



# How to improve your Credit Score

# What is a Credit Score?

Your credit score (also known as a credit rating) plays a big role in your financial well being. That's why checking your credit score, and understanding the factors that affect it, is a great way to take control of your financial future.

Your credit score can have an impact on most of your finances. From being accepted for a credit card, mobile phone contract or mortgage, to even the type of home broadband deal you're offered.

One thing is clear: the better your credit score, the healthier your finances and the more likely you are to be accepted for credit.

In this handy guide, we offer tips to improve your credit score over time.



## Check your Credit Score

Many people assume they have a bad credit score, but don't know for sure. A free credit score checker like CreditWise is a really easy way to access and understand your credit score. After you sign up, you can start tracking your credit score month-by-month and see what factors are affecting it.

[Sign up for CreditWise today](#)



## Make sure you're registered to vote

When you apply for credit to a bank or lender, they'll use the electoral roll to confirm your identity. If you're not on it or your address details are not up to date they may struggle to confirm it's you. This could result in your application being turned down and an unnecessary mark on your credit report.

[Registering is free and takes less than 5 minutes at gov.uk/register-to-vote](#)



## Pay more than the minimum

You should always try to pay back more than the minimum monthly payment on a loan or credit card if you can afford it. Simply keeping up with payments will look good on your credit report. But if you pay more, you can clear your debt quicker and pay less interest. This will also show lenders that you're reliable and good at managing your money.



## Pay on time

Paying your monthly bill payments on time is a great way to build your credit score, as it shows lenders you are responsible with money.

Late payments are often reported to the credit bureaus and will appear on your credit report. Even if you only miss one payment, it can affect your credit score for up to 6 years.

**Tip: Setting up a Direct Debit is a simple way to help you pay on time. If you don't think you'll have enough to cover the Direct Debit make sure you contact your bank to let them know.**



## Build credit history

Lenders like to see that you have a history of using credit responsibly. Using a credit card and making payments on time is one way to do this. Just remember to pay off your balance in full each month to avoid being charged any interest.



## Don't apply for too many credit cards

Each time you apply for a credit card, loan or another form of credit, lenders do a 'hard search' on your credit report. This leaves a mark on your credit report that can be seen by other lenders.

If they see several hard searches being recorded on your credit report in a short space of time, it could look like you're struggling financially. This may reduce your chances of being accepted in future.



## Always use eligibility checkers before you apply

An eligibility checker lets you know if you'll be accepted for credit before you apply by doing a 'soft search' on your credit report. Only you can see soft searches on your credit report. They don't affect your credit score, and won't affect your chances of being accepted for credit in future.

Some eligibility checkers tell you how likely you are to be accepted. Capital One's [QuickCheck](#) tool gives you a definite yes or no in 60 seconds. So you can be 100% certain if you'll be accepted for one of our credit cards before you apply, without affecting your credit score.