

## Credit Repair – know the facts

Consumers should be wary of any business claiming to be able to improve consumers' credit ratings. Entries in a credit record, including county court judgements or Scottish decrees, can only be altered or removed if they are factually incorrect or have been discharged.

Under UK legislation, consumers can access their own credit files from credit reference agencies, to check for themselves whether the information held is correct or needs updating. It costs just £2. Details of how to go about doing this are contained in published guidance, 'Credit Explained' available from the Information Commissioner's Office ([www.ico.gov.uk](http://www.ico.gov.uk); telephone 08456 30 60 60).

However, consumers who are thinking of paying for such services will have greater protection under new OFT licensing requirements which came into force on 1 October 2008.

The changes mean that any business wishing to provide 'credit repair' services will need to hold an appropriate consumer credit licence. In order to be considered fit to hold such a licence, the company will need to be able to demonstrate that it is not engaged in any unfair practices such as making misleading claims to consumers about the services it can provide, either in advertisements or via its website.

For clear, practical consumer advice call 08454 04 05 06 or visit [www.consumerdirect.gov.uk](http://www.consumerdirect.gov.uk).