

CAIS Membership

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1. Onboarding checklist

1. Industry guidance

- Principles of Reciprocity
- Principles for Reporting Arrears, Arrangements and Defaults at Credit Reference Agencies
- SCOR Data Quality Reference Guide

See section 2 for more details.

2. Membership sign-off requirements

- Data protection registration number
- FCA registration number
- Fair Processing Notification
- CAIS agreement (signed by)
- Site visit from Experian
- Source code request form completed by your organisation and Experian

See section 2.3 for more details.

3. CAIS access

- Your level of access – full or default
- Direct access can only be turned on once we've received and processed a correctly formatted test file
- Once live access is in place, a live data file must be received within three months

See section 2.3 for more details.

4. Data requirements

- CAIS layout
- Testing completed and test report provided to client
- Multiple iterations of test files may be required dependant on the quality of data received
- Your ongoing live monthly obligations

See section 3 for more details.

5. Consumer queries

- Your obligation to respond consumer queries
- Experian's data query console

See section 3.3 for more details.

2. Background

Credit Account Information Sharing (CAIS) is Experian's database of consumer or business credit commitments, whether active, settled or defaulted, with a month-on-month indicator of the payment performance.

Full CAIS members agree to provide positive, delinquent and default data on all accounts within a particular product/portfolio where the necessary notifications are in place.

Default-only members agree to provide data on all accounts that are in default. The Principles of Reciprocity define a default as being when 'the relationship with the individual is deemed by the company in a standard business relationship to have broken down'.

Further details on the reporting of arrears and defaults can be found in the Principles for the Reporting of Arrears, Arrangements and Defaults at Credit Reference Agencies. Before any default is registered, a notification of intention to file a default at a credit reference agency must be sent to the consumer allowing them 28 days to repay the amount owed before the default is registered for non-payment.

2.1 Industry regulation and governance

As a CAIS member you need to adhere to a number of industry regulations.

2.1.1 Principles of Reciprocity

SCOR is the Steering Committee on Reciprocity, a self-regulated user group that oversees CAIS members' sharing of information, and adherence to the industry guidance, The Principles of Reciprocity.

The committee is made up of representatives from industry trade associations, including the British Bankers Association, Finance and Leasing Association, UK Cards, and Consumer Credit Trade Association. The principles regulate data sharing and ensure that data is used in accordance with the governing principle.

It is important that you read the Principles of Reciprocity so that you can understand your responsibilities and ensure you are using data in line with the rules.

Experian can provide a copy of the latest version of the Principles of Reciprocity, or it can be found on the SCOR website at www.scoronline.co.uk, which also provides further information on the SCOR.

2.1.2 Principles for Reporting Arrears, Arrangements and Defaults at Credit Reference Agencies

This document has been drawn up by the credit industry in collaboration with the Information Commissioner's Office (ICO) to set out the principles under which information about arrears, arrangements and defaults are filed with credit reference agencies.

The principles have been reached after extensive consultation with the ICO, lenders, CRAs and trade associations. The principles have been written with the intention of consumers viewing them.

2.1.3 SCOR Data Quality Reference Guide

This technical guidance has been written and developed over a period of time by the SCOR Data Quality Working Party (DQWP) and should be read in conjunction with the CAIS reporting manual. This document is intended for use by the industry and contains practical information on the implementation of policy decisions and documents agreed by SCOR, and recommended best practice on the provision and quality CAIS data. Given the diversity of the information supplied into CAIS, this document is intended to promote commonality and consistency across the industry.

From a regulatory point of view the ICO is comfortable with the guide as a reference document and holds regular review meetings with the SCOR DQWP.

2.1.4 Data Protection Act

The DPA is the need for consumers to be notified as to how their data is going to be processed. The DPA doesn't actually require credit reference agencies, or any other organisation, to have consumer consent before organisations are allowed to process personal data, as long as there is a legitimate reason for doing so and a notification has stated what is going to happen to the data. This is why it is important that we verify the Fair Processing Notifications (FPNs) are standard and are verified by Experian before live reporting commences.

