
STATUTORY INSTRUMENTS

1982 No. 786 (L. 18)

COUNTY COURTS

The County Court Funds (Amendment No. 2) Rules 1982

<i>Made</i> - - - -	<i>4th June</i> 1982
<i>Laid before Parliament</i>	<i>9th June</i> 1982
<i>Coming into Operation —</i>	
<i>Rules 11 and 12</i>	<i>1st March</i> 1983
<i>Remainder</i> - - -	<i>1st July</i> 1982

The Lord Chancellor, in exercise of the powers conferred on him by section 168 of the County Courts Act 1959(a), and with the concurrence of the Treasury, hereby makes the following Rules:—

1.—(1) These Rules may be cited as the County Court Funds (Amendment No. 2) Rules 1982 and shall come into operation—

- (a) in respect of the whole instrument except Rules 11 and 12, on 1st July 1982;
- (b) in respect of Rules 11 and 12, on 1st March 1983.

(2) In these Rules a rule referred to by number means the rule so numbered in the County Court Funds Rules 1965(b).

2.—(1) In rule 13(2), the words “and the action or matter is proceeding in London” and the words “and after deducting any prescribed fee” shall be omitted.

(2) After rule 13(2), the following paragraph shall be added:—

“(3) Where by virtue of an order made under section 174A of the County Courts Act 1959 any money in court is directed to be transferred to the High Court, the chief clerk shall send to the Accountant General a remittance for the amount in question together with a sealed copy of the order.”

3. Rule 17(1) shall be omitted and the following substituted:—

(a) 1959 c.22; the relevant amending enactments are the Administration of Justice Act 1965 (c.2), section 9; the Administration of Justice Act 1977 (c.38), section 19(2) and Schedule 5; and the Supreme Court Act 1981 (c.54), paragraph 23 of Schedule 3.

(b) S.I. 1965/1500, as amended by S.I. 1966/875, 1968/107, 1969/204, 1970/228, 1971/260, 1972/334, 1973/230, 1974/206, 1976/2234, 1978/750, 1979/105, 1619, 1980/1857, 1981/1588, 1982/124.

“(1) Subject to the provisions of rule 19(1) and of paragraph (3) of this rule and to any order in respect of the fund, the chief clerk shall, after a fund in court has been in a deposit account for at least 14 days since the date of payment into court, open in the funds ledger a short-term investment account in respect of the fund and transfer the fund to it.”

4. Rule 16(2) is hereby revoked.

5. The following new rules shall be inserted after rule 17:—

“17A.—(1) Where money is paid into court—

- (a) in satisfaction of a claim made by or on behalf of a person under disability, or
- (b) in such circumstances (whether it is paid into court as a condition of obtaining relief or otherwise) that it is to abide the event as between two or more parties, and the court has made an order under paragraph (3) below,

then the money shall be treated for the purposes of these Rules relating to investment in a deposit account or in a short-term investment account as if it were a fund in court and shall be accounted for accordingly.

(2) In the case mentioned in paragraph (1)(a) above, the money shall be placed by the chief clerk to a short-term investment account 14 days after the date of lodgment.

(3) In a case mentioned in paragraph (1)(b) above, the court may order that the money shall be placed to a short-term investment account: provided that where the money in court has been paid in or appropriated in satisfaction of the plaintiff's claim in accordance with County Court Rules the court shall not make such an order unless it is satisfied that the time for acceptance by the plaintiff has expired.

(4) Where a defendant has paid money into court under order and wishes to appropriate the whole or part of it in satisfaction of the whole or part of the plaintiff's claim, he shall notify the chief clerk accordingly.

(5) On receipt of a notice of appropriation the chief clerk shall withdraw the sum appropriated from the deposit or, as the case may be, the short-term investment account: provided that if the plaintiff does not accept the sum appropriated in the time allowed by County Court Rules, any party may apply to the court for a further order under paragraph (3) above.

(6) Where, before appropriation, interest has accrued on the money in court the interest may be included in the appropriation, and paragraphs (4) and (5) shall apply to the interest in the same way as they apply to the money in court.

