



Consumer Credit Act 1974

1974 CHAPTER 39

PART III

LICENSING OF CREDIT AND HIRE BUSINESSES

Licensing principles

21 Businesses needing a licence

- (1) Subject to this section, a licence is required to carry on a consumer credit business or consumer hire business.
- (2) A local authority does not need a licence to carry on a business.
- (3) A body corporate empowered by a public general Act naming it to carry on a business does not need a licence to do so.

22 Standard and group licences

- (1) A licence may be—
 - (a) a standard licence, that is a licence, issued by the Director to a person named in the licence on an application made by him, which, during the prescribed period, covers such activities as are described in the licence, or
 - (b) a group licence, that is a licence, issued by the Director (whether on the application of any person or of his own motion), which, during such period as the Director thinks fit or, if he thinks fit, indefinitely, covers such persons and activities as are described in the licence.
- (2) A licence is not assignable or, subject to section 37, transmissible on death or in any other way.
- (3) Except in the case of a partnership or an unincorporated body of persons, a standard licence shall not be issued to more than one person.

Status: This is the original version (as it was originally enacted).

- (4) A standard licence issued to a partnership or an unincorporated body of persons shall be issued in the name of the partnership or body.
- (5) The Director may issue a group licence only if it appears to him that the public interest is better served by doing so than by obliging the persons concerned to apply separately for standard licences.
- (6) The persons covered by a group licence may be described by general words, whether or not coupled with the exclusion of named persons, or in any other way the Director thinks fit.
- (7) The fact that a person is covered by a group licence in respect of certain activities does not prevent a standard licence being issued to him in respect of those activities or any of them.
- (8) A group licence issued on the application of any person shall be issued to that person, and general notice shall be given of the issue of any group licence (whether on application or not).

23 Authorisation of specific activities

- (1) Subject to this section, a licence to carry on a business covers all lawful activities done in the course of that business, whether by the licensee or other persons on his behalf.
- (2) A licence may limit the activities it covers, whether by authorising the licensee to enter into certain types of agreement only, or in any other way.
- (3) A licence covers the canvassing off trade premises of debtor-creditor-supplier agreements or regulated consumer hire agreements only if, and to the extent that, the licence specifically so provides ; and such provision shall not be included in a group licence.
- (4) Regulations may be made specifying other activities which, if engaged in by or on behalf of the person carrying on a business, require to be covered by an express term in his licence.

24 Control of name of business

A standard licence authorises the licensee to carry on a business under the name or names specified in the licence, but not under any other name.

25 Licensee to be a fit person

- (1) A standard licence shall be granted on the application of any person if he satisfies the Director that—
 - (a) he is a fit person to engage in activities covered by the licence, and
 - (b) the name or names under which he applies to be licensed is or are not misleading or otherwise undesirable.
- (2) In determining whether an applicant for a standard licence is a fit person to engage in any activities, the Director shall have regard to any circumstances appearing to him to be relevant, and in particular any evidence tending to show that the applicant, or any of the applicant's employees, agents or associates (whether past or present) or, where the

applicant is a body corporate, any person appearing to the Director to be a controller of the body corporate or an associate of any such person, has—

- (a) committed any offence involving fraud or other dishonesty, or violence,
 - (b) contravened any provision made by or under this Act, or by or under any other enactment regulating the provision of credit to individuals or other transactions with individuals,
 - (c) practised discrimination on grounds of sex, colour, race or ethnic or national origins in, or in connection with, the carrying on of any business, or
 - (d) engaged in business practices appearing to the Director to be deceitful or oppressive, or otherwise unfair or improper (whether unlawful or not).
- (3) In subsection (2), " associate ", in addition to the persons specified in section 184, includes a business associate.

26 Conduct of business

Regulations may be made as to the conduct by a licensee of his business, and may in particular specify—

- (a) the books and other records to be kept by him, and
- (b) the information to be furnished by him to persons with whom he does business or seeks to do business, and the way it is to be furnished.