

From: [REDACTED]

Sent: 13 October 2026 18:08

To: [REDACTED] Thomas [REDACTED]

Cc: [REDACTED]
[REDACTED]

Subject: Submission to the Justice Committee - County Court jurisdictional increase -

Importance: High

[REDACTED]
[REDACTED]

Re Proposed changes to County Court Jurisdiction and associated changes to Scale Costs – Justice Committee meeting on 15th October 2026

Thomas,

We refer to the above matter and note that the issue of the proposed changes to the County Court monetary limit and associated scale fee costs is due to be considered by the Committee for Justice on Thursday 15th October. By way of background I can advise that DAC Beachcroft's CSG provides insurance claims litigation and claims handling services to insurers in England, Wales, Scotland and Northern Ireland acting for the top 20 UK general insurers. We have taken a keen interest in respect of this matter and had submitted the attached response to the Northern Ireland county court rules committee scale costs consultation in July 2026.

We had understood that upon referral of the proposal to the Justice Committee, there would be a four-week Call for Evidence, giving an opportunity for stakeholders to comment. We have just been advised this afternoon that the Committee are due to meet to discuss this matter on Thursday 15th October, following a 12 day call for evidence publication. Unfortunately, we did not receive notification of the publication and we are aware that other stakeholders are in a similar position, so our apologies for not providing a formal response within the prescribed period.

Whilst accepting that the Call for Evidence has closed, we would be very grateful if our previous attached submission for consideration at the meeting of the Committee on 15 October.

We would welcome the opportunity to discuss any aspect of this submission further and engage with the Justic Committee on the wider issue of access to civil justice in the province.

Many thanks

Partner - CSG

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DAC Beachcroft's CSG's response to the Northern Ireland County Court Rules Committee Scale Costs Consultation 2026

DAC Beachcroft's CSG provides general insurance claims litigation and claims handling services to insurers in England, Wales, Scotland and Northern Ireland. As part of DAC Beachcroft LLP which services Scotland, Ireland and global markets, we have more than 500 insurance professionals and act for all of the top 20 UK general insurers and have expertise and experience across the entire sector. Our long history of commitment to, and investment in, the insurance sector means that we have an unrivalled depth of experience and breadth of insight. Our claims business reacts quickly to the dynamic claims industry and the changing needs of our clients whilst providing a local service with the support of a global network.

Our team has a deserved market-leading reputation for providing innovative and pragmatic solutions to liability claims disputes of all types and insurance issues generally. We pride ourselves on delivering commercial, value-driven legal services. With specialist expertise covering catastrophic injury, claims validation, costs, credit hire, property claims, disease and safety, health and environment law, the team covers the full range of work from both claimant and defendant perspective. Our strategic Advisory team offers a unique service for insurers dealing with emerging and important market issues.

Introductory Comments

CSG supports the January 2026 announcement that the Minister of Justice intends to increase the general financial jurisdiction of the County Courts to £60,000 and the jurisdiction of the District Judges to £20,000 as well as increase the upper financial limit for defamation proceedings to £10,000.

This decision must allow for cases within this jurisdiction to be dealt with in a more streamlined fashion, driving costs savings for all parties.

Scale costs should reflect a fair outcome for the parties and the new scale costs for the wider jurisdiction should reflect the efficiencies and cost savings that can be achieved in the County Court when compared with the High Court procedures.

It is clear, however, that the scale costs proposed will represent a further departure from the reduced costs that we now see in England & Wales. This is particularly the case for motor claims, which make up around 70% of all injury claims in Northern Ireland¹, where there has been an acceptance that these claims are simpler and easier to handle has driven costs down.

In England & Wales, lower value claims (up to £1,000 for EL/PL injury, £5,000 RTA injury and £10,000 non-injury) the small claims court offers a costs free environment in which claimants can bring claims. A direct comparison to the sums that can be recovered by way of scale costs for handling these simple, low value claims, demonstrates how much higher costs will be in Northern Ireland than in England & Wales, where the vast majority of motor claims will now settle outside of the costs bearing environment.

