



Consumer Credit Act 1974

1974 CHAPTER 39

PART II U.K.

CREDIT AGREEMENTS, HIRE AGREEMENTS AND LINKED TRANSACTIONS

16 Exempt agreements. U.K.

- (1) This Act does not regulate a consumer credit agreement where the creditor is a local authority . . . ^{F1}, or a body specified, or of a description specified, in an order made by the Secretary of State, being—
- (a) an insurance company,
 - (b) a friendly society,
 - (c) an organisation of employers or organisation of workers,
 - (d) a charity,
 - (e) a land improvement company, . . . ^{F2}
 - (f) a body corporate named or specifically referred to in any public general Act.
 - ^{F3}(ff) a body corporate named or specifically referred to in an order made under—
section 156(4), 444(1) or 447(2)(a) of the Housing Act 1985 [^{F4}section 156(4) of that Act as it has effect by virtue of section 17 of the Housing Act 1996 (the right to acquire)],
section [^{F5}223 or 229 of the Housing (Scotland) Act 1987], or
Article 154(1)(a) or 156AA of the Housing (Northern Ireland) Order 1981 or Article 10(6A) of the Housing (Northern Ireland) Order 1983; or [^{F6}, or
 - (g) a building society.] [^{F7}, or
 - (h) an authorised institution or wholly-owned subsidiary (within the meaning of the Companies Act 1985) of such an institution.]
- (2) Subsection (1) applies only where the agreement is—
- (a) a debtor-creditor-supplier agreement financing—
 - (i) the purchase of land, or

Status: Point in time view as at 30/01/2001. This version of this provision has been superseded.

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- (ii) the provision of dwellings on any land, and secured by a land mortgage on that land; or
- (b) a debtor-creditor agreement secured by any land mortgage; or
- (c) a debtor-creditor-supplier agreement financing a transaction which is a linked transaction in relation to—
- (i) an agreement falling within paragraph (a), or
- (ii) an agreement falling within paragraph (b) financing—
- (aa) the purchase of any land, or
- (bb) the provision of dwellings on any land,
- and secured by a land mortgage on the land referred to in paragraph (a) or, as the case may be, the land referred to in sub-paragraph (ii).
- (3) The Secretary of State shall not make, vary or revoke an order—
- (a) under subsection (1)(a) without consulting the Minister of the Crown responsible for insurance companies,
- (b) under subsection (1)(b) [^{F8} or (c)] . . . without consulting the Chief Registrar of Friendly Societies,
- (c) under subsection (1)(d) without consulting the Charity Commissioners, . . . ^{F2}
- (d) under subsection (1)(e) [^{F9}, (f) or (ff)] without consulting any Minister of the Crown with responsibilities concerning the body in question.
- [^{F10}or
- (e) under subsection (1)(g) without consulting the Building Societies Commission and the Treasury.]
- [^{F11}or
- (f) under subsection (1)(h) without consulting the Treasury and the [^{F12}Financial Services Authority.]
- (4) An order under subsection (1) relating to a body may be limited so as to apply only to agreements by that body of a description specified in the order.
- (5) The Secretary of State may by order provide that this Act shall not regulate other consumer credit agreements where—
- (a) the number of payments to be made by the debtor does not exceed the number specified for that purpose in the order, or
- (b) the rate of the total charge for credit does not exceed the rate so specified, or
- (c) an agreement has a connection with a country outside the United Kingdom.
- (6) The Secretary of State may by order provide that this Act shall not regulate consumer hire agreements of a description specified in the order where—
- (a) the owner is a body corporate authorised by or under any enactment to supply electricity, gas or water, and
- (b) the subject of the agreement is a meter or metering equipment,
- [^{F13}or where the owner is a public telecommunications operator specified in the order].
- [This Act does not regulate a consumer credit agreement where the creditor is a housing
- ^{F14}(6A) authority and the agreement is secured by a land mortgage of a dwelling.
- (6B) In subsection (6A) “housing authority ” means—

