



# 10 Steps to Improve your Credit Rating

## 10 STEPS TO IMPROVE YOUR CREDIT RATING

### 1. PAY YOUR BILLS ON TIME

Each time you pay late, it gets noted and your score decreases. Set up debit orders to help you.

### 2. DON'T TAKE ON TOO MUCH DEBT

High balances on credit cards and other revolving credit have a negative impact on your credit score.

### 3. YOUR DEBT RATIO IS IMPORTANT

Good management of the difference between what you owe and your credit limit is important. The smaller the gap, the lower your credit score.

### 4. LIMIT YOUR APPLICATIONS FOR NEW CREDIT

Don't hunt for credit and make unnecessary enquiries. Open new credit sparingly, because each time you apply, your credit score takes a small dive.

### 5. NO HISTORY, NO CREDIT

If you have no credit history, you cannot prove that you are a responsible consumer and credit providers won't be able to trust you.

### 6. DON'T MOVE YOUR DEBT AROUND

Pay it off, but don't close unused cards. Owing the same amount with fewer accounts, increase your credit score.

### 7. OBTAIN A COPY OF YOUR CREDIT REPORT

By knowing what's in your credit report you will see what potential lenders see and can take steps to improve how you are rated.

### 8. NOTICE OF CORRECTION

If you have had previous credit problems due to circumstances beyond your control, such as losing your job, family bereavement etc, add a notice on your report to explain the late payments for that period.

### 9. MAKE SURE YOU ARE REGISTERED ON THE ELECTORAL ROLL AT YOUR CURRENT ADDRESS.

Some firms may turn you down flat if they can't confirm where you live.

### 10. THIRD PARTIES

If you had financial links to other people which are no longer relevant (such as an ex-partner), ask for them to be removed from your records.