

Pre-Judgment Interest on Debts and Damages

The Government's Response to the Recommendations in our 2004 Report Law Com No 287

We are pleased that the Government intends to adopt many of the proposals in our report on Pre-Judgment Interest on Debts and Damages.

This will allow the Lord Chancellor to prescribe the rate of interest that would apply when pre-judgement interest is awarded, normally by reference to Bank of England base rates.

Whilst we note the Government's reservations regarding our recommendations on compound interest, we are pleased that the Lord Chancellor will be empowered to consider this in the future.

For further information about our report, please see our website at http://www.lawcom.gov.uk/lc_reports.htm#2004.

The Government's response is available on the Ministry of Justice website at <http://www.justice.gov.uk/publications/pre-judgment-interest.htm>.

Law Commission
September 2008