
STATUTORY INSTRUMENTS

2000 No. 441

The Community Legal Service (Costs) Regulations 2000

PART III

PROPERTY AND COSTS RECOVERED FOR A FUNDED CLIENT

Interest on damages

24.—(1) Where the Commission receives damages paid in favour of a client it shall, subject to the following paragraphs, pay to the client a sum representing gross interest earned while the damages are being held by the Commission.

(2) Without prejudice to its other powers to invest money, the Commission shall maintain and may deposit damages to which this regulation refers in one general account at a bank or building society.

(3) The rate of interest payable to the client under this regulation shall be 0.5% per annum less than the rate payable on damages deposited in the general account.

(4) The Commission shall not be required to pay interest where the damages received do not exceed £500 or where the period during which they are held by the Commission is less than 28 days.

(5) Interest shall be payable for the period beginning on the third business day after the date on which damages are received by the Commission to and including the date on which the Commission determines the amount to be paid under regulation 22(8).

(6) In this regulation:

“bank” means the Bank of England, or the branch, situated in England or Wales, of any institution authorised under the Banking Act 1987(1);

“building society” means the branch, situated in England or Wales, of a building society within the meaning of the Building Societies Act 1986(2);

“business day” means a day other than a Saturday, a Sunday, Christmas Day, Good Friday or a bank holiday under the Banking and Financial Dealings Act 1971(3);

“general account” means an interest bearing account opened in the name of the Commission, the title of which does not identify any client.

(1) 1987 c. 22.

(2) 1986 c. 53.

(3) 1971 c. 80.