide support for this scheme with over 71% of renters thinking it is a good idea.¹

How does the Rental Exchange work?

Social housing providers, build-to-rent landlords and managing agents provide a regular feed of accurate and up-to-date payment data about tenants' rent payment performance into the Rental Exchange. The data can be accessed by credit providers when the tenant applies for a product or service where a credit or identity check is made through an organisation using Experian's database. When a tenant makes an application, they are notified that a credit check will be made, as would any consumer when they go to purchase certain financial products or services. This enhanced view of repayment history will improve the ability of lenders to treat all customers fairly, with more accurate lending decisions based on a more complete understanding of the financial situation of the individual, as is increasingly required by regulators.

Is there a cost to join or share data into the Rental Exchange?

No.

What about data protection?

Experian has sought advice from the Information Commissioner's Office (ICO) to ensure sharing of rental payments is fully compliant and fair to the tenant. The unequivocal benefit to tenants is recognised by GDPR 'legitimate interests' and 'public interest' provisions. The Rental Exchange is based on protecting tenants' data while at the same time enabling them to ensure organisations can use this data to support their credit applications. The ICO recognise that tackling financial exclusion through enabling tenants to use their information in a way that helps them is something that should be supported, subject to tenants being provided with a very clear

¹ [Public Knowledge & Experian Tenant Survey 2015](#).

explanation of how this will benefit them. For sharing of rental payment data into the Rental Exchange to be considered fair, clear and comprehensive, information about the purpose of the data sharing must be given to tenants by their landlord or managing agent. Underpinning this is the requirement under UK Data Protection Law to provide a 'Fair Processing Notice' (FPN) to data subjects (tenants in this case). The wording of the FPN was agreed in consultation with the ICO.

How is rental data used by Experian and lenders?

The FPN provides information about what information will be shared and how it will be used by lenders. Not only will the sharing of rental data help landlords to work with tenants more closely to manage their existing tenancy agreement, a tenant's track record will enable Experian to use the information supplied to them to assist other landlords and organisations to:

- **Assess and manage any new tenancy agreements a tenant may enter into.**
If a landlord is a member of the Rental Exchange, they will be eligible to access rental payment history from other landlords as well as other financial information, to help them manage the tenancy, treat tenants fairly and to prevent fraud.
- **Assess a tenant's financial standing to provide suitable products and services.**
If a tenant applies to open a new bank account, for example, the bank will get the tenants permission to check their credit report with Experian (or another credit reference agency). Experian will then supply them with a copy of the credit report, including any current credit and rent accounts the consumer has, and how they have been managed (a credit report usually includes up to six years' worth of credit history). The credit report also includes details taken from your local council's electoral roll and other public information, such as bankruptcies, court judgments and insolvency records. The bank can then use this information to assess creditworthiness, to make the most appropriate decision when offering products and services. Any regular check of your credit report will leave a search "footprint" that becomes part of your report and may be seen by lenders in the future. A search footprint does not show whether your application was successful. Lenders cannot see the names of other organisations on your report – only consumers see this information. The decision to provide credit, goods or services is always made by the bank, lender or other organisation, and never by the Credit Reference Agency.
- **Manage any accounts that a tenant may already hold, for example reviewing suitable products or adjusting the product in light of current circumstances;**
Credit providers (like the bank in the previous example) may make regular ongoing searches of their own records and your credit report to help manage your accounts with them, including whether to allow new payment arrangements or to continue or extend existing payment arrangements. These ongoing checks may also be used to help prevent or detect fraud.
- **Contact tenants about any accounts they have had and recovering debts**
Organisations may want to contact consumers if they have stopped making payments and have not been in touch to arrange new terms. Occasionally these organisations will use rental data alongside other information held by Experian to identify when and where to get

in touch with you. They may also use the Experian credit report to better understand your financial standing and if you are able to make repayments.

- **Verifying identity, age and address, to help other organisations make decisions about the services they offer;**
If, for example, you apply for a new credit card, the lender may use rental data to ensure the application is genuine, which helps protect a consumer's identity.
- **Help to prevent crime, fraud and money laundering;**
Experian acts as a Fraud Prevention Agency and may pass information on to other appropriate organisations in order to help them prevent crime, fraud and money laundering.
- **Screen marketing offers to make sure they are appropriate to a consumer's circumstances; and**
- **For Experian to undertake statistical analysis, analytics and profiling and for Experian to conduct system and product testing and database processing activities, such as data loading, data matching and data linkage.**
The data we share with credit providers may be used within automated processes and from time to time Experian will perform internal statistical analysis and system testing using Rental Exchange data to ensure the accuracy of existing and future products and services.

If you would like to see more information on these, and to understand how Credit Reference Agencies use and share rental data as bureau data (including the legitimate interests each pursues) this information is provided in this link: www.experian.co.uk/crain (Credit Reference Agency Information Notice (CRAIN)).

Can tenants see rental data on their credit report?

Yes, tenants can view their rental payment history if they are part of the rental exchange scheme on Experian's Statutory Credit Report or Credit Expert Credit Report:
<https://www.experian.co.uk/consumer/statutory-report.html>.

How long does rental data stay on credit reports?

Rental accounts shared into the Rental Exchange will stay on your report for six years after they are closed, whether repaid and closed satisfactorily, or defaulted.

What will be the process for dealing with data errors?

Experian will help tenants resolve any errors in the same way we do for other types of data. If a tenant contacts their social housing provider, landlord/managing agent or Experian to report a problem, Experian mark the data as under dispute while we investigate with the provider. Marking data as disputed means that any organisation looking at this data must make further enquiries to ensure any decisions they make reflects the tenant is disputing the accuracy of this information.

Will missed rental payments stop people accessing credit?

Not keeping up to date with your rental payments could have a negative impact on your credit history and may restrict you from gaining access to credit in the future. However, for those that pay their rent on time, it will be the opposite, as the data will indicate that tenants are able to meet this regular and important financial commitment. Most credit providers will ask a consumer about their outgoings to understand their situation but in the case of tenants, lenders and tenants are currently unable to verify commitments and performance history without going back to their housing provider or landlord. Lenders and tenants can now benefit from real-time transactions on accurate, objective information and this will support more responsible borrowing and lending, and help people avoid becoming over-indebted where a rental debt exists (if a tenant is unable to pay their rent, it is unlikely they are suitable for a loan or other payment agreement).

Will people whose rent is paid for by the government have their credit histories affected when payment of rent is late through no fault of their own?

If the rent payment is made to the landlord directly by a Local Authority those payments do not count towards the payment status of a tenant. If a tenant is in receipt of Universal Credit, payments made by those tenants will be recorded on your credit report.