

A Summary of your rights under the Credit Reporting Privacy Code 2004

The Credit Reporting Privacy Code 2004 promotes fairness, accuracy, and privacy in the practice of credit reporting. Credit reporters gather and sell information about you, for example, if you have not paid your bills or if you have been made bankrupt. The Code, together with the Privacy Act 1993, gives you specific rights. This brochure summarises some of these rights. You can find the complete text of the Code and a link to the Privacy Act at www.privacy.org.nz.

Warning: This is a summary. If you notice a difference between this summary and a provision of the Code or Act, the Code or Act prevails.

Some information can be reported about you

Credit reporters can collect certain types of information for their credit reporting databases. The types of information they can collect are set out in the Code. Some of the information is about:

- the credit accounts you hold, including their credit limits and repayment history
- any times you have defaulted on credit repayments (where a failure to pay has gone to debt collection)
- any court judgments that have been made against you
- any times you have been made bankrupt or entered into an insolvency arrangement.

There are time limits for keeping and reporting information

Credit reporters can:

- generally disclose this information for four to five years and keep it one further year
- disclose information about your current accounts until two years after those accounts have closed
- keep identification information indefinitely
- keep information about multiple bankruptcies indefinitely.

Certain people can access your report for certain purposes

The Code limits the people who can access your credit information. These will usually be credit providers who are considering your application for credit. In some strictly limited circumstances, the information may be made available to:

- prospective landlords who have offered you a tenancy
- prospective employers who have offered you a job, as long as that job involves significant financial risk
- prospective insurers involved in insuring your mortgage
- debt collectors enforcing a debt against you
- an intelligence and security agency that is conducting a security clearance assessment;
- people involved in court proceedings

- certain public sector agencies acting under another law.

Your credit information may not be disclosed by a credit reporter for direct marketing purposes.

Your consent is needed in most situations

Most credit checks can only take place with your consent. This applies to access by credit providers, prospective landlords and prospective employers. Your consent may not be required for access by certain public sector agencies, people involved in court proceedings and debt collectors. The credit reporter must log each access that is made to your information and will normally let you know this information if you ask.

You can ask a credit reporter to suppress your credit information if you think you're the victim of fraud

If you believe you are the victim of fraud, including identity fraud, you can ask a credit reporter to suppress your credit information for 10 working days. While your credit information is suppressed, the credit reporter cannot disclose it in the normal way.

If a credit provider asks the credit reporter for your information, the credit reporter can tell them that your credit information is suppressed. The credit provider will know that you may be the victim of fraud and that someone else may be applying for credit in your name.

If you want to apply for credit while your credit information is suppressed, you can ask the credit reporter to release the information to a particular credit provider. The credit reporter must take careful steps to confirm your identity before agreeing to do this.

If you think the fraud is continuing, you can ask the credit reporter to extend the suppression beyond 10 working days. The credit reporter must give you the chance to prove that you are the victim of fraud. They can refuse to suppress your information if they do not think you are the victim of fraud.

You can find out what is held about you

What you can ask for

You are entitled to ask credit reporters for a copy of the credit information they hold about you. You can ask for just the information in your credit report or for all the information held about you. Extra information not included in your credit report could include things like a complete list of people who have accessed your report. If a credit reporter has generated a credit score about you, you have the right to an explanation of this score.

Getting the information

The credit reporter must provide the information to you without too much delay. If you want the information quickly (within three working days) you may need to pay a reasonable charge – not exceeding \$10 – but otherwise you will not need to pay for the information. A credit reporter must check the identity of anyone making a personal access request. This may involve asking you for certain identification details, although these cannot be added to the credit reporter's database without your consent.

You can dispute inaccurate information with the credit reporter

Credit reporters must take reasonable steps to ensure the information they hold is accurate, and quickly correct any errors they know about. If you tell a credit reporter that your report contains an inaccuracy, the credit reporter must, if appropriate, take steps to correct it. They will usually check the information you provide with the source, such as a credit provider who submitted a default. During this checking process, the credit reporter must flag your report to show that you have disputed the item.

When the credit reporter must make a decision about inaccurate information

The credit reporter must decide as soon as they can whether to make the correction you have requested or to confirm the accuracy of the information. If the credit reporter needs longer than 20 working days to make a decision they must let you know and tell you why.

What happens if the correction you asked for is not made

If the correction you asked for is not made, you must be told why. You may also ask for a note of your request to be added to your file. This note will be included with future reports.

What happens if a correction is made

If a correction is made, the credit reporter must tell anyone who has recently received your credit report. The credit reporter must tell you what they have done and give you a copy of the amended report.

Sometimes correction may not be appropriate

A credit report describes your credit history, not simply your current debts. Certain information can continue to be reported as long as it is updated to reflect later developments. This includes things like a past bankruptcy or a default that has since been paid in full. In this way, the report remains an accurate statement of those past events.

You have the right to complain if you think the Code has been breached

If you believe a credit reporter has breached the Code, you should first approach that credit reporter directly. Each credit reporter must have their own complaints procedure, and a person who specialises in helping to resolve complaints in a way that is fair, simple and efficient.

If your complaint is not resolved, you may complain to the Privacy Commissioner, who has powers to investigate the matter. Some cases that cannot be settled can be taken to the Human Rights Review Tribunal.

In addition to your rights under the Code, you may take a credit reporter to court. You may choose to do this if you are claiming defamation or negligence. For more information, contact a lawyer or community law centre.

Contact

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