17B. Where money paid into court or appropriated by the defendant in satisfaction of the whole of the plaintiff's claim has been accepted and paid to the plaintiff the chief clerk shall forthwith, and without any

request or order, pay any balance remaining in court in respect of that claim, whether principal or interest or both, to the defendant.

17C. Where money has been paid into court in any of the circumstances mentioned in rule 17A(1) and the court determines the claim or, as the case may be, approves a settlement on behalf of a plaintiff under disability, the court may make such order as to the disposal of any accrued interest as it thinks fit."

6.—(1) In rules 17(3), 19 and 20(2), for the figure "£50" wherever it appears there shall be substituted the figure "£10".

(2) In rule 21(2)(a) the words "(not being less than £50)" shall be omitted.

(3) In rule 27 proviso (b) shall be omitted and the following inserted in its place—

"(b) no sum less than £10 shall remain in a short-term investment account."

7. After rule 22 the following new rule shall be added:—

"**22A.** The chief clerk shall supply an annual statement of any fund in court for the benefit of a person under disability to that person or to his representative."

8. The following amendments shall be made to rule 23:—

- (a) In paragraph (1), for the words "at the rate of 5 per cent. per annum" there shall be substituted "at the rate prescribed in accordance with paragraph (1A) below."
- (b) after paragraph (1) the following paragraph shall be inserted:—

"(1A) The rate of deposit interest shall be 5 per cent. per annum or such other rate as may be applicable to money placed on deposit in the Supreme Court by virtue of any instrument made from time to time under section 7(1) of the Administration of Justice Act 1965(a)."
- (c) in paragraph (2), proviso (i) shall be omitted.
- (d) in paragraph (3) the words "or carried over to an account for unclaimed balances" shall be added at the end;
- (e) in paragraph (7) all the words after "is closed", including the proviso, shall be omitted.

9. The following amendments shall be made to rule 24:—

- (a) In paragraph (1), for the words "at the rate of 14 per cent. per annum" there shall be substituted "at the rate prescribed in accordance with paragraph (1A) below."

(a) 1965 c.2.

(b) After paragraph (1) the following paragraph shall be inserted:—

“(1A) The rate of interest payable on money placed to a short-term investment account shall be 13 per cent. per annum or such other rate as may be applicable to money placed to a short-term investment account in the Supreme Court by virtue of any instrument made from time to time under section 7(1) of the Administration of Justice Act 1965.”

10. In rule 35(2), the words “cause the copies of the application to be marked with the Lord Chancellor’s authority and” shall be omitted.

11. For rules 36 to 39 there shall be substituted the following rules:—

“XI. *Unclaimed Moneys in Court*

36.—(1) A fund shall be treated as unclaimed for the purpose of these rules if—

- (a) it has not been dealt with (otherwise than by the continuous investment or placing on deposit of accrued interest) for a period of 15 years immediately before the preceding 1st March; and
- (b) all appropriate steps have been taken to effect disposal of the fund to the person entitled to it.

(2) A fund shall not be treated as unclaimed—

- (a) in the case of an account for the benefit of a minor, until he has attained the age of 23 years or, if the date of his birth is not known, until the account has not been dealt with (otherwise than as stated in paragraph (1)(a) above) for a period of 25 years;
- (b) in any case, where a person claiming an interest in the fund notifies the court that steps are being taken to deal with the fund and requests that it be not carried over.

37.—(1) During the month of March in each year, the chief clerk of every court shall prepare a list of funds in the custody of that court which he considers to be unclaimed.

(2) Not later than 31st March a copy of the list shall be put up and prominently displayed in the court office and shall continue to be so displayed until the first day of the following March.

(3) The chief clerk shall send a copy of the list to the Accountant General, and the Accountant General shall file in the Central Office of the Supreme Court and shall keep available for inspection in the Court Funds Office all the lists so prepared.

38.—(1) Where any part of an unclaimed fund is placed to a deposit or a short-term investment account, the chief clerk shall close the account and send a remittance for the amount of the fund and any accrued interest to the Accountant General, who shall carry the amount over to an account of unclaimed balances.

