





The content

Debt Advice Handbook 15th edition

Description

With living costs and unemployment rising, budgets squeezed and problem debt on the increase, no adviser should be without this essential guide to the practice and process of giving money advice in England and Wales.

Who's this book for?

It is essential for debt advisers, welfare rights advisers, lawyers, local authority and housing association staff, social workers and union official.

What does it do?

The handbook provides the most comprehensive information needed by advisers on the key stages of money advice, including interviewing clients, establishing liability, prioritising debts, preparing a financial statement, negotiating with creditors and dealing with bailiffs. Fully indexed and cross-referenced to law, regulations and official guidance, and to court and tribunal decisions Includes tactical guidance and examples

What's new?

Fully updated to cover all recent changes to legislation, caselaw and court procedure and practice Emphasis is placed on taking due care of vulnerable clients and making sure that any payment arrangements agreed are appropriate. There is a focus on sustainable credit arrangements that do not affect a client's abilities to pay essential living expenses and priority debts.

Properties

Author(s):
CPAG

This content was last updated:
2025-06-26

Print publication date
Feb, 2024

Print ISBN
978 1 915324 11 5

1. Recovering goods on hire purchase or conditional sale

The client's response

Negotiating before the hearing

Decisions the court can make

Warrant of delivery

A creditor is required to obtain a court order to repossess goods on hire purchase or conditional sale if at least one-third of the total cost has been paid (see [here](#) or [here](#)) or if the client has paid less but has refused to allow the creditor to enter private property to take back the goods.

The creditor must first serve a default notice and include in the section on what action may be taken that goods can be repossessed. See [here](#) for further information about default notices. In these cases, the Consumer Credit Act procedure applies, which is now set out in the Civil Procedure Rules Part 49C.

- The claim must be started in the county court hearing centre for the district in which the client either lives or carries out their business (or did when they made their last payment).
- The court fixes a hearing date when it issues the claim form (Form N1 – see [here](#)), and notice of the hearing date is given when the claim form is served.
- The particulars of claim (containing the prescribed information – see [here](#)) must be served with the claim form.
- The claim form and particulars of claim are accompanied by Forms N1(FD) (note for defendants), N9C (admission unspecified amount and non-money claims) and N9D (defence/counterclaim). There is no acknowledgement of service.

Unless the client is merely disputing the amount they have already paid, you should get specialist advice on any other potential defences. If the client disputes the claim, the court:

- deals with the case at the hearing; *or*
- allocates the case to a track (see [here](#)) and makes directions; *or*
- gives directions to enable it to make a decision on allocation.

The client's response

The client is not required to file either an admission or a defence, but they should do so as the court can take account of a failure to do so when deciding on its order for costs in the case – eg, if an unnecessary hearing has to take place as a result. The creditor cannot request a default judgment. If the client fails to respond, the hearing must still go ahead.

The client can admit the claim on Form N9C and make an offer. The court can then make an order for the return of the goods, which is suspended provided the client makes payments in accordance with their offer (a 'time order'). ¹

The statement of means is similar to that on Form N9A (see [here](#)).

The client should complete Form N9C by:

- indicating whether or not they still have the goods in their possession; *and*

- admitting liability for the claim; *and*
- offering to pay the unpaid balance of the total price. This figure is contained in the particulars of claim.

The admission should be returned to the court, not sent to the creditor. A copy is sent by the court to the creditor.

If the creditor accepts the amount admitted and the offer of payment, it informs the court, which enters judgment and sends a copy to the client (Form N32(2) HP/CCA). No one need attend the hearing. If nothing is heard from the court, the client should attend the hearing. If the creditor does not accept the amount admitted or offer of payment, or the client does not respond, the hearing proceeds.

1 s130(1) CCA 1974

Negotiating before the hearing

Always try to negotiate with the creditor before the court hearing. Most creditors prefer to receive payments rather than repossess secondhand goods. Resuming the contractual payments is often enough to persuade the creditor to withdraw or adjourn the court action. If no agreement can be reached, a hearing takes place, and the client should attend, with a financial statement indicating their ability to pay. A court is unlikely to accept a long-term substantial reduction in payments (eg, £20 a month when the contractual agreement is for £120), but may accept a short-term reduction – eg, £20 a month for three months, then £120 a month. Unless an application for a time order is made (including completing Form N9C – see here) or the hearing is adjourned, the court appears to have no power to make an order for payment of less than the contractual instalments.

Decisions the court can make

Warrant of delivery

The court has a general power to adjourn for a short period if required, but only does so if there are compelling reasons (see here).

If the client can make an offer of payment in respect of the outstanding balance which the court finds acceptable, it orders the return of the goods but suspends the order, provided the payments are maintained. ¹ If there is no acceptable payment offer, the court orders that the

goods be returned without giving the client the option of paying for them. The judgment is on Form N32(1) and gives the delivery date for the client to return the goods. If the goods are no longer in the client's possession, the court cannot order their return. ² The creditor must then obtain a judgment for the outstanding balance due under the agreement, or the client could apply for a time order (see here). **Note:** selling or disposing of goods before completing the payments due under the agreement is an offence. In such circumstances, rather than returning the N9C (which requires the client to state whether or not they still have the goods in their possession), the client may prefer to make any offer of payment by email or letter supported by a financial statement.

If the client does not make payments or fails to return the goods as ordered, arguably the creditor cannot just repossess the goods if they are 'protected' (see here). The creditor should instead ask the court to issue a warrant of delivery (see below).

Note: returning the goods to the creditor is not the end of the matter. The creditor sells the goods and sets the sale proceeds against the remaining balance due. There may be a shortfall that the client is liable to pay. The creditor must apply to the court for a further hearing date to obtain an order for payment of the money. ³

If the client's circumstances change, they can apply to vary the order.

¹ s135 CCA 1974

² s135(2) CCA 1974

³ CPR PD 49C, para 3.3

Warrant of delivery

A warrant of delivery is a document that allows a county court enforcement agent (bailiff) to remove goods that are the subject of a hire purchase or conditional sale agreement if the court has ordered that the goods be returned to the creditor. It is issued by the court following a request from the creditor that the client has not returned the goods as ordered by the court or is in breach of a suspended return of goods order. The warrant may allow the client to pay the value of the goods as an alternative to allowing them to be taken by the enforcement agents. While the enforcement agents cannot force entry into the client's home to remove the goods, it is open to the creditor to take contempt of court proceedings to require the client to comply with the order to return the goods, although in practice, it is highly unlikely a creditor would resort to this. ¹ The client can apply for the warrant to be suspended and for delivery of the goods to be postponed (see here). It is always worth approaching the creditor to negotiate an agreement before applying

back to the court.

1 r83.27 CPR

Printed from CPAG (<https://askcpag.org.uk>). (c) Copyright CPAG 2025. All Rights Reserved.

Please be aware that welfare rights law and guidance change frequently. This page was printed on Friday, October 17, 2025 and may go out of date.