



# Consumer Credit Act 1974

## 1974 CHAPTER 39

### PART IX

#### JUDICIAL CONTROL

##### *Hire and hire-purchase etc. agreements*

#### **132 Financial relief for hirer.**

- (1) Where the owner under a regulated consumer hire agreement recovers possession of goods to which the agreement relates otherwise than by action, the hirer may apply to the court for an order that—
  - (a) the whole or part of any sum paid by the hirer to the owner in respect of the goods shall be repaid, and
  - (b) the obligation to pay the whole or part of any sum owed by the hirer to the owner in respect of the goods shall cease,and if it appears to the court just to do so, having regard to the extent of the enjoyment of the goods by the hirer, the court shall grant the application in full or in part.
- (2) Where in proceedings relating to a regulated consumer hire agreement the court makes an order for the delivery to the owner of goods to which the agreement relates the court may include in the order the like provision as may be made in an order under subsection (1).

#### **133 Hire-purchase etc. agreements: special powers of court.**

- (1) If, in relation to a regulated hire-purchase or conditional sale agreement, it appears to the court just to do so—
  - (a) on an application for an enforcement order or time order; or
  - (b) in an action brought by the creditor to recover possession of goods to which the agreement relates,the court may—

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*Changes to legislation: Consumer Credit Act 1974, Cross Heading: Hire and hire-purchase etc. agreements is up to date with all changes known to be in force on or before 24 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

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- (i) make an order (a “return order”) for the return to the creditor of goods to which the agreement relates;
  - (ii) make an order (a “transfer order”) for the transfer to the debtor of the creditor’s title to certain goods to which the agreement relates ( “the transferred goods”), and the return to the creditor of the remainder of the goods.
- (2) In determining for the purposes of this section how much of the total price has been paid ( “the paid-up sum”), the court may—
- (a) treat any sum paid by the debtor, or owed by the creditor, in relation to the goods as part of the paid-up sum;
  - (b) deduct any sum owed by the debtor in relation to the goods (otherwise than as part of the total price) from the paid-up sum,
- and make corresponding reductions in amounts so owed.
- (3) Where a transfer order is made, the transferred goods shall be such of the goods to which the agreement relates as the court thinks just; but a transfer order shall be made only where the paid-up sum exceeds the part of the total price referable to the transferred goods by an amount equal to at least one-third of the unpaid balance of the total price.
- (4) Notwithstanding the making of a return order or transfer order, the debtor may at any time before the goods enter the possession of the creditor, on payment of the balance of the total price and the fulfilment of any other necessary conditions, claim the goods ordered to be returned to the creditor.
- (5) When, in pursuance of a time order or under this section, the total price of goods under a regulated hire-purchase agreement or regulated conditional sale agreement is paid and any other necessary conditions are fulfilled, the creditor’s title to the goods vests in the debtor.
- (6) If, in contravention of a return order or transfer order, any goods to which the order relates are not returned to the creditor, the court, on the application of the creditor, may—
- (a) revoke so much of the order as relates to those goods, and
  - (b) order the debtor to pay the creditor the unpaid portion of so much of the total price as is referable to those goods.
- (7) For the purposes of this section, the part of the total price referable to any goods is the part assigned to those goods by the agreement or (if no such assignment is made) the part determined by the court to be reasonable.

### **134 Evidence of adverse detention in hire-purchase etc. cases.**

- (1) Where goods are comprised in a regulated hire-purchase agreement, regulated conditional sale agreement or regulated consumer hire agreement, and the creditor or owner—
- (a) brings an action or makes an application to enforce a right to recover possession of the goods from the debtor or hirer, and
  - (b) proves that a demand for the delivery of the goods was included in the default notice under section 88(5), or that, after the right to recover possession of the goods accrued but before the action was begun or the application was made, he made a request in writing to the debtor or hirer to surrender the goods,

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then, for the purposes of the claim of the creditor or owner to recover possession of the goods, the possession of them by the debtor or hirer shall be deemed to be adverse to the creditor or owner.

- (2) In subsection (1) “the debtor or hirer ” includes a person in possession of the goods at any time between the debtor’s or hirer’s death and the grant of probate or administration, or (in Scotland) confirmation.
- (3) Nothing in this section affects a claim for damages for conversion or (in Scotland) for delict.

**Changes to legislation:**

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**Changes and effects yet to be applied to the whole Act associated Parts and Chapters:**

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 25(2A)(b)(ia) inserted by [2010 c. 28 Sch. 2 para. 36](#)