



# Getting to Grips With Your Credit Report and Score

How your credit information can  
help you achieve your goals



# Your credit profile is key to making life happen

Think of your credit report and score as a financial passport, a financial MOT or even a financial health check. It plays an important part in life – from enabling everyday purchases to helping you achieve life goals, such as:



Getting a mobile phone contract



Paying for a holiday



Buying a new car



Setting foot in your first home

If you're reading this, chances are you have questions about your credit report and score. You might not even know what your credit score is or where to find it. Don't worry, you're not alone. In this guide, we aim to answer your questions and help you understand more.





# Debunking myths around credit reports and scores

There are many myths about credit reports and scores, and we want to set the record straight.

## Myth 01

### There's a credit blacklist

There's no such thing. Credit reports are factual. Finance providers have their own policies when it comes to extending credit, and your credit information is just one factor when they make decisions.

## Myth 02

### Credit reference agencies decide who gets credit

Only the finance provider can decide which customers to offer credit to. Credit reference agencies (CRAs) merely provide some of the information lenders use when making decisions, but each finance provider has their own individual lending policies.

## Myth 03

### Checking your credit score multiple times will impact it

Not true. You can check your credit score as often as you like with no impact on your score. So, no excuses! Time to get familiar with your credit report.

## Myth 04

### Being refused credit impacts your credit score

A finance provider does not tell credit reference agencies whether they accepted or refused your application.

This information doesn't appear on your credit report and won't directly affect your score. However, making multiple credit applications within a short period can have an impact. Each application leaves a hard search on your report, and several in quick succession may signal financial stress to lenders.

## Myth 05

### Previous relationships affect your credit score

Someone else's credit history can only affect your credit applications if you previously made a financial connection by having a joint agreement. If you had a financial association with a former partner or spouse but no longer share any joint accounts or financial connections, you can formally disassociate yourself so their financial behaviour cannot impact yours.

## How to check your credit report and score

You can request a free copy of your statutory **credit report** from all UK Credit Reference Agencies. This will provide a snapshot of your credit profile at that time. To monitor your score and report regularly, you can sign up for one of the many free online services available. You can view your TransUnion credit report and score through services, such as **Credit Karma**, **MoneySuperMarket**, or **TotallyMoney**. TransUnion is also the selected partner for many of the UK's leading banks and lenders, providing trusted credit monitoring alongside your everyday financial services.

*Note that your credit score won't be the same with all credit reference agencies, as each has its own scoring system and may hold different information about you.*

# Understanding your credit information

You already know your credit report and score can influence important financial moments – so it's worrying that our research highlighted 32% of people haven't checked their credit report in the past year.\*

Even though credit education has improved, many people are still unsure how their credit report is used and what affects it. This guide is designed to make things clearer. It will help you understand what your credit report and score really mean and how you can use them to support your financial goals.

