



## Our Decision Explained

### Assessing applications for credit

To help us understand whether to provide you with credit and to ensure responsible lending, your personal circumstances are taken into account. To do this, each application is assessed using a system called credit scoring.

### How credit scoring works

Credit scoring is used by most major financial organisations in the UK to help them decide whether to offer credit to a customer. All Post Office Money Loan applications go through a standard credit scoring process, which makes a decision based on a combination of the information you've provided, our lending criteria and information obtained from both Credit Reference and Fraud Prevention Agencies.

Credit scoring works by taking all of this information and giving each relevant detail a value (or 'score'). When all the individual values have been added together a final score for your application is produced. If this score reaches a certain level, set internally by the Loan provider, then an application for credit will usually be accepted. If your score does not reach this level then an application for credit may be declined.

### Why credit scoring is used

Credit scoring is an automated process that allows each application to be assessed in an impartial and consistent manner, ensuring that all customers are treated fairly. It also helps a financial organisation to meet their legal and regulatory commitments as a responsible lender.

Every application for credit includes a certain level of risk, no matter how reliable and responsible a customer is. Credit scoring allows financial organisations to understand the level of potential risk for each individual applicant, and if the risk is too high then an application will not be accepted.

### Why your application may be turned down

If your application is turned down it simply means that, based on the information available:

- Your overall credit score was not high enough to pass the required threshold; or
- There may be information held at the Credit Reference and/or Fraud Prevention Agencies which has been interpreted as negative; or
- Your application may not have met one or more of the specific application requirements. For example, you will not be provided with credit if your annual income (excluding unemployment benefits) is less than £12,000.

### Appealing a decision

If your application is declined, you have the right to appeal the decision, although there is no guarantee that the outcome will change. You can request an appeal by calling Customer Services on 0800 169 2000 or by writing to us at the address below. You will generally be asked to provide additional relevant information to support your appeal, such as copies of bank statements.

### What you can do next

Loan applications can be declined regardless of what information is held by the Credit Reference and Fraud Prevention Agencies, and if you are unsuccessful in applying for a Post Office Money Loan it does not mean that you will be refused credit elsewhere as financial institutions make their decisions in different ways.

It is advisable to obtain a copy of your credit file before making any further applications (a fee may be charged for this service). The Credit Reference Agency used for your Post Office Money Loan application was Experian Ltd, and their contact details are below. CIFAS – the UK's Fraud Prevention Service – was used as the Fraud Prevention Agency for your application, and their contact details are also below.

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#### Contact us at:

Post Office Money Loans  
PO Box 246,  
Sheffield,  
S98 1QD

Tel: 0800 169 2000

**0800:** All calls to 0800 numbers are free of charge whether made from a landline or mobile phone. Calls may be monitored or recorded for training and compliance purposes.

#### Contact Experian at:

Experian Ltd,  
PO Box 8000,  
Nottingham,  
NG80 7WE  
[www.experian.co.uk](http://www.experian.co.uk)

#### Contact CIFAS at:

CIFAS  
6th Floor Lynton House,  
7-12 Tavistock Square,  
London, WC1H 9LT

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