

## CREDIT REPORTING: Enquiries

### What is a credit enquiry?

A credit enquiry is an entry on a consumer's credit report, which records that a credit provider has accessed and viewed the information in the credit report. The enquiry arises out of a consumer's credit application to that credit provider.

### Why would a credit provider need to access my credit report?

Viewing a consumer's credit report is a routine part of the credit application process.

The credit provider will use your credit report to assess your credit application and help them decide whether or not you will be able to repay the credit you want to borrow. As a result of this credit check, the credit application is recorded on your credit report as an enquiry, regardless of whether the loan was approved, declined, or repaid.

If you are going to be a guarantor for another consumer's credit application, the credit provider will access both credit reports as part of their credit checks.

### What information is included in a credit enquiry?

The enquiry may include information such as:

- the date the credit provider accessed the credit report,
- the name of the credit provider,
- type of credit applied for, e.g. a personal loan, credit card, mortgage or mobile phone contract,
- whether you applied as a sole or joint borrower, or whether you were a guarantor, and
- the amount of credit applied for.

### Is my consent needed for a credit provider to access my credit report?

Consent is generally not required, however a credit provider is required to notify you if they intend to access your credit report in order to assess your credit application.

If a credit provider accesses your credit report for other reasons, this access is not recorded as an enquiry. Rather, it is recorded in a separate section of your credit report entitled "Other access", or "File access", and does not affect your credit report, as only you and the credit reporting body holding your credit report can see it.

### How long does a credit enquiry stay on my credit report?

The enquiry will stay on your credit report for five years from the date the credit provider accessed the credit report.

### What if I did not make an application, and the enquiry is incorrect?

If you consider that an enquiry is incorrect because, for example, you did not apply to a particular credit provider for credit, or you are not a guarantor, you can request to have your credit report corrected.

You can do this by approaching the credit provider, or the credit reporting body holding your credit report. You should not have to pay to have your information corrected.

### Do credit enquiries negatively affect my credit report?

Not necessarily, all credit providers have their own process for deciding whether or not a consumer will be a reliable borrower. They apply their own criteria and lending policies when making a decision to lend credit.

This means that some credit providers will view multiple credit enquiries negatively, while others will not.

The information in a credit report is just one aspect of a credit provider's assessment process. All different types and sources of information are used when considering credit applications.

**Can my application be declined because of the information in my credit report?**

Yes, some credit providers may refuse an application for credit based on the information contained in a credit report.

If this happens, the credit provider must give you written notice that must include a statement that the application has been declined, and that the decline was wholly or partly based on the information obtained from your credit report.