

The Rental Exchange

Tamworth
Borough Council

Help your tenants build better futures; innovating for social benefit to increase fairness



What is The Rental Exchange?

- Why shouldn't rent be treated in the same way as mortgages?
- The Rental Exchange will provide the same level of data, allowing renters equality and better access to mainstream credit:
 - ▶ Store Cards
 - ▶ Energy Contracts
 - ▶ Mobile Phone Contracts





What is a Credit Report?

- Your credit report is a key element of your **financial CV**. It details credit you have taken out such as credit cards, loans and mortgages, along with your repayment history, any court judgments or bankruptcies against you.
- Information on the following items is shown in your credit report:
 - ▶ Profile Details
 - ▶ Credit Accounts
 - ▶ Electoral Roll
 - ▶ Aliases
 - ▶ Financial Associates
 - ▶ Public Records
 - ▶ Previous searches of your report



What is a Credit Score?

- Before deciding whether or not to offer you credit, many organisations take your credit report, plus the details you give the lender on your application form to generate a credit score. This is a single figure that indicates how likely you are to repay what you owe.

- CREDIT REPORTS EXPLAINED

- Usually, the higher your score, the easier you will find it:
 - To borrow
 - Achieve better rates and deals
 - Get better access to contracts e.g. mobile phones.

| Category | Score range | Description |
|-----------|-------------|--|
| VERY POOR | 0-560 | Most lenders would regard this score as very high risk and would expect most people in this category to have serious problems with repaying credit. |
| POOR | 561-720 | Most lenders would view this score as high risk and would expect a high proportion of people in this category to have serious problems with repaying credit. |
| FAIR | 721-880 | Most lenders would regard this score as moderate risk and would expect only a small proportion of people in this category to experience serious problems with repaying credit. |
| GOOD | 881-960 | Most lenders would view this score as low risk and would expect few people in this category to experience serious problems with repaying credit. |
| EXCELLENT | 961-999 | Most lenders would regard this score as very low risk and would expect very few people in this category to experience serious problems with repaying credit. |

A quote for a Sofa for someone with a Good Credit Score

Why access to mainstream credit is important

Ellipse: Left Hand Facing 3 Seater Pillow Back Corner Sofa



Large View

Half Price
£799

After Event Price
 £1,598
 Save £799

Order Direct

♥ Add to Favourites

Have this product for as little as **£16.64 a month**

4 years free credit, no deposit and **48 equal monthly payments of £16.64.**

0% APR REPRESENTATIVE

44 years of experience **£500 OFF** AT LEAST **DON'T MISS OUT**
MINIMUM 10% REDUCED PRICE

Like 6

Tweet 0

Pin it

4 years free credit, no deposit and **48 equal monthly payments of £16.64.**

Going the extra mile



A quote for a Sofa for someone with a poor credit score or thin credit file (very limited information recorded about them)

Why access to mainstream credit is important



Only £22.00 per week!

Carmen Corner Sofa
£22.00 per week [Get Product Now](#)

(1 reviews) ★★★★★ (5.0/5) **feefo**

- 253 x 187 x 88 cm
- Material: Fabric with faux leather accents
- Full Range: Corner sofa, single seater swivel chair and footstool.
- Manufactured in the UK

Product Code: BUOCARCOR

| | |
|-------------------------------|------------------|
| Weekly payment | £22.00 |
| Representative Example | |
| Product with 5 star service | £1,788.15 |
| Weekly payment | £22.00 |
| Number of weeks | 156 |
| Representative APR | 64.7 % |
| Total payable | £3,432.00 |