In motor claims where there is a personal injury (where the claim is within the RTA Pre-Action Protocol) the costs are fixed and staged as set out in Table 10 of Part 45 of the Civil Procedure Rules – with solicitors costs recovery is limited to a maximum £1,050, with an additional £250 for advocate's costs. And EL/PL claims where there is a personal injury (where the claim is within the EL/PL Pre-action Protocol) the solicitors costs are fixed and staged as set out in Table 11 of Part 45 of the Civil Procedures Rules – with costs recovery limited to a maximum

¹ <https://www.communities-ni.gov.uk/sites/default/files/2025-11/DFC%202025-0311.pdf>

of £1,850, with an additional £250 for advocate's costs. This covers claims with a potential value of up to £25,000 and are substantially below the values set out in Appendix 3 of the consultation response for both solicitors and counsel.

Fixed costs for all other fast track claims (up to £25,000) are now set out in Table 12 to Part 45. Again, the costs are staged by reference to the point reached in the litigation and for complexity band 1 (simple motor claims with no injury up to a value of £25,000), costs are staged and fixed.

Costs are now also fixed for the intermediate track (value £25,000 - £100,000) and are staged by reference to the point reached in the litigation and spread across 4 complexity bands.

The make up and complexity of cases handled by the County Court has substantially changed since the County Court scale was introduced in 1981. The majority of the claims that will sit in the County Court, are motor cases (circa 70% of all injury alone are motor, not including damage only cases) the swings and roundabouts that have worked to even out costs recovery over time just no longer apply.

This is particularly the case, when claims inflation is taken into account. Certainly in motor claims, which will form the vast majority of claims in the County Court, liability will be admitted at an early stage and the only issue to be determined by the court in the majority of claims is quantum. The fact that quantum has inflated over time does not equate to any greater complexity in the arguments linked to the determination of quantum. They are the same arguments, it's just that inflation has driven an increase in the sums to be recovered.

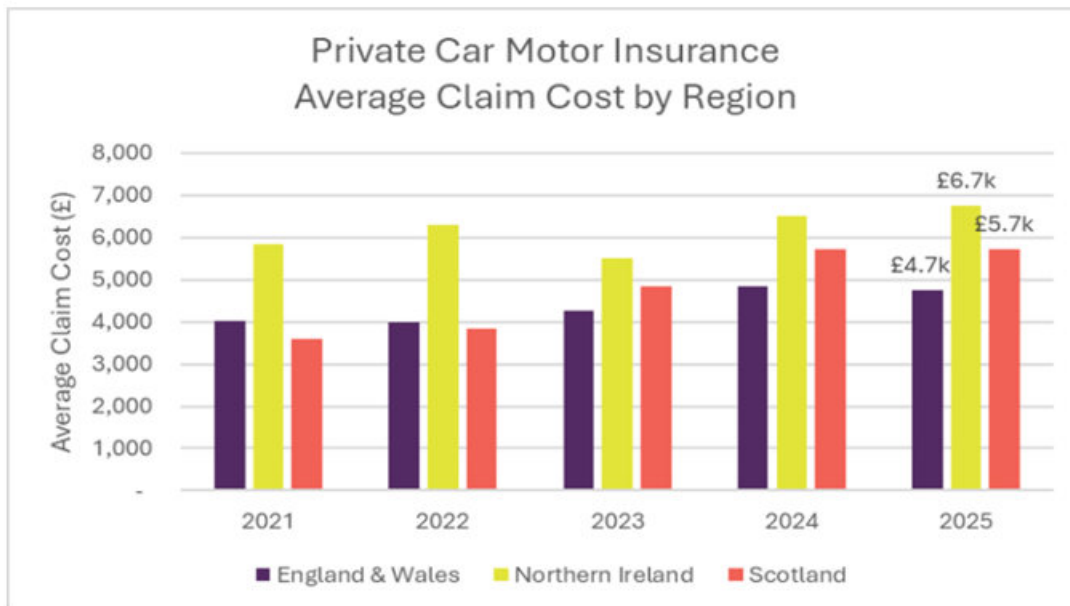
This is particularly so where we have seen the emergence of accident management companies, who provide "credit repairs" to a Plaintiff's vehicle and seek to recover these costs, through a solicitor, from the third party insurer. Historically, repair costs were normally claimed through the Plaintiff's own insurer and recovery sought, in liability admitted cases, between insurers. Therefore, even where repair / PAV costs are agreed, the "costs" of dealing with such heads of loss are now usually built in to the overall sum sought and have significantly and artificially inflated the costs of the legal services provided.