(2) Where any part of the fund is placed to a long-term investment account or is invested in stock the Accountant General, on receipt of the list referred to in rule 37(3), shall transfer the fund to an account of unclaimed balances.

(3) No fund carried over to such an account shall be invested or placed on deposit.

(4) The steps set out in paragraphs (1) and (2) above shall be carried out, by the chief clerk or the Accountant General, as the case may be, at the same time as those required by rule 37 and in any event not later than 31st March.

39.—(1) Where a fund has been closed a person may apply to the court by which the funds account was kept for repayment of all or part of the fund to him.

(2) Where the court is satisfied that the claimant is entitled to the whole or part of the fund, it may order the payment to him of money standing to the credit of the account as at the date of its closure or of a sum of money representing the value of the fund as at the date of its closure.

(3) Where the court makes an order under paragraph (2), the chief clerk shall send a sealed copy of the court's order to the Accountant General.

(4) On receipt of the order, the Accountant General shall take such steps as may be necessary to give effect to it, whether by the realisation of units or otherwise, and shall forward a remittance for the amount of the fund to the claimant.

39A.—(1) Rule 39 shall also apply to an application, under section 172(2) of the County Courts Act 1959, for repayment of a fund closed on or before 31st March 1982.

(2) Where the court orders repayment of a fund to which this rule applies, it may also order the payment to the claimant of all or any part of the interest which would have accrued had the amount to which he is entitled been placed to a short-term investment account on the date on which the fund was closed.

(3) The amount required to comply with an order under this rule shall be paid out of the Consolidated Fund to the Accountant General.

39B. These rules shall apply, with such modifications as may be appropriate, to unclaimed suitors' money in court which has not been dealt with for a period of 5 years immediately before the preceding 1st March."

12. In relation to a fund included in a list prepared in accordance with rule 37, rule 11 of these rules shall have effect, except that it shall not be necessary to include such a fund in a further list in March 1983.

13. The rules specified in the Schedule to these rules are hereby revoked.

Dated 2nd June 1982.

Hailsham of St. Marylebone, C.

We concur,

Dated 4th June 1982.

*Alastair Goodlad,
J. A. Cope,*
Two of the Lords Commissioners
of Her Majesty's Treasury.

Rule 13

SCHEDULE

RULES REVOKED

<i>Title</i>	<i>Reference</i>
The County Court Funds (Amendment) Rules 1966	S.I. 1966/875
The County Court Funds (Amendment) Rules 1968	S.I. 1968/107
The County Court Funds (Amendment) Rules 1969	S.I. 1969/204
The County Court Funds (Amendment) Rules 1970	S.I. 1970/228
The County Court Funds (Amendment) Rules 1973	S.I. 1973/230
The County Court Funds (Amendment) Rules 1974	S.I. 1974/206
The County Court Funds (Amendment) Rules 1979	S.I. 1979/105
The County Court Funds (Amendment No. 2) Rules 1979	S.I. 1979/1619
The County Court Funds (Amendment) Rules 1980	S.I. 1980/1857
The County Court Funds (Amendment) Rules 1981	S.I. 1981/1588
The County Court Funds (Amendment) Rules 1982	S.I. 1982/124

EXPLANATORY NOTE

(This Note is not part of the Rules.)

These Rules amend the County Court Funds Rules 1965 in a number of respects. In particular they—

- (a) reduce the period which a fund in an action for the benefit of a person under disability must spend on deposit before it may be placed to a short-term investment account from one month to 15 days (rule 3);
- (b) enable certain payments into court, for example, in satisfaction of a claim, to be placed to a short-term investment account pending the outcome of the proceedings (rule 5);
- (c) reduce the minimum amount which may be placed to a short-term investment account from £50 to £10 (rule 6);
- (d) require the chief clerk of each court to provide an annual statement of a fund in court to a person under disability (rule 7);
- (e) reduce the rate of interest on money placed to the short-term investment account from 14 per cent. to 13 per cent. (rule 9);
- (f) apply automatically the rate of interest on deposit and short-term investment accounts in the Supreme Court to the county court (rules 8 and 9);
- (g) modify the treatment of unclaimed funds in court so as to bring it into line with the practice in the Supreme Court (rule 11).

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