£22 per week compared with £16.64 per month.
 Or £799 compared with £3,432

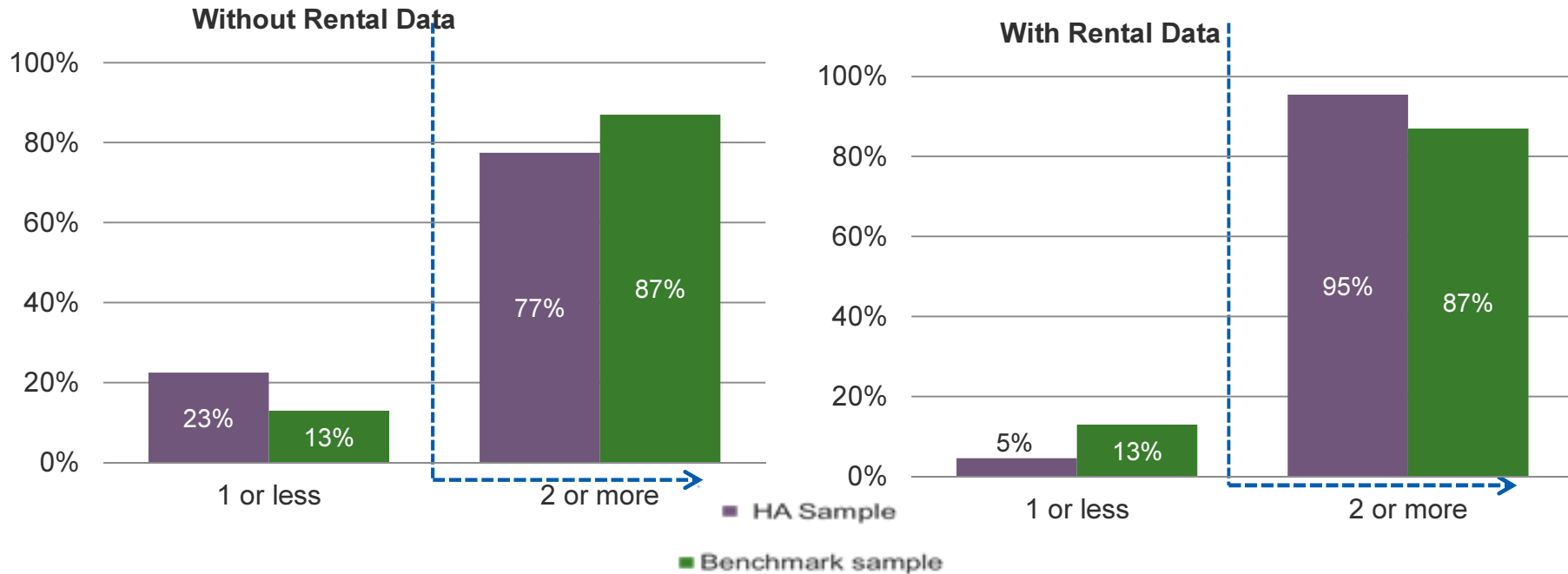
Tamworth Data Analysis – Match Rates

| Result | No. of Records |
|--------------------------------|----------------|
| Records Received | 5,592 |
| Duplicates | 0 |
| Records with fields missing: | 32 |
| - Address Elements | 1 |
| - Name Elements | 3 |
| - Date of Birth | 30 |
| Records not pinned | 1,136 |
| Fully populated and not Pinned | 1,134 |
| Total not processed | 1,136 |
| Records Processed | 4,456 |

** In the live environment a new identity will be created if no information can be found.*



Data Analysis - Identification



- The general authentication requirements is **two online proofs of identity**. Typically in manual processing two proofs e.g. gas bill and a rent record would be sufficient as a means of authenticating identity.
- Number of tenants that hold **two or more electronic proofs increases from 77% (3,447) to 95% (4,246)**.
- Improving electronic identification rates will give tenants easier access to full banking services as well as a range of non-financial public and private services.

An Insurance quote with Digital Authentication

Chris, we've found you 108 quotes from £161.12 annually, or £177.30 paying monthly.

It is important that your details are accurate in order that your policy is valid and to prevent claims being refused in the future. [Check and amend your full details](#). These policies generally meet the needs of someone wishing to insure their car.



PEUGEOT 107 1.0L, 2011 - [Change car](#)

Chris (Main Driver) - [Add additional drivers](#)

Sort prices

- Annually
- Monthly

Protect no claims

- Yes
- No

Optional features

- Windscreen cover
- Personal accident
- Courtesy car
- Legal cover
- Breakdown cover

Voluntary excess

£250

Insurance type

Comprehensive

Update results

Provider

Price

Excess

Wind screen

Courtesy Car

Break down

Personal Accident

Legal Cover

Compare with other policies

privilege

Pay annually
£161.12

Total: £350.00



from £22.26



£26.50



[Policy details](#)

Go to site

Click to call



Pay monthly
£177.30
 Deposit £26.50
 Monthly rate £15.08 x 10

Voluntary: £250.00
 Compulsory: £100.00

You won't find Privilege Car Insurance cheaper anywhere else

Without Digital Authentication (£30 - £35 +more)

Chris, we've found you 98 quotes from £167.42 annually, or £191.26 paying monthly.