On that basis, the stepped increases in costs, without any reference to the stage at which cases settle no longer appear appropriate. The level of costs that plaintiff's representative receives has stepped up purely as a result of claims inflation, not as a result of any additional complexity in the claims that they are handling.

In addition, we do not agree that the application of the GDP deflator is appropriate as a means of indexing costs inflation. We consider that service producer price inflation (SPPI) should be applied as the appropriate index by which scale costs should be inflated to reflect changes in the value of money. This is the scale now adopted in England & Wales and we see no regional differences that would make any other index more appropriate for Northern Ireland.

We have recently responded to the Department of Justice's consultation on Legal Aid, which specifically asked about funding for personal injury claims and floated the idea of the introduction of a portal. In our view, such a portal, if appropriately supported by the Rules and processes required would be of significant benefit. The cost of motor claims generally in Northern Ireland is out of kilter with the rest of the UK – see table below²

² Source - Association of British Insurers



If the cost of these claims is not properly addressed by means of a full review of the costs system and a more proportionate allocation of costs to the handling of claims with a process of banding and an acknowledgement that motor claims at least are less complex, the additional claim costs will continue to outstrip those seen in other regions of the UK. These higher costs will continue to have to be met by the premium paying public in Northern Ireland.

Responses

Question 1: Do you agree that the guiding principles used in the 2001 Review should be applied?

Yes. We agree that the guiding principles as detailed in the consultation paper remain appropriate for this review.

We note specifically, however, that it is expected that *"the advantage of the Northern Ireland civil justice system being less expensive than that in England and Wales to be maintained in the future and that the Rules Committee would be alert to keeping the costs of litigation in the County Courts in Northern Ireland as economical as possible"*.

We agree this principle but it is clearly not being met when considered against the level of costs in lower value cases in England & Wales as set out above.

In our view, the proposal of flat fee bands by reference to quantum, cannot lead to position by which the guiding principles are met.

Question 2: Do you agree with the insertion of six additional bands at intervals of £5,000?

No. As noted in the introductory comments, the vast majority of claims sitting within the County Court are motor claims. These have been acknowledged in England & Wales as being simpler to handle and attract lower costs.

The bands are in our view too generic and rely on an application of swings and roundabouts

that no longer reflects the reality of the types of claim within the County Court.

We would prefer to see a recognition of this, by at the least a differentiation in the types of claim to which bands should apply (with motor attracting a lower scale cost and preferably with the introduction of staging to the costs process, which would better reflect the amount of work required to achieve each stage).

Question 3: Do you agree with the insertion of three additional bands at the proposed intervals?

No. Whilst we note that the separation of these cases reflects a fairer outcome in terms of reflecting the nature of the work relative to the case, the broad brush approach applied by bands does not reflect the work required in each case and staging should be incorporated.

Question 4: Do you agree with the Committee's approach to establishing fair and reasonable remuneration in respect of the six new bands?

No. The approach is broadbrush and for the reasons given above, we do not consider that this approach remains appropriate in light of the nature of the majority of cases that will be considered by the County Court.

