
STATUTORY INSTRUMENTS

1987 No. 821

The Court Funds Rules 1987

PART IV

**PLACING OF MONEY OTHER THAN FOREIGN
CURRENCY TO AN INTEREST BEARING ACCOUNT**

Establishment of interest bearing accounts

26. There shall be established the following two interest bearing accounts, namely a basic account (that is to say, a deposit account) and a special account (that is to say, an investment account) to which shall accrue, in accordance with these Rules, interest derived from the transfer to, and investment by, the National Debt Commissioners of the money placed to all the accounts of those kinds.

Interest on money placed to an interest bearing account

27.—(1) The rate at which interest on money placed to a basic account or a special account is to accrue shall be as prescribed from time to time by a direction made by the Lord Chancellor with the concurrence of the Treasury.

(2) Interest on money placed to a basic account or a special account shall accrue from day to day from the day on which the money is placed to the account until the day preceding its withdrawal from the account.

(3) Accrued interest shall be credited:—

(i) on the capital sum when it is withdrawn from the account; or

(ii) on transfer of the capital sum from a basic account to a special account; and

(iii) on 31st March and 30th September each year in respect of money placed to a basic account and on 31st May and 30th November each year in respect of money placed to a special account.

(4) Accrued interest shall be credited without deduction of income tax.

Time for placing money to an interest bearing account

28.—(1) Subject to the provisions of this part of the Rules and to any direction of the court, all money (including interest) shall be placed to a basic account or, in the case of a person under disability, to a special account, on the day on which the schedule or other authority is received in the Courts Fund Office or on the effective date of lodgment of the money, whichever is the later.

(2) Where judgment is given in favour of a person under disability, or settlement of his claim is approved by the court, the money to which he is entitled shall, subject to any directions of the court, be placed to a special account in his name as at the date of the judgment or on the effective date of lodgment of the money, whichever is the later, without further authority.

(3) Interest shall not accrue from a date earlier than that on which the money is placed to an interest bearing account in accordance with this rule.

Money not to be placed to a basic account

- 29.** Money, including interest, shall not be placed to a basic account where the money:—
- (i) has been directed by an order or other authority to be dealt with other than by being placed to a basic account; or
 - (ii) has been carried over to an account of unclaimed balances under rule 57; or
 - (iii) stood to the credit of a fund in court before 1st October 1965, without a request that it be placed on deposit; or
 - (iv) was paid into court in satisfaction of a claim before 1st April 1983, without a direction that it be placed on deposit; or
 - (v) amounts to a sum which is less than £10.

Money to be placed to a special account

30. Money, including interest, shall only be placed to a special account where the person entitled to it is under a disability and it amounts to a sum which is not less than £10.

Money paid in satisfaction, etc.

31.—(1) Where money is lodged in the Supreme Court under RSC Order 22, rule 1 or is appropriated under RSC Order 22, rule 8 in satisfaction of a claim and is not accepted within the time limited by RSC Order 22, rule 3(1), it shall be placed to a basic account 21 days after the effective date of lodgment or appropriation.

(2) Where money is paid into a county court in satisfaction of a claim and the plaintiff has not given notice of acceptance of the payment within the time limited by the CCR, the proper officer shall remit the amount of the payment to the Court Funds Office 22 days after the effective date of payment into that court.

(3) Where money is paid into a county court in such circumstances that it is to await the outcome of an order of court, whether it is paid into court as a condition of obtaining relief or otherwise, the proper officer shall remit the amount of the payment to the Court Funds Office on, or as soon as practicable after, the effective date of payment into that court.

(4) Where money is remitted under paragraphs (2) or (3) the remittance shall be accompanied by a notice stating the date and the reason why the money was paid into court, and on receipt of such a remittance and notice in the Court Funds Office, the Accountant General shall place the money to a basic account.

(5) Where the plaintiff is under a disability money lodged or paid into court under paragraphs (1) or (2) shall be placed to a basic account in any event, whether or not he has accepted it, until the claim is determined or settlement is reached, unless the court otherwise directs.

Interest on money paid in satisfaction

32.—(1) Subject to paragraphs (4) and (5), interest on money remitted to the Court Funds Office under rule 31(2) shall start to accrue 21 days after the effective date of payment into the county court.

(2) Subject to paragraphs (4) and (5), interest on money remitted to the Court Funds Office under rule 31(3) shall start to accrue from the effective date of payment into the county court.

(3) Where a court determines a claim, or, as the case may be, approves a settlement on behalf of a person under a disability, any interest which has accrued on the money in court shall be dealt with as the court orders.

(4) Where money placed to a basic account under rule 31(1) is accepted within the time limited by RSC Order 22, rule 3(1), no interest shall be payable in respect of the period between lodgment or

appropriation, or where there has been more than one lodgment or appropriation between the latest lodgment or appropriation, and the date of acceptance.

(5) Where money has been placed to a basic account under rule 31(4) but it appears that the plaintiff, having accepted the money within the time limited by the CCR, has become entitled to have it paid out to him, no interest shall be payable on that money in respect of the period between lodgment, or where there has been more than one lodgment, between the last lodgment and the date of acceptance.

(6) Where money appropriated under the CCR in satisfaction of a claim is accepted within the time limit, no interest shall be payable in respect of the period between appropriation, or where there has been more than one appropriation between the latest appropriation, and the date of acceptance.

Withdrawal of money from an interest bearing account

33. Money shall only be withdrawn from an interest bearing account where the money, including any interest which has accrued at the time of withdrawal, is required to be withdrawn for the purpose of giving effect to a direction of the court or these Rules; provided that such interest shall not be used if directed by the court to be otherwise dealt with.