

Improving It

If you're not happy with your score and are determined to improve it, good news, there are ways! I can't say for certain how big of an impact each of these actions will have on your personal score, but they should all help it go up. To help you work your way through the list, I've added a check-box next to each action – tick them off as you complete them.

☐ Check your score regularly. It sounds simple, but by making it a monthly habit, you can start noticing what makes it go up and down. When you keep ticking things off of this list, you should see your score improve (as long as you're not also doing things to bring it down). Watching it go up should be a proud moment and give you the motivation to keep improving it.

☐ Sign up to vote. If you're not yet on your electoral register, sign up to vote on the government website. It sounds silly, but for whatever reason, being on the electoral register actually improves your score. It shows the agencies that you are a real person living at a real address, and some even take into consideration the fact that you are in a stable housing situation, which they interpret as you being more trustworthy to lend to.

☐ Find an hour or two in your day to check your credit reports on each of the three agencies' websites. Go through the report and take note of any details that are incorrect or out of date. The agencies are clear when they say it is your responsibility to check that all of the details are correct – they're not doing it for you. If something is incorrect, your first action should be to contact whoever provided the false information. For example, if the local council are saying you haven't paid your council tax, but you have, they should fix the mistake and let the reference agencies know. If they do nothing about it, reach out to the agencies directly and ask for a 'Notice of Correction' to amend

the incorrect data. Once this is rectified, your score should improve (unless you provided data that brings your score down – be wary of telling them about debts you have that aren't listed).

One publicised example was when a woman had a £62 debt on her report by her phone carrier. She contacted her carrier who admitted that it was an error, but since the debt had already been marked as in default (not paid), her credit score crashed. She was told it would take 90 days to fix, which meant she was unable to re-mortgage her house at a good rate. She ended up paying hundreds more in interest because of the error.

If, for whatever reason, a correction of false information takes longer than expected (or isn't done at all), contact the Financial Ombudsman Service¹. Ombudsman organisations will let you know if your case is valid and, if it is, can help you claim compensation. There is no harm in seeking legal advice for issues like this too, because it is unfair for a mistake to possibly cost you hundreds, or even thousands of pounds.²

[_] If your score is good enough, and you are confident to take the leap – get a credit card. Don't go for the maximum or minimum amount of credit they will offer you – go for a card with somewhere in between. Spend on it regularly and pay it back on time too. Maybe use that card for your monthly bills and weekly food shop – not for crazy expensive purchases, but enough to show that you can use debt and repay it back sensibly. Try and spend comfortably below your threshold though – if you have access to £2,000, don't spend more than £600 per month, and less if you can. There are special credit cards known as 'credit builder' cards designed to help people with low scores improve them. These have much higher interest rates, so you better be on top of it if you decide to use one³.

This is a great way to increase your score because you are showing that you are good with money, especially with debt,

and proving that you don't need lots of it either. It takes some strong self-discipline, but it will pay off if you can pay it off!

¹ <https://www.financial-ombudsman.org.uk/consumers/complaints-can-help>

² <https://www.solution-loans.co.uk/blog/what-to-do-if-credit-reference-agencies-hold-incorrect-data-about-you/>

³ <https://www.nimblefins.co.uk/average-credit-card-interest-rate-apr-uk#:~:text=The%20average%20credit%20card%20interest,rate%2C%20balance%20transfer%20or%20rewards.>