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- (a) as regards England and Wales, [^{F15}the Housing Corporation ^{F16}. . . and] an authority or body within section 80(1) of the Housing Act 1985 (the landlord condition for secure tenancies), other than a housing association or a housing trust which is a charity;
 - (b) as regards Scotland, a development corporation established under an order made, or having effect as if made under the New Towns (Scotland) Act 1968, the Scottish Special Housing Association or the Housing Corporation;
 - (c) as regards Northern Ireland, the Northern Ireland Housing Executive.]
- (7) Nothing in this section affects the application of sections 137 to 140 (extortionate credit bargains).
- (8) In the application of this section to Scotland subsection (3)(c) shall not have effect.
- (9) In the application of this section to Northern Ireland subsection (3) shall have effect as if any reference to a Minister of the Crown were a reference to a Northern Ireland department, any reference to the Chief Registrar of Friendly Societies were a reference to the Registrar of Friendly Societies for Northern Ireland, and any reference to the Charity Commissioners were a reference to the Department of Finance for Northern Ireland.]

Textual Amendments

- F1** Words repealed by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), s. 120, [Sch. 18 Pt. I para. 10\(2\)](#), [Sch. 19 Pt. I](#)
- F2** Word repealed by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), s. 120, [Sch. 19 Pt. I](#)
- F3** [S. 16\(1\)\(ff\)](#) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 60\)](#), [s. 22\(2\)](#)
- F4** Words in [s. 16\(1\)\(ff\)](#) inserted (E.W.S.) (1.4.1997) by S.I. 1997/627, art. 2, [Sch. para. 2](#)
- F5** Words in [s. 16\(1\)\(ff\)](#) substituted (S.) by virtue of [Housing \(Scotland\) Act 1987 \(c. 26, SIF 61\)](#), s. 339, [Sch. 23 para. 21](#)
- F6** Words inserted by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), s. 120, [Sch. 18 para. 10\(2\)](#)
- F7** [S. 16\(1\)\(h\)](#) and “, or ” inserted by [Banking Act 1987 \(c. 22, SIF 10\)](#), [s. 88\(2\)](#)
- F8** Words in [s. 16\(3\)\(b\)](#) repealed (E.W.S.) by [Employment Protection Act 1975 \(c. 71\)](#), [Sch. 18](#)
- F9** “, (f) or (ff) ” substituted by [Housing and Planning Act 1986 \(c. 63, SIF 60\)](#), [s. 22\(2\)](#)
- F10** “or ” and [s. 16\(3\)\(e\)](#) inserted by [Building Societies Act 1986 \(c. 53, SIF 16\)](#), s. 120, [Sch. 18 Pt. I para. 10\(3\)](#)
- F11** “or ” and [s. 16\(3\)\(f\)](#) inserted by [Banking Act 1987 \(c. 22, SIF 10\)](#), [s. 88\(3\)](#)
- F12** Words in [s. 16\(3\)\(f\)](#) substituted (1.6.1998) by 1998 c. 11, s. 23, [Sch. 5 Pt. I](#), Ch. III, para. 36; S.I. 1998/1120, [art. 2](#)
- F13** Words substituted by [Telecommunications Act 1984 \(c. 12, SIF 96\)](#), s. 109, Sch. 4 para. 60(1), [Sch. 5 para. 45](#)
- F14** [S. 16\(6A\)\(6B\)](#) inserted by [Housing and Planning Act 1986 \(c. 63, SIF 60\)](#), [s. 22\(3\)](#)
- F15** Words inserted (S.) by [Housing Act 1988 \(c. 50, SIF 61\)](#), s. 140, [Sch. 17](#), para. 20
- F16** Words in [s. 16\(6B\)\(a\)](#) repealed (1.11.1998) by 1998 c. 38, s. 152, [Sch. 18 Pt. VI](#) (with ss. 137(1), 139(2), 143(2)); S.I. 1998/2244, [art. 5](#)

Modifications etc. (not altering text)

- C1** [S. 16\(1\)\(f\)](#) extended (E.W.S.) (25.7.1991) by [Agriculture and Forestry \(Financial Provisions\) Act 1991 \(c. 33, SIF 2:2\)](#), [s. 1\(7\)](#)
- C2** [S. 16\(1\)\(h\)](#) extended (1.1.1993) by S.I. 1992/3218, reg. 82(1), [Sch. 10 Pt. I para. 7](#)

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