

## **GUIDE TO HOW COUNTY COURT JUDGMENTS (CCJ) INFLUENCE A CREDIT RATING**

If a CCJ has been declared against you, this may well be a reason for a rejected application for credit.

### **Why do you receive a CCJ?**

A CCJ in most cases is declared because someone you are in credit to may have requested legal action or a court order for the money to be returned. The court will issue the judgment upon having found you guilty and obligated to pay the debts incurred.

### **What happens once the CCJ has been declared?**

The CCJ will be entered into the Register of Judgements, Orders and Fines. The credit reference agency will therefore be able to view your financial situation and store information on your CCJ. This becomes a crucial tool for the creditors when deciding whether to provide you with funds.

### **How do you find out if a CCJ has been declared?**

In the majority of cases you will be informed about the CCJ, but if you think the subsequent documents could have been sent to the wrong address, you can find out by locating the Register of Judgements, Orders and Fines. It is possible to request this by email for a charge of £4.

The credit reference agencies may also have a copy of the documents. You can request a copy for a charge of £2. Credit reference agencies can usually provide two versions of the documents, one is more detailed, but the charge for this copy is greater. The agency, if asked, has to provide all the documents they hold on you for the initial charge of £2.

### **What is the time period your information will be held in the Register of Judgements, Orders and Fines?**

In particular cases, you can apply to have your information altered within their records. The normal procedure is for all records to maintain in the Register for a period of six years regardless if the debts have been paid or not.



24 Hour IVA Helpline 0800 876 0999  
0161 790 0166

### **Can you dispute the debt?**

Yes, you can request the court to re-open your case upon showing them legal evidence that the debts should not stand. When requesting the court to re-look at the case and postpone the CCJ, you must apply with either a N244 form or by letter, for a small charge.

The court upon receiving your letter will decide whether to postpone the order and then will allow you to submit your evidence to support your case. Subject to an approval from the court, they will withdraw your information from the Register of Judgements, Orders and Fines.

### **Once you have paid will your information be withdrawn from the Register?**

An application can be made to withdraw your information if the debt has been paid in full inside one month of the date the CCJ was declared. A certificate is necessary from the court to give evidence of the paid debt. Depending on your current financial situation there is a charge of £15 for the withdrawal but this may not be enforced.

### **Do the credit reference agencies also withdraw your information?**

Once the information has been withdrawn from the Register, the agencies upon knowledge of this will also withdraw the CCJ from your file.

### **What if you pay the debt outside the one-month period?**

The steps are similar, you will require a certificate as evidence that the debt has been paid, but you can only apply for the information to be altered and not withdrawn from the Register. The charge will remain £15. The same will occur amongst the credit reference agencies, once they are of the knowledge the information has been altered; they will alter their files. The CCJ will remain for six years within their files, accompanying with it a note to show the debt was settled.

### **Can you clear your debt record?**

Yes, but you must be careful when doing so. There are credit repair companies who state they can do just that. Their method includes applying to cancel a CCJ for which the charge is great. Further, it has been seen that these companies are not above making dishonest statements to simply remove the debt record.