As flagged above, we also do not consider that the application of the GDP deflator to calculate the relevant inflation for the insurers scale costs is appropriate. In our view SPPI is the more appropriate index to apply when considering the provision of services. We base this on the position taken in England & Wales:

Jackson report³

2.9 Up-rating for inflation. Many submissions make the point that FRC must be uprated for inflation. I agree and recommend that FRC in the fast track be adjusted periodically by reference to the Services Producer Price Index. This index is a measure of inflation for the UK services sector. It is constructed from quarterly surveys measuring the price received for selected services.⁸ Annual increases will generate too much complexity and confusion in ongoing cases. I therefore recommend reviews every three years. To the extent that technological advances reduce legal costs at a faster rate than those of other services, the triennial review may wish to adjust the uprating accordingly. This uprating will only apply to the 'lump sum' elements of fixed costs, not to any percentages of damages which may be added. The level of damages rises over time to take account of inflation, so the 'percentage' elements will not need uprating.

Hourly rates⁴

Sir Geoffrey Vos, who is also the Head of Civil Justice, said: *"In 2022, I requested that the Civil Justice Council take a strategic look at costs.*

"I have now implemented the Council's recommendation to update guideline hourly rates for inflation.

"In January 2024, figures were uplifted using the service producer price inflation (SPPI) figures from Q1 2022 – Q1 2023 inclusive. This amounted to a 6.66% increase.

³ Review of Civil Litigation Costs: Supplemental Report – Fixed Recoverable Costs chapter 5, para 2.9 (p 81) <https://www.judiciary.uk/wp-content/uploads/2017/07/fixed-recoverable-costs-supplemental-report-online-3.pdf>

⁴ Guideline hourly rates 2026 (1 Jan 2026) under 'News' at <https://www.judiciary.uk/guideline-hourly-rates-2026/>

"These figures are now to be updated using more recent SPPI values, to cover up to Q1 2025.

"The uplift from the 2025 rates to the new 2026 rates amounts to an increase of 2.28%."

By our calculation this would change the uplift applied in table A2 from 34% to 26.41% for the same period.

Further, we do not consider that the proposed 20% discount applied to "High Court costs" to account for the reduction in case complexity is sufficient. The process of pleading a claim in the High Court is significantly more complex than in the County Court, requiring more evidence, more detailed directions and significantly more work. The County Court process is significantly more streamlined and simply does not in our view equate to High Court costs less 20%. County Court statistics⁵ suggest that on average the time from issue to disposal of a civil bill in the County Court is 48 weeks. There are no official figures we could locate on duration in the High Court but our own experience (and we understand from FOIL, the experience of their other members) is that the process takes at least double that time in the High Court.

As regards Counsel, the reliance on a "swings and roundabouts" approach is again considered inappropriate. There should be differentiation in terms of the type of case that Counsel is requested to handle, such that there should be no overreliance on Counsel expected in simpler cases.

The vast majority of claims will be simple, quantum only motor claims – where the level of quantum will rarely make the claim more complicated. Therefore, again we consider this further evidence of the need for separate scales for different types of case. In these simple claims, Counsel tend to be instructed late in the process, there is significantly less work to be done than in the High Court in terms of reviewing papers etc. and as we have noted above, the level of work does not increase significantly, just because of an increase in quantum. We do not consider that the rates proposed for Counsel as they are can be justified.

We reiterate the points above in respect of the fundamental changes to the make-up of cases dealt with in the County Court and the inflation of damages, personal injury and special losses.

We consider that the application of the Comerton scale in these circumstances is not appropriate.

Question 5: Do you agree with the Committee's approach to setting the scale costs for proceedings where no intention to defend is served?

No. Again our position is that costs should be staged and not a flat fee by reference to quantum. If staging were to be introduced that would resolve the issue without the application of the flat fee across the bands.

Question 6: Do you agree with the Committee's approach to setting the appropriate scale costs for defamation cases?

No. Again we consider that the approach adopted is too broad brush and that a staged approach should be adopted.

Question 7: Do you agree with the Committee's proposal in relation to the defendant's costs in remitted actions?

⁵ NICTS Judicial Statistics | Department of Justice

Yes.

