

## **The Hierarchy of Civil Courts in Northern Ireland:**

### **Jurisdictional Limits and Proposed Changes**

Prior to commencing civil proceedings in Northern Ireland, one should always consider which Court is the most appropriate for your action. The Legal System of Northern Ireland is made up of three levels of court for civil actions, namely the Magistrates Court, County Court (including the Small Claims Court) and High Court. Deciding the court forum to start an action depends largely on the amount claimed or the value of the property involved. It is likely that many actions may never reach court, rather they settle out of court by the parties reaching a mutually acceptable agreement.

#### **Magistrates Court**

The Magistrates Court is generally used for minor criminal matters but has a limited civil function. It is used by statutory bodies such as the NIHE and TV Licensing to recover small debts, or ejection proceedings. It is also the forum for applications to transfer or renew liquor licences and bookmaker's licenses.

#### **County Court**

The County Court is a general umbrella term covering the Small Claims Court, District Judges Court and County Court. The role of the Small Claims Court is to deal with actions of less than £2,000.

The County Court of Northern Ireland deals predominantly with tortious actions and breaches of contract where the amount claimed is less than £15,000, libel or slander claims where the amount claimed is less than £3,000, equality and discrimination cases, and applications for licences to sell intoxicating liquor or licences for bookmaker's shops.

It is usually quicker than litigation through the High Court, and relatively inexpensive as a result of the system of scale fees for both solicitors and barristers costs, as prescribed by The County Court Rules Committee.

If a party is aggrieved by a judgement of the County Court, there may be a right to appeal either to the High Court by way of a full rehearing or to the Court of Appeal on a point of law.

In March of this year the Northern Ireland Court Service published a Consultation Paper outlining a proposal to increase the jurisdictional limits for bringing cases in the County Court from £15,000 to £50,000. As yet no firm decision has been made on raising the financial threshold of the County Court and we await the outcome of the Consultation Process to assess the likely impact upon the Court hierarchy.

#### **High Court**

The High Court in Northern Ireland is located in Belfast and has unlimited jurisdiction in that it deals with claims over £15,000 but has no upper limit on the amount it can award a party. For administrative reasons it is divided into three divisions: Chancery Division, Queens Bench Division and Family Division. The Chancery Division deals, for example, with actions concerning partnerships and companies, bankruptcies and enforcement of mortgages and other securities, property related litigation and inheritance disputes. The Queens Bench Division deals with personal injury, breach of

contract and all other business not specifically assigned to another division. A case within the Queens Bench Division can also be allocated to the Commercial Court whereupon it is more actively case managed by the Commercial Court Judge. The Commercial Court can therefore give an added benefit to businesses as it can result in a more efficient forum in which to commence an action and can lend itself to complex financial actions.

Deciding to commence litigation can be both daunting and indeed a costly process. It is important therefore to take appropriate advice to ensure that the most sensible commercial solution is achieved taking into account all associated litigation risks. Further, whilst parties often see a Court forum as their only option, there are a number of Alternative Dispute Resolution mechanisms available for parties to explore, such as Mediation, Adjudication and Arbitration. It is important for your legal adviser to ensure that all options are fully explained and assessed in line with your expectations and wishes prior to the commencement of proceedings.

For more information on the commencement of civil proceedings in Northern Ireland and Alternative Dispute Resolution, please contact Heather Hoey, Senior Solicitor, at McGrigors Belfast LLP on 02890 894876 or by email to [heather.hoey@mcgrigors.com](mailto:heather.hoey@mcgrigors.com).

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