

## Armed Forces Covenant-Credit Reference Agencies

The Armed Forces Covenant is a promise from the nation that those who serve or have served in the Armed Forces, and their families, are treated fairly. We want our Service people to have fair access to financial services such as mortgages, unsecured credit and insurance wherever they are posted. To achieve this, the Ministry of Defence has been working with the credit reference agencies since 2013 to develop a strong reporting framework that will allow Service personnel and their families to build up and maintain a good credit history, wherever and whenever they are posted.

Experian, Equifax and Callcredit all sit on the quarterly Defence Financial Services Steering Group and have played a major role in its work. The introduction of shadow British Forces Post Office postcodes in 2012 by Royal Mail was a big step forward in helping the Armed Forces to build a strong credit history, and much of our subsequent work with the credit reference agencies has focused on how to achieve the maximum benefit for the Armed Forces from this. At a financial services round table held at Number 10 Downing Street and chaired by Philip Dunne MP, Minister for Defence Procurement, Experian, Equifax and Callcredit jointly announced a new BFPO data format to be used across the industry that will facilitate reliable data matching and make it easier for the Armed Forces to access financial products such as mortgages and unsecured credit, both overseas and once they have returned home. All three credit reference agencies also pledged to support the new format's rollout across the industry during 2016.

All three credit reference agencies have contributed to several iterations of guidance for the Armed Forces when accessing financial services, most recently refreshed in November 2015 and available here: <https://www.gov.uk/government/publications/financial-top-tips-for-service-personnel>

Experian also signed the Corporate Covenant in 2013 making a specific pledge to *'create a new page within our online help section on the Experian.co.uk website with advice and support specifically for the armed forces community, helping them better understand and improve their credit ratings. The information provided will also help to support any specific challenges they may face, such as the impact of frequently moving home.'* Their guidance is available here: <http://www.experian.co.uk/consumer/credit-education/credit-rating-advice-for-armed-forces-personnel.html>

We will continue to work with Experian, Equifax and Callcredit in 2016 to secure the fair access to financial services that our people deserve.