

EXPLANATORY MEMORANDUM TO

The County Courts (Financial Limits) Order (Northern Ireland) 2011

S.R. 2011 No. 65

1. Introduction

- 1.1. This Explanatory Memorandum has been prepared by the Department of Justice (Northern Ireland Courts and Tribunals Service) to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.
- 1.2. The Statutory Rule is made under Article 22(1) of the County Courts (Northern Ireland) Order 1980 and is subject to the negative resolution procedure.

2. Purpose

- 2.1. The Statutory Rule will amend Article 30 of the County Courts (Northern Ireland) Order 1980 (“the Order”) to increase the upper jurisdictional limit of the Small Claims Court from £2000 to £3000.
- 2.2. The Statutory Rule is made by the Department of Justice after consultation with the Lord Chief Justice.

3. Background

- 3.1. On 3rd March 2010 the Northern Ireland Courts Service initiated a policy consultation inviting views on proposals to increase the jurisdictional limits of the County Courts in Northern Ireland (which include the Small Claims Courts). The County Courts already provide an efficient and practical forum for processing the bulk of civil litigation in Northern Ireland and the consultation explored the benefits of extending its remit to include matters currently within the financial jurisdiction of the High Court. Views were also sought on consequential changes to the jurisdiction of District Judges and the Small Claims Court. The broad intention of the proposals outlined in the consultation was the better alignment of the volume and type of civil matters being heard with available court and judicial resource. It explored the merits of redirecting lower level cases away from the High Court to allow it to specialise in complex high value matters and the benefits of having a greater number of cases dealt with by convenient local county courts for court users.
- 3.2. The consultation closed on 26th May. Taking into account the views expressed by respondents, the Department published a summary of responses on 20th December 2010 indicating the intention to increase the ordinary jurisdiction of the County Court from £15,000 to £30,000, District Judge jurisdiction from £5,000 to £10,000 and Small Claims limit from £2,000 to £3,000.
- 3.3. It is proposed to implement the changes in jurisdiction incrementally, starting with the change to the small claims limit effected by this Order on 2 May 2011.

4. Consultation

- 4.1. As noted above, the making of the Statutory Rule follows a public consultation on Increasing the Jurisdictional Limits of the County Courts in Northern Ireland which was initiated on 3rd March 2010 and closed on 26th May 2010. Seventy two responses were received, 57% of which were from the legal profession. Responses were also received from the judiciary, insurance companies and the voluntary sector. The summary of responses to the consultation was published on 20th December 2010.
- 4.2. Orders made under Article 22 of the County Courts (Northern Ireland) Order are subject to consultation with the Lord Chief Justice of Northern Ireland. The Lord Chief Justice was consulted and agreed to the making of the instrument.

5. Equality Impact

- 5.1. The policy to which this Statutory Rule gives effect has been screened for any possible impact on equality of opportunity affecting the groups listed in section 75 of the Northern Ireland Act 1998 and no adverse or differential aspects were identified. The equality screening exercise found proposals are likely to have a positive impact, particularly on those with mobility or dependency issues, as changes will improve access to justice by ensuring a greater number of cases be heard in convenient local courts.

6. Regulatory Impact

- 6.1. Two Impact Assessments were undertaken of the proposals outlined in the consultation, one on the impact of the changes to general and District Judge jurisdiction, and one on the impact of the change to the small claims court. It is the Department's view that the assessments presented a reasonable view of likely costs, benefits and impacts on the available evidence. They showed proposals would bring monetary and non-monetary benefits to society and the justice system, with cases directed to the most appropriate court, the efficient allocation of resources, and litigants enjoying increased access to county courts providing a local efficient and practical mechanism to deal with civil justice matters.

7. Financial Implications

- 7.1. A loss of fee income is anticipated but this is expected to be marginal.

8. Section 24 of the Northern Ireland Act 1998

- 8.1. It is the view of the Northern Ireland Courts and Tribunals Service that this Statutory Rule is compatible with section 24 of the Northern Ireland Act 1998.

9. EU Implications

- 9.1. Not applicable.

10. Parity or Replicatory Measure

- 10.1. Not applicable.

11. Additional Information

- 11.1. Not applicable.