



Consumer Credit Act 1974

1974 CHAPTER 39

PART X

ANCILLARY CREDIT BUSINESSES

Definitions

145 Types of ancillary credit business.

- (1) An ancillary credit business is any business so far as it comprises or relates to—
 - (a) credit brokerage,
 - (b) debt-adjusting,
 - (c) debt-counselling,
 - (d) debt-collecting, or
 - (e) the operation of a credit reference agency.
- (2) Subject to section 146(5) [^{F1}and (5A)], credit brokerage is the effecting of introductions—
 - (a) of individuals desiring to obtain credit—
 - (i) to persons carrying on businesses to which this sub-paragraph applies, or
 - (ii) in the case of an individual desiring to obtain credit to finance the acquisition or provision of a dwelling occupied or to be occupied by himself or his relative, to any person carrying on a business in the course of which he provides credit secured on land, or
 - (b) of individuals desiring to obtain goods on hire to persons carrying on businesses to which this paragraph applies, or
 - (c) of individuals desiring to obtain credit, or to obtain goods on hire, to other credit-brokers.
- (3) Subsection (2)(a)(i) applies to—
 - (a) a consumer credit business;

Status: Point in time view as at 06/04/2008. This version of this provision has been superseded.

Changes to legislation: Consumer Credit Act 1974, Section 145 is up to date with all changes known to be in force on or before 19 January 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)

- (b) a business which comprises or relates to consumer credit agreements being, otherwise than by virtue of section 16(5)(a), exempt agreements;
 - (c) a business which comprises or relates to unregulated agreements where—
 - (i) the [^{F2}law applicable to] the agreement is the law of a country outside the United Kingdom, and
 - (ii) if the [^{F2}law applicable to] the agreement were the law of a part of the United Kingdom it would be a regulated consumer credit agreement.
- (4) Subsection (2)(b) applies to—
- (a) a consumer hire business;
 - [^{F3}(aa) a business which comprises or relates to consumer hire agreements being, otherwise than by virtue of section 16(6), exempt agreements;]
 - (b) a business which comprises or relates to unregulated agreements where—
 - (i) the [^{F2}law applicable to] the agreement is the law of a country outside the United Kingdom, and
 - (ii) if th [^{F2}law applicable to] the agreement were the law of a part of the United Kingdom it would be a regulated consumer hire agreement.
- (5) Subject to [^{F4}section 146(5B) and (6)] , debt-adjusting is, in relation to debts due under consumer credit agreements or consumer hire agreements,—
- (a) negotiating with the creditor or owner, on behalf of the debtor or hirer, terms for the discharge of a debt, or
 - (b) taking over, in return for payments by the debtor or hirer, his obligation to discharge a debt, or
 - (c) any similar activity concerned with the liquidation of a debt.
- (6) Subject to [^{F5}section 146(5C) and (6)] , debt-counselling is the giving of advice to debtors or hirers about the liquidation of debts due under consumer credit agreements or consumer hire agreements.
- (7) Subject to section 146(6), debt-collecting is the taking of steps to procure payment of debts due under consumer credit agreements or consumer hire agreements.
- [^{F6}(7A) Subject to section 146(7), debt administration is the taking of steps—
- (a) to perform duties under a consumer credit agreement or a consumer hire agreement on behalf of the creditor or owner, or
 - (b) to exercise or to enforce rights under such an agreement on behalf of the creditor or owner,
- so far as the taking of such steps is not debt-collecting.]
- [^{F7}(7B) A person provides credit information services if—
- (a) he takes any steps mentioned in subsection (7C) on behalf of an individual; or
 - (b) he gives advice to an individual in relation to the taking of any such steps.
- (7C) Those steps are steps taken with a view—
- (a) to ascertaining whether a credit information agency (other than that person himself if he is one) holds information relevant to the financial standing of an individual;
 - (b) to ascertaining the contents of such information held by such an agency;
 - (c) to securing the correction of, the omission of anything from, or the making of any other kind of modification of, such information so held; or
 - (d) to securing that such an agency which holds such information—

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- (i) stops holding it; or
- (ii) does not provide it to another person.

(7D) In subsection (7C) ‘credit information agency’ means—

- (a) a person carrying on a consumer credit business or a consumer hire business;
 - (b) a person carrying on a business so far as it comprises or relates to credit brokerage, debt-adjusting, debt-counselling, debt-collecting, debt administration or the operation of a credit reference agency;
 - (c) a person carrying on a business which would be a consumer credit business except that it comprises or relates to consumer credit agreements being, otherwise than by virtue of section 16(5)(a), exempt agreements; or
 - (d) a person carrying on a business which would be a consumer hire business except that it comprises or relates to consumer hire agreements being, otherwise than by virtue of section 16(6), exempt agreements.]
- (8) A credit reference agency is a person carrying on a business comprising the furnishing of persons with information relevant to the financial standing of individuals, being information collected by the agency for that purpose.

Textual Amendments

- F1** Words in s. 145(2) inserted (31.10.2004) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 1\) Order 2003 \(S.I. 2003/1475\)](#), arts. 1(3), **21(1)(a)**
- F2** Words in s. 145(3)(c)(4)(b) substituted (1.4.1991) by [Contracts \(Applicable Law\) Act 1990 \(c. 36, SIF 30\)](#), s. 5, **Sch. 4 para. 2**; S.I. 1991/707, **art. 2**
- F3** S. 145(4)(aa) inserted (6.4.2008) by [Consumer Credit Act 2006 \(c. 14\)](#), ss. {5(4)}, 71(2); S.I. 2007/3300, **art. 3(2)**, Sch. 2
- F4** Words in s. 145(5) substituted (31.10.2004) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 1\) Order 2003 \(S.I. 2003/1475\)](#), arts. 1(3), **21(1)(b)**
- F5** Words in s. 145(6) substituted (31.10.2004) by [The Financial Services and Markets Act 2000 \(Regulated Activities\) \(Amendment\) \(No. 1\) Order 2003 \(S.I. 2003/1475\)](#), arts. 1(3), **21(1)(c)**
- F6** S. 145(7A) inserted (16.6.2006) by [Consumer Credit Act 2006 \(c. 14\)](#), ss. {24(2)}, 71(2); S.I. 2006/1508, **art. 3(1)**, Sch. 1
- F7** S. 145(7B)-(7D) inserted (16.6.2006) by [Consumer Credit Act 2006 \(c. 14\)](#), ss. {25(2)}, 71(2); S.I. 2006/1508, **art. 3(1)**, Sch. 1

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