

About your application and credit scoring

What happens when you apply?

When you apply for a loan, the lender will check your credit record. This is done by a credit reference agency. They will look at your credit history to see if you have ever had any problems with repaying loans or bills. They will also check if you have any outstanding debts. This information helps the lender decide whether to give you a loan and at what interest rate.

How do we decide whether or not to accept an application?

The lender will consider several factors when deciding whether to accept an application. These include your credit score, your income, your employment status, and your existing debts. A higher credit score indicates a lower risk of defaulting on the loan. A steady income and employment history are also positive factors. The lender will weigh all these factors together to make a decision.

What is a credit reference agency?

A credit reference agency is a company that collects and stores information about the credit behavior of individuals and businesses. They provide this information to lenders to help them assess the risk of lending to a particular person or company. Examples of credit reference agencies include Experian, Equifax, and TransUnion.

What kinds of information do they provide?

Public information (including):

Public information includes details that are available to anyone who checks your credit record. This includes your name, address, date of birth, and any court judgments or bankruptcies. It also includes information about your current and past loans and credit cards.

Private information (including):

Private information includes details that are not available to the public. This includes your credit score, your payment history, and any defaults on your credit. It also includes information about your financial behavior, such as how often you apply for credit and how much you borrow.

When you apply for a loan, the lender will check your credit record. This is done by a credit reference agency. They will look at your credit history to see if you have ever had any problems with repaying loans or bills. They will also check if you have any outstanding debts. This information helps the lender decide whether to give you a loan and at what interest rate.

Could information from the credit reference agency be the only reason for declining my application?

Yes, it is possible. If your credit record is poor, the lender may decline your application based solely on the information from the credit reference agency. However, lenders also consider other factors like your income and employment status.

Is the information from a credit reference agency always negative?

No, the information is not always negative. It provides a comprehensive view of your credit history, including both positive and negative aspects. A good credit record shows that you are responsible with your money and can be a positive factor in getting a loan.

What information do we supply?

When you apply for a loan, you supply personal information such as your name, address, and date of birth. You also provide details about your current and past loans, credit cards, and any court judgments. This information is used to build your credit profile and assess your creditworthiness.