The ICO has published guidance on how to identify a data controller and a data processor under the DPA. In the case of CAIS membership, both your organisation and Experian are joint data controllers. The original data provider is the owner of the data and is responsible for ensuring its quality and accuracy. Experian becomes a controller of the data when we combine the CAIS data with other information we hold, create scorecards, and provide it to CAIS members for any of the purposes outlined within the Principles of Reciprocity.

[Here is a summary of the ICO guidance:](#)

- Where a client instructs a service provider to carry out a service on their behalf (which involves the processing of personal data), in general the client will be a data controller.
- Where the service provider has little or no flexibility in providing the service and acts entirely on instructions from the client, the service provider will be a data processor.
- Where the service provider is either (i) given considerable flexibility or independence in determining how to satisfy the client's instructions or (ii) is providing the service in accordance with externally imposed professional or ethical standards, they will be acting as a joint data controller, rather than a data processor.
- Where the client and service provider are joint data controllers they may, where appropriate, agree between themselves which of them is to satisfy the data protection obligations of data controller in connection with the service data.

2.2 Compliance requirements

There are some specific compliance requirements before membership is approved. These ensure each client is verified consistently using our established process. Here are the details of each of these requirements.

- Data Protection registration
- FCA permission (if applicable)
- Fair Processing Notification
- CAIS agreement
- Site visit
- Source code form.

Data protection registration

You need to have a valid data protection registration in place. Included in the reasons/purposes for processing information, it should state 'accounts and records'. It also needs to state that information may be shared with credit reference agencies and fraud prevention agencies.

FCA permission (if applicable)

You need to have a valid FCA permission. This could be interim or full depending on the progress of your application.

Fair Processing Notification

We can provide a copy of the most up-to-date Fair Processing Notifications. The short version advises the consumer on the minimum information they should know, with the option to ask for further information. The full version includes more detail and can either be provided up front, or given to the consumer if they require additional information.

You can either use Experian's model clauses or use your own wording in line with your branding, but the same points must be covered. We will approve all Fair Processing Notifications as part of your sign off.

CAIS agreement

All members of CAIS have to sign a CAIS agreement. This is a standard document and no changes can be made. As well as the first page, you will have to sign the following sections:

- Part 1 – credit products in general
- Part 2 – credit and store card data – BDS information
- Part 3 – CAIS real time information

A representative for Experian will countersign the CAIS agreement and give you a copy.

Site visit

A site visit must have been carried out to ensure that the company exists and trades appropriately. If the client is based overseas it is possible to request a visit from one of Experian's overseas offices. This is to ensure that the client is operating from premises that allow for the level of data security we would expect when dealing with CAIS data. Residential or mailbox addresses are not considered appropriate.

Source code form

All the above information is compiled and submitted along with a compliance source code form. The source code form also requires your company name, address, and website and contact details.

Not all of the above information is required before the go-live date, as some information is needed for the building and testing phase of CAIS membership. The table below shows the requirements for each stage of the CAIS on-boarding process.

	Build	Test	Live
Completed source code form			
Site visit			
CAIS contract signed by client			
CAIS contract signed by Experian			
FCA permission	*	*	
Data protection registration (DPR)	*	*	
Fair Processing Notice (FPN) approved by Experian	*	*	

- * FCA: Confirmation that the client has applied is sufficient at this stage
- * DPR: Confirmation that the client has applied is sufficient at this stage
- * FPN: Commitment from the client to update their wording if required is sufficient at this stage

2.3 CAIS access

There are two levels of CAIS access: full or default only.

Access to live CAIS information is granted following the successful testing of a CAIS data file. Once you're given access, you have three months to provide a file of sufficient quality to be promoted into the live database. If you're not able to provide the live file within three months, CAIS access will be suspended until your data is live.

Once your data is live, you should keep your monthly CAIS updates on track. If the file isn't updated for three months, your access will be suspended until your monthly updates continue.

3. Membership requirements

3.1 Ongoing CAIS data quality

Once all the compliance requirements are signed off, a unique CAIS source code will be allocated, this will remain the same throughout the life of CAIS.

CAIS data is submitted in a standard Experian CAIS format, and we will provide a copy of the latest layout guide at the earliest opportunity to allow you time to develop an extract of your systems – both for testing purposes and then for the on-going live submissions.

