

PILLAR #1

Banking Credit Scoring

sub blog #2

[Your Credit File: What lenders need to know](#)

So, what are lenders aware of when you apply for a loan? It's important to know this, so you can ensure you are showing your credit history in the best way. And believe it or not, it's more than just what's on your credit file.

ALSO READ [Your Credit File: How credit scores help you](#)

Crucially important data comes from five main sources

Credit Reference Agencies (CRAs) compile unique consumer credit information, they can send data on any UK individual to a prospective lender. All lenders use at least one agency, with many using the UK's three main agencies due to the different datasets they've custom-made.

No matter the agency, this crucially important data for lenders comes from five main sources:

- The electoral register - confirming who you are and where you live.
- Public records - court records, showing any CCJs, bankruptcies or more.
- Searches - where other lenders have searched your file, or where product providers / companies have carried out a hard search in the last 12 months.
- Linked data – shows people you are financially connected to and any addresses you have lived at.
- Account / credit account information - all your past financial behaviour and how you manage your existing accounts and other borrowing.

Good to know! Creditors have different systems to work out credit scores, even if you're refused by one creditor, you might not be refused by others.

Banks, companies and creditors simply want to see a summarised paper trail, this summary shows you have ideally made timely payments and borrowed sensibly – only borrowing what you can afford. Managing your money responsibly is the foundation of a good credit score.

Other information they need to know, but will not go in your favour:

- Chopping and changing bank accounts – long-term, managed accounts will increase your credit score.

- Owing more than you can borrow – try and reduce this or pay this off, depending what you need to apply for.
- Too much credit in place & stretched to meet minimum payments comfortably – try and consolidate this if possible, before making an application.

ALSO READ [Your Credit File: How lenders decide](#)