EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for the calculation of interest for the purposes of Part 3A of the Road Traffic Offenders Act 1988 (c. 53) ("the 1988 Act"), as inserted by section 11 of the Road Safety Act 2006 (c. 49). Part 3A provides that, in certain circumstances, a constable or vehicle examiner may impose a financial penalty deposit on a person without a satisfactory UK address who has been given either notice of likely proceedings or a fixed penalty notice (in Scotland, a conditional offer) in respect of a road traffic offence. The amount of the deposit (defined as the "appropriate amount" in section 90B(2) of the Act) is set out in the Road Safety (Financial Penalty Deposit) (Appropriate Amount) Order 2009 (S.I. 2009/492).

Where notice of intended prosecution has been given, but the person is not prosecuted, is acquitted, is convicted but not fined, or the period in which a prosecution may be brought ends, appropriate steps to make an appropriate refund of the financial penalty deposit are required to be taken by the Secretary of State. Appropriate steps to make an appropriate refund must also be taken if the financial penalty deposit exceeds the fixed penalty or any court fine imposed on the offender. The appropriate refund is defined in section 90C(12) of the 1988 Act as either any amount by which the financial penalty deposit exceeds the amount of any fixed penalty or fine, or the whole amount of the deposit where no fixed penalty or fine is payable, together in each case with interest. This Order provides that the rate of interest for these purposes is the Bank of England base rate at the beginning of the day on which payment of the appropriate amount was made.

No Impact Assessment has been prepared for this instrument as it has no significant impact on the costs of business and the voluntary sector.