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# Credit Hire County Court Win for DAC Beachcroft

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The credit hire team at international law firm DAC Beachcroft has successfully defended an appeal by credit hire organisation, On Hire Limited, relating to the recovery of credit hire rates where replacement vehicles with zero excesses are hired.

Handing down judgment on 12 June 2015 in the case of *Lawson v Mullen*, the court confirmed that a claimant does not have an automatic right to recover the cost of hiring a vehicle with a full waiver or zero excess. It will depend on what is reasonable. Where there is a gross disparity between the basic hire rate for a vehicle carrying an excess and a high credit hire rate inclusive of zero excess it may be unreasonable for the claimant to recover the credit hire rate claimed.

In *Lawson*, the claimant had sought to recover £154 per day more than the basic hire rate so that he would not have to pay a £500 excess if he damaged the hire car. The court decided this was unreasonable.

Emma Fuller, partner in the credit hire team at DAC Beachcroft, said: "This is certainly a favourable decision for defendant credit hire practitioners as it establishes that the claimant does not have an automatic right to hire a replacement vehicle with a zero excess. This is an argument frequently deployed by Credit Hire Organisations in an attempt to undermine basic hire rate evidence."

"However, it must be remembered that the ultimate test is one of reasonableness," she noted. "Defendant credit hire practitioners should be looking to defend cases where there is a gross disparity between what is claimed and the basic hire rate, with the only additional advantage to the claimant being the waiver of an excess."

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