EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend section 16A of the Prosecution of Offences Act 1985 (the "1985 Act"). Section 16A of the 1985 Act provides that a defendant's costs order made under section 16 of that Act may not require the payment out of central funds of an amount that includes an amount in respect of the accused's legal costs, unless an exception applies.

Regulation 2 inserts a new exception (condition D) into section 16A of the 1985 Act which would enable an individual who is financially ineligible for legal aid in certain Crown Court proceedings to receive a payment out of central funds in respect of their legal costs if they are acquitted. New condition D continues to be met if the determination of financial ineligibility is withdrawn, so as to allow for the recovery by the individual of costs incurred prior to withdrawal.

A full impact assessment of the effect of the policy implemented by this instrument on the costs of business and the voluntary sector was produced with the Government's response to consultation, *Transforming Legal Aid: Next Steps* and is available at https://consult.justice.gov.uk/.