## What is my credit report and how is my score calculated?

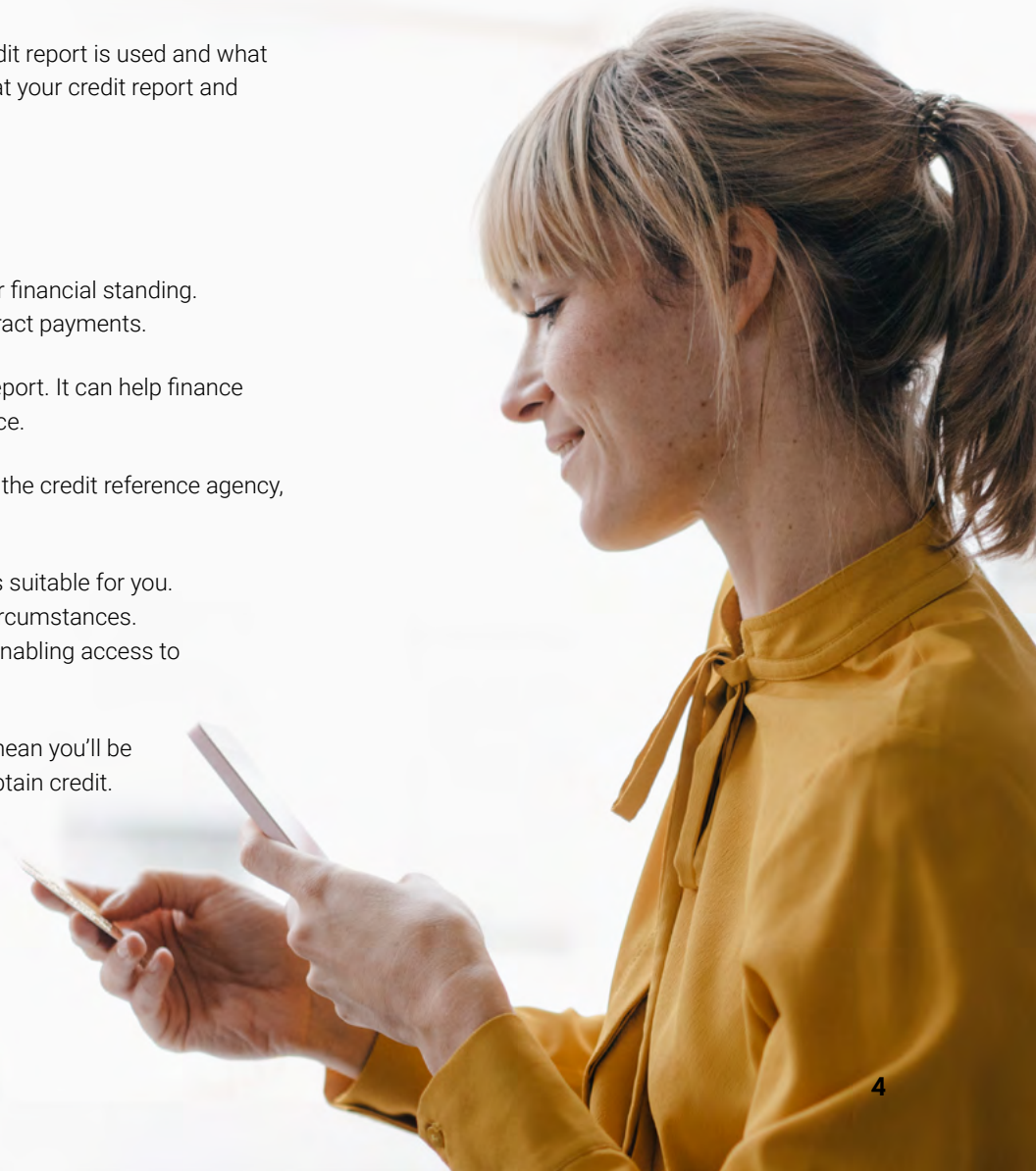
Your **credit report** contains your credit history: a record of repayment of debts and your financial standing. This can include things like your monthly credit card payments and mobile phone contract payments.

A **credit score** is created using a set of rules which take information from your credit report. It can help finance providers assess your creditworthiness when they're reviewing an application for finance.

It's important to note there are different types of credit scores which can be created by the credit reference agency, lender or other organisations providing credit.

Your credit report and score help credit providers understand what level of borrowing is suitable for you. By assessing this information, lenders can offer credit that is better matched to your circumstances. This process is designed to protect you from taking on unmanageable debt while still enabling access to finance that supports your needs and goals.

However, this is just one of the factors used by the lender. A high credit score doesn't mean you'll be eligible for any product you apply for. Similarly, a low score doesn't mean you cannot obtain credit. There are different products and finance providers to suit different needs.



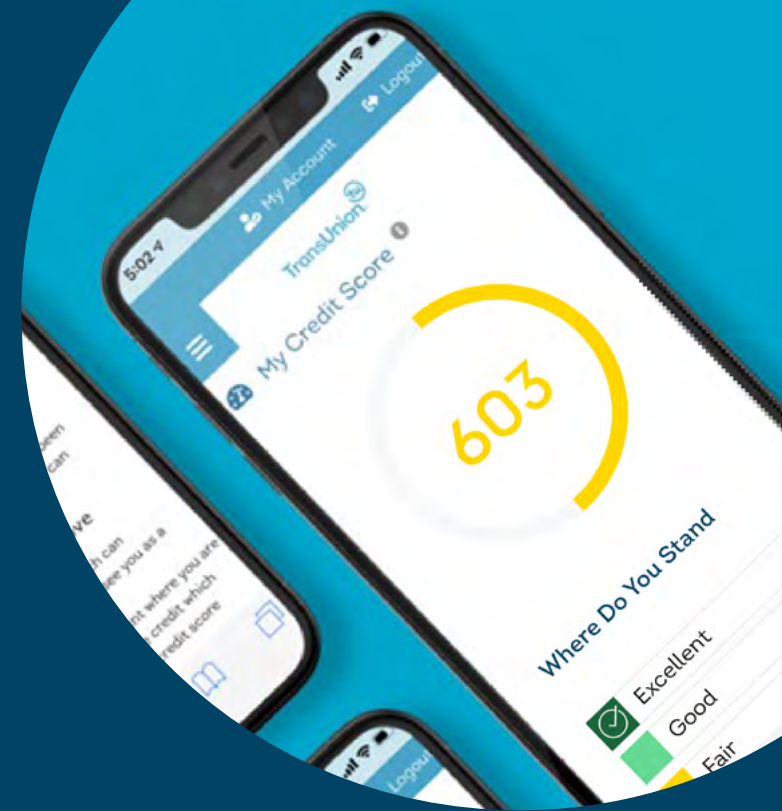
# The power of your credit report and score

Your credit report and score have the power to unlock opportunities. These two elements help paint a picture for lenders regarding your history of managing credit.