It is important that your details are accurate in order that your policy is valid and to prevent claims being refused in the future. [Check and amend your full details](#). These policies generally meet the needs of someone wishing to insure their car.



PEUGEOT 107 1.0L, 2011 - [Change car](#)



Chris (Main Driver) - [Add additional drivers](#)

Sort prices

- Annually
- Monthly
- Yes
- No

Protect no claims

Optional features

- Windscreen cover
- Personal accident
- Courtesy car
- Legal cover
- Breakdown cover

Voluntary excess

£250

Insurance type

Comprehensive

Update results

| Provider | Price | Excess | Wind screen | Courtesy Car | Break down | Personal Accident | Legal Cover | Compare with other policies | Policy details | Go to site | Click to call |
|------------------|---|--|-------------|--------------|-------------|-------------------|-------------|-----------------------------|--------------------------------|-------------------|----------------------|
| privilege | Pay annually £192.92 Pay monthly £212.30 Deposit £31.80 Monthly rate £18.05 x 10 | Total: £350.00 Voluntary: £250.00 Compulsory: £100.00 | ✓ | ✓ | from £22.26 | ✓ | £26.50 | <input type="checkbox"/> | Policy details | Go to site | Click to call |

Can't Get Cheaper

You won't find Privilege Car Insurance cheaper anywhere else

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What does this mean for Tamworth?

Incorporating rental data into a typical generic credit score will increase the credit score for tenants that do not have significant rent arrears* by around **45 – 55** points.

- **61% (2,697)** of **Tamworth Borough Council's** tenants have no significant arrears on their rent and their credit scores would **improve** as a result of incorporating rental data.
- **13% (352)** of these tenants would gain access to previously inaccessible credit and services.
- **6% (284)** tenants have serious arrears on their rent so would have their credit score **reduced** by something in the order of **90-140** points.
- **14% (39)** of those tenants would move from the *accept to reject* category (around **82%** of those tenants with rent arrears also have a CAIS default which already impairs their credit score).



33% (1,468) of tenants are on Full Housing Benefit so would see no effect to their credit score.

Fair Processing Notice

Fair Processing Notice

Not only will we be able to work with you more closely to manage your existing tenancy agreement, your track record as a tenant will enable Experian to use the information supplied to them in the future to assist other landlords and organisations to:

Assess...

and manage any new tenancy agreements you may enter into

Assess...

your financial standing to provide you with suitable products and services

Manage...

any accounts that you may already hold, for example reviewing suitable products or adjusting your current product in light of your current circumstances

Verify...

your identity and address to help them make decisions about services they offer

Help...

prevent crime, fraud and money laundering

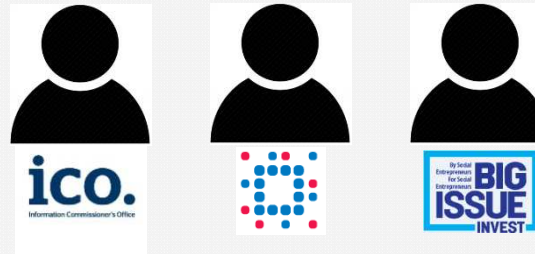
Contact...

you in relation to any accounts you may have and recovering debts that you may owe

Data unlocking event



- **Existing tenant:** one-off letter or notification on tenancy renewal
- **New tenant:** FPN in separate privacy notice



Explanation Requirement

- The ICO recognise that tackling social, financial and digital exclusion issues through enabling tenants to use their information in a way that helps them is not something that should be prevented by the DPA, subject to tenants being provided with a very clear explanation of how this will benefit them.

Benefit Recognition

The unequivocal benefit to tenants is recognised by DPA '**legitimate interests**' provisions (**Data Protection Act 1998** Sch2 paragraph 6).

The Rental Exchange is based on protecting tenants' data while at the same time enabling them to ensure organisations can use this data to support their application.



- BII/Experian have produced supporting material to assist in ensuring tenants are positively engaged.

- For further information:

www.experian.co.uk/rental-exchange

- Any queries email:
rentalexchangedata@uk.experian.com

- To order a copy of your Statutory Credit Report:

<http://www.experian.co.uk/consumer/statutory-report.html>

The Rental Exchange

Get recognised for paying your rent on time