Question 8: Do you agree with the proposed scale costs detailed in Appendix 2?

No. As a minimum we do not accept that the application of the GDP deflator to the calculations is appropriate. SPPI should be the preferred index for the scale costs.

We also do not accept that in light of the mix of cases that will be in the County Court, nor as a result of the application of claims inflation, that the proposed scale costs can be said to represent fair and reasonable remuneration.

Question 9: Do you agree with the Committee's proposal that the ceiling on solicitor's costs for an additional day should be raised to £1,000?

No. The appropriate index to be applied should be SPPI not the GDP deflator.

Question 10: Do you agree that the rules should allow for the enhancement of costs in cases involving claims for these diseases?

No. In our view the provisions in Order 55, r.11(1)(ba) should remain as they are. We do not accept that the list should be widened out to the wider list in Part 6B of the Guidelines. This substantially widens the basis of these claims away from asbestos related claims, to a far wider range of claims, including minor injuries.

The current wording of Order 55 rule 11(1)(ba) has a clear and limited purpose: to recognise that certain asbestos claims, particularly diffuse mesothelioma and asbestosis-related disease claims, may involve exceptional features, including long latency, historic exposure, multiple employers, insolvent or dissolved entities, insurance tracing, apportionment and complex causation. That is a targeted exception to the ordinary scale costs regime.

The proposed amendment would materially dilute that purpose. It would move the rule away from a narrow asbestos-specific exception and convert it into a broad respiratory disease exception. Conditions such as asthma, chronic bronchitis, chronic obstructive airways disease and mild respiratory conditions do not necessarily involve historic exposure, multiple tortfeasors, tracing issues or complex causation. Many may be short-tail, recent, mild and factually straightforward. The proposed amendment therefore risks treating very different types of claim as if they shared the same complexity profile as mesothelioma or asbestosis.

The present wording preserves a limited exception for a distinctive class of asbestos-related litigation. The proposed wording would broaden that exception to such an extent that it ceases to be exceptional. If the justification for enhanced costs is simply that some cases within a category may be complex, that logic applies across the whole spectrum of County Court litigation. On that analysis, a discretionary uplift could be argued for in any case type where complexity arises.

Chest disease claims are not homogeneous. Whilst some may be complex, others are relatively straightforward. By way of example, many pleural plaques claims involve historic employers for whom little or no evidence is available, with the claim proceeding largely by reference to medical records and plaintiff medical expert evidence. Such claims are not necessarily more complex than many other personal injury claims for which no enhancement is available.

The proposed extension to asthma, chronic bronchitis, chronic obstructive airways disease and mild respiratory conditions would also encompass a broad range of claims, many of which involve straightforward issues of liability and causation. We do not consider that the

consultation paper provides evidence that these claims, as a class, justify special treatment within the costs regime.

The proposal also presumes that the court will be in a position to make a reliable assessment of complexity. In practice, relatively few such disease claims proceed to trial. This means the court may be asked to exercise a discretion in respect of a case type where it has had limited visibility of the work actually undertaken or the issues encountered during the litigation. That adds to the burden on the court and further reduces predictability.

Finally, we do not consider that the Green Book provides a principled basis for determining categories of cases eligible for enhanced costs. The fact that a condition appears within the lung disease section of the damages guidelines does not mean that claims involving that condition are inherently more complex or justify departure from the ordinary scale.

Question 11: What, if any, other matters should be taken into account when assessing the impact of the proposals in this paper?

In our view, there should be a full review of the types of case that are currently within the County Court and the work that it required to conduct such cases.

Whilst we have no objection to scale costs as such, we do not consider that the "Swings and roundabouts" approach is appropriate any longer given the nature of the cases in the County Court. For scale costs to work, we consider that there should be separate scale costs for motor claims and that staging should be introduced.

We would be keen to see reform to the litigation process in Northern Ireland to bring claims handling more in line with streamlined process available in England & Wales and an accompanying reduction in costs to reflect that streamlining.