Your credit report and score ultimately help protect both you and the finance provider. If lenders aren't able to fully assess your creditworthiness and ability to repay money borrowed, it may prevent you from getting the right product and lead to financial difficulties.

Credit information plays a key role in giving lenders confidence in offering you the credit you need. It's important to remember your credit report is constantly evolving, and you can take steps to improve your credit score over time if needed.

Credit scores provide millions of consumers with a yardstick of their borrowing behaviour and help monitor progress toward financial goals. Being in control of your credit profile helps you access everyday finance, as well as the funding for major life purchases — such as a holiday, car or home.



Credit plays an important role in everyday life, helping many people make some of their most significant purchases. Yet we know there's still a lot of misunderstanding around credit reports and credit scores. As one of the UK's leading credit reference agencies, we believe it's important to help change that.

At TransUnion, we view your credit report and score as a financial passport that gives you greater visibility and control, helping you make informed choices and placing you in the best position to reach your financial goals.

**James Robinson, Managing Director of Consumer Interactive at TransUnion in the UK**

# Taking control of your credit profile

Thanks to credit education initiatives, people have a greater understanding of credit scores, than ever before. But there is still work to be done to dispell myths and help people use it effectively. Knowing how your credit report and score are used can put you in the driver's seat when it comes to applying for finance – helping you achieve your goals.

It can also help you make informed decisions when applying for and selecting financial products best suited to your needs, such as a loan or credit card.

Our research\*\* has found people who self-monitor their credit score are more likely to open a new credit product, and many experience an increase in their score after taking control of their credit information.

It's not just about finance though. Your credit report can help you monitor for identity fraud, as this might be one of the first places you spot potential signs of someone trying to use your identity to secure credit.

It can also be used for identity checks by businesses – from online gambling companies wanting to ensure you're over 18 to rental property agents vetting tenants on behalf of landlords. These checks use information from your credit file – although businesses will only see information relevant to their requirements.





# What happens if my credit report is incorrect?

Credit reference agencies like TransUnion collect the majority of information in a credit report from credit providers. You should check your credit report regularly to help identify any mistakes.

If you have concerns about information contained in your credit report, you can either contact the finance provider it relates to directly, or contact the CRA who will take the following action:

## 01

The CRA adds a 'notice of dispute.' This temporary marker highlights particular information being investigated.

## 02

Within 28 days, the CRA will investigate your query with the appropriate organisations and report back its findings.

## 03

If the investigation concludes your credit report is wrong, the information in question will be changed or removed.

## 04

If the organisation states the data is accurate, the CRA will remove the 'notice of dispute' and the information will remain.

## 05

However, if you still believe the data is inaccurate, you can complain directly to the organisation and add a 'notice of correction' to your credit report giving your explanation.

## 06

If after raising your complaint, you're not satisfied with the organisation's response, you can also refer your complaint to the **Financial Ombudsman Service** or the **Information Commissioner's Office**.



# Our five key tips for building a stronger credit score

1

Make sure you're on the electoral register and update this if you move house or legally change your name.

2

Pay your bills on time – or early if you can.

End-of-month pressures are normal, but timely payments are essential for protecting your credit score. If you're struggling to keep up, consider contacting your provider – it may be able to offer support or more flexible options.

3

Try to avoid keeping a high balance on your credit card. If you do have a higher balance, make sure you keep up with regular monthly payments and aim to pay more than the minimum amount whenever possible. This helps reduce your overall balance faster and shows lenders that you manage credit responsibly.

4

Don't make multiple applications for credit in a short space of time.

Whilst many credit searches (such as those used for comparison websites) won't affect your score, a credit application involves a full credit check, leaving a footprint visible to other lenders. Seeing multiple applications over a short period can suggest financial difficulties and could impact your score.

5

Close down any unused credit cards and cancel old agreements; checking your credit report regularly so you know it's up to date.



TransUnion is a global information and insights company that makes trust possible in modern commerce. We do this by providing an actionable data picture of consumers so they can be reliably represented in the marketplace. As a result, consumers and businesses can transact with confidence and achieve great things. We call this Information for Good® — it's our purpose and what drives us every day.

If you're worried about your finances,  
you can contact the charity **StepChange**.

## Learn More



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