

# Update on changes to the jurisdiction of the Small Claims Division in NSW

*Justice Legislation Amendment Bill (No 3) 2018 (NSW)*

Paul Angus & Nathan Lara | December 2018 | General Insurance

On 28 November 2018, the *Justice Legislation Amendment Act (No 3) 2018 (NSW)* received Royal Assent. The amendment introduced by Schedule 1.20 of the Act to increase the Small Claims Division jurisdictional limit is to commence on a date to be appointed by proclamation.

We understand that the jurisdictional limit increase will be implemented at about the same time as changes to the Online Registry system in or about May 2019.

The Act amends the jurisdictional limit of the Small Claims Division of the Local Court from \$10,000 to \$20,000. This change will not apply to proceedings commenced before the date of proclamation.

For insurers the implications of this reform will be substantial. The change will affect insurers and third parties alike in their assessment of litigating disputes, with due regard being given to costs implications, the associated changes in terms of both evidence and procedure and the consistency of approach to determinations.

A flood of new filings in the Small Claims Division may accompany the initial phase of the new regime. Certain stakeholders will be seeking to avoid the level of costs and complication associated with running matters in the General Division of the Local Court.

It is expected that a Practice Note will be issued by the Court to provide further clarification around the implementation of these changes and accompanying amendments to the costs scale may also be considered.

TurksLegal will provide further details and updates as developments become known.

## For more information, please contact:



**Paul Angus**

Partner

T: 02 8257 5780

M: 0408 188 808

[paul.angus@turkslegal.com.au](mailto:paul.angus@turkslegal.com.au)



**Nathan Lara**

Law Clerk