Due to the complexities of the reporting, prior to any data being loaded live onto the CAIS database it must be thoroughly tested. This involves putting the data through more than 136 rigorous data quality checks. Upon completion of this testing the client will be provided with a detailed test report which identifies any quality issues that will need to be corrected before the data can go live.

All data sent to CAIS must be supplied securely, usually by secure STS. Once the source code has been allocated, Experian will allocate a secure file name to enable the transfer of both the test and live data.

Timescales for testing data vary depending on the quality of the data provided and the number of test files that need to be processed before the quality becomes acceptable.

To make sure that we can return a consumer's account on their own credit report and also to other CAIS members, when appropriate, analysis is completed on the name, address and date of birth provided for each consumer.

In addition, there are third-party data requirements that must be adhered to for the accounts submitted into CAIS. The third-party data requirements set out by the ICO in 2001 are in place to ensure all consumer records were fully populated and data was correctly attributed to the right consumer. The result of this is that all CAIS data provided must include:

- Title
- Full forename
- Middle name or initial (if available)
- Surname
- Date of birth
- PAF valid address with postcode.

Once the testing has been completed and the data is of an acceptable level Experian will load the data live onto the CAIS database and will require sign off from the provider. We will also require confirmation of who will be responsible for the ongoing CAIS reporting. They will receive our data quality reports and audits and be the first point of contact for any CAIS processing issues.

Throughout the testing phase our CAIS consultancy team will provide support and guidance on all aspects of CAIS reporting.

If your portfolio contains over 1 million records we have an obligation to notify other CAIS members three months in advance of the data being loaded. Analysis on the impact of the data being loaded to the Experian scorecards will be given to all CAIS members to help them to see any potential impact. In these circumstances, there will be a delay of three months in the data being loaded live.

3.2 Ongoing CAIS data quality

From the month, the data is loaded live on the CAIS database, Experian require an extract every month containing information to update the existing records, and the addition of any new accounts opened since the previous submission.

Every live monthly extract is put through over 250 statistical checks to ensure that the data quality is acceptable. This includes analysis on:

- New / updated / deleted records
- Status code spread
- Outstanding balances
- CAIS flags
- Rejected records
- Third party data compliance.

Upon the successful loading of the data each month Experian will provide you with a detailed quality report detailing any anomalies.

Every six months the data is put through a full CAIS audit, which means the data is retested against the 136 checks along with further analysis and benchmarking against the database as a whole. In addition, more information is provided on the level of consumer queries and response times to highlight adherence to the requirements of the Consumer Credit Act.

We run regular workshops for members to discuss subjects like quality issues, CAIS enhancements and regulatory changes that may impact on affect you. We will let you know when these are due to take place.

Should any anomalies in the data require remediation across multiple CAIS records, it may be that a Data Quality Project is required. The CAIS consultancy team provides support for this type of activity to be completed as required. There are charges for this to be carried out and these will vary depending on the work to be undertaken. The consultancy team can provide a breakdown of fees on request.

3.3 Consumer queries

When the CAIS information is loaded onto the database you will need to have a process in place for handling any consumer queries that may arise. Where a consumer contacts us to query any data recorded on their credit file, we require confirmation from the data provider as to how to respond, and whether the data is accurate or requires an amendment.

Experian has an obligation within the Consumer Credit Act to respond to any query raised within 28 days, and therefore we ask you to respond to queries within 14 days of receipt. To help with this, we have a data query console where you're given a unique sign on, and can access any queries in relation to your data, investigate the query and provide a response. This then allows us to respond to the consumer. As part of the CAIS set-up process we can provide training on how to use this system, the type of queries that may be raised and how to interpret the CAIS data.

Sometimes, there may be some inaccuracies identified following a consumer query. Our CAIS manual amendment system allows you to make updates to a CAIS record. We can arrange access for you as part of the CAIS set-up process.

If you don't want to have this system installed to complete amendments yourself, we can action them on your behalf. When the CAIS data is due to go live on the database, an authorised signatory for amendments will be put in place, and they will be able to ask us to action corrections. We will let you know how to do this during the onboarding process.

There are costs associated with the online amendment system, or asking us to complete the amendment. We can provide these on request.



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