

MAINTAIN A HEALTHY CREDIT REPORT

CREDITSMART.ORG.AU
CLEARER CREDIT HISTORY

DID YOU KNOW?

- Most Aussies have never tried to check their credit report
 - 9 in 10 understand that banks & lenders check their credit report when applying for a loan or credit BUT 54% don't know exactly what a bank or lender looks for in their credit report
 - 1 in 3 Aussies don't know the difference between a credit report and a credit score
- (Source: CreditSmart research April 2018)

A HEALTHY CREDIT REPORT IS AN IMPORTANT STEP TOWARDS FINANCIAL HEALTH

Keeping your credit report healthy will make you look better to a credit provider the next time you need to borrow money or buy something on credit.

Credit providers include lenders such as banks, credit unions and finance companies, and businesses that sell you goods or services on credit, like phone (home, mobile or internet) or utility (water, gas or electricity) providers.

Most Australian adults will look to borrow money or buy something on credit every so often. Whether it is a loan to buy your first (or your next!) home, a credit card with which to earn points or a new mobile phone on a post-paid contract, a credit provider will probably want to access your credit report to decide whether you're creditworthy.

7 TIPS TO KEEP YOUR CREDIT REPORT HEALTHY:

KNOW WHAT'S ON YOUR CREDIT REPORT

01

You have a right to a FREE copy of your credit report each year from each credit reporting body. Getting to know what's on your credit report is the first step in taking control of it. Plus, it will let you see if there's anything wrong on it.

KEEP TRACK OF YOUR CREDIT SCORE

02

Keep track of your credit score. Your credit score is like a summary of what's on your credit report and can give you a quick indication of how credit providers see you. Movements in your credit score will let you see whether your actions are helping to improve your credit report.

FILL OUT CREDIT APPLICATIONS FULLY AND CONSISTENTLY

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Fill out credit applications fully and consistently. Much of what's on your credit report comes from you, when you fill out applications. The information that identifies you (e.g. name, address, birthdate and driver's licence) is passed to the credit reporting body and put on your report. If you don't fill out the application properly it can make it harder for credit providers to get a proper credit report about you.

DON'T LET FORGETFULNESS MAKE YOU MISS PAYMENTS

04

Don't let forgetfulness make you miss payments. Talk to your credit provider about setting up an automatic payment, i.e. direct debit, to make sure your minimum payments are paid on time. While forgetting one payment shouldn't impact your credit health too much, it can start to make you look worse to credit providers if you fall behind regularly.

TALK TO YOUR CREDIT PROVIDER IF YOU ARE STRUGGLING TO MAKE YOUR PAYMENTS

05

Talk to your credit provider if you are struggling to make your payments. Many lenders (e.g. banks, credit unions and finance companies) and other businesses that sell things on credit (e.g. phone, gas and electricity companies) must work with you if you tell them that you are struggling with your payments.

**KEEP YOUR
DETAILS UP
TO DATE WITH
YOUR CREDIT
PROVIDERS**

06

Keep your details up to date with your credit providers. They'll send account statement or bills to the address (either your street address or email address) that they have on file. If you change your address without telling them, you might not know that you owe them money and it could end up as a default on your credit report.

**BE
SENSIBLE
WITH
CREDIT**

07

Only borrow what you need and use credit wisely and sparingly. Having too much credit could make it harder for you to get credit for what you really need. If you have more credit than you can comfortably afford, try to close down any accounts that you don't use. Your credit report will show credit providers how much credit you have available, even if you don't use it.

FIXING ERRORS IN YOUR CREDIT REPORT

Your right to get errors corrected

The information on your credit report should be accurate, up-to-date, complete, relevant and not misleading.

If you think something is wrong, you can ask any credit provider or credit reporting body for help to fix that error, so long as they hold credit information about you.

If the information is incorrect, it will be taken off or changed (depending on the circumstances). If they don't agree that the information is incorrect, they'll provide reasons.

The credit provider or credit reporting body must respond to you within 30 days - unless you agree to extend that period. Once the matter has been investigated, you must be provided with a written response indicating whether a correction will be made (and if not, why not).

If you're still unhappy, you can ask the credit provider or credit reporting body's External Dispute Resolution service to investigate it; these are independent bodies who investigate complaints.

TIPS ON HOW TO FIX ANY ERRORS ON YOUR CREDIT REPORT

01

You should contact your credit provider or the credit reporting body first and ask them to explain why the information is on your report. If you're not satisfied with their explanation, tell them why and ask for it to be corrected. You can speak to any credit provider or credit reporting body who holds your credit information (not just the organisation responsible for the incorrect information) to ask them to correct it for you.

02

If you find information in your credit report that you think is incorrect, consider whether you have documents or other information to show that the information is not accurate. To help ensure that your complaint is dealt with quickly by a credit provider or credit reporting body, it is always a good idea to provide them with the documents or information that shows an error has been made.

03

If you don't have much success speaking directly to your credit provider or the credit reporting body, you can complain to the business' External Dispute Resolution service; these are independent bodies who investigate complaints and credit providers and credit reporting bodies must be a member of one.

04

If you feel as though you cannot deal with the correction request on your own, make an appointment with a community legal centre or a financial counsellor who can help you through the process. Community legal centres and financial counsellors provide free advice and assistance.

05

If the information on your credit report turns out to be accurate, speak to your credit provider about what it means and how it may impact on you. Also consider what you can do to manage your credit effectively in the future.