



CHURCHERS
SOLICITORS

Our guide to the small claims process

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What is the small claims process?

The court has created a simple process for individuals to receive compensation of less than £10,000 for minor disputes against another person. A small claim can be started either through an online service called Money Claims Online, or by filling out a paper form and posting it to the court and opposing party.

There are several stages to the small claims process which the court has set out in directions called the Civil Procedure Rules. **It is important to follow these stages to avoid any consequences from the court.**

Can your case go through the small claims court?

If your claim is for a value of less than £10,000, you may be able to resolve your dispute through the small claims court.

It is often not necessary for you to instruct a solicitor to help you when resolving a small claims dispute and you may find yourself spending a significant amount of money on legal fees which will eat into the compensation you could be awarded.

The process can be complicated, so we have created a guide to ensure you are equipped to navigate this process alone and to relieve some of the stresses that come with any legal proceedings.

What type of dispute can be brought to the small claims court?

If you are owed less than £10,000 by another party then you may be able to follow the small claims process. The main disputes that can follow the small claims process are:

- Your landlord refuses to undertake minor repairs to a property that are less than £1,000 in value
- Compensation for a faulty product valued at less than £10,000
- Compensation for a poor service valued at less than £10,000
- If you are owed a refund of less than £10,000 from an individual or business
- If you are owed less than £10,000 for work you may have done for an individual, for example if you are self-employed
- If you have been injured in an accident and you believe the claim will be valued at no more than £10,000 and the value of any claim for damages for your injuries is:

- a. No more than £5,000 in a claim for injuries arising from a road traffic accident that occurred after 31 May 2021;
- b. No more than £1,000 in a claim for injuries arising from a road traffic accident that occurred before 31 May 2021;
- c. No more than £1,500 in any other claim for injuries.

If you believe you have a small claim and you wish to take legal action, this guide will walk you through each step of the process. There are also other organisations that can assist you in navigating the process of a small claim such as your local Citizens Advice Bureau.

If you are starting your claim using the Money Claims Online Service, you can call their helpline on 0300 123 1057 or 01604 619 402. The service does not offer legal advice, but it can help you navigate the online system.

If you are starting your claim using the paper form, you can contact the county court Money Claims Centre on 0300 123 1372 for assistance. The centre will also not be able to offer legal advice.

Starting a small claim

Stage 1: Start collecting evidence

The first thing you need to do before starting a small claim is to collect and preserve any evidence you have that shows the opposing party's fault and that they owe you money. Evidence can include things like receipts or invoices, written contracts, witness statements, photographs or videos. If your claim ends up going to the court, this evidence will be presented to a judge and they will use it to decide whether or not to award you compensation.

You can continue collecting evidence throughout the small claims process if you find any evidence that you believe is relevant to your claim.

Stage 2: Letter Before Action

Before you begin pursuing any formal action against the party at fault (otherwise known as the defendant) the court requires you to first write a letter to the defendant called a Letter Before Action.

A Letter Before Action allows you to write directly to the defendant outlining a summary of the events that have led to the dispute, and states how much money you want from the defendant to resolve the dispute. You can state in the letter that if the defendant fails to reply to the letter before action after a certain time then you will begin legal action.

We have created a template below for you to fill out with the relevant details of your claim. Once you have written your letter before action make sure you keep a copy for your records. Send the original letter to the defendant and make sure you get proof of postage from the post office.

Letter Before Action template

(Defendant's address)

Please reply to:
(your address)

(date)

Dear Sir/Madam,

Letter Before Action

I write to you to claim **(insert amount of money you are claiming from defendant)** because **(insert the reason why you are owed the money by the Defendant)**.

Details of the claim

(Briefly summarise and explain the events that have occurred between you and the defendant which has led you to write this letter. State when the event happened and how it happened. Include any evidence you have to show the defendant owes you money.)

I am requesting **(insert the money or service you are demanding from the defendant)**. I ask you to reply to this letter as soon as possible and agree to the terms I have outlined.

If you do not respond within 14 days of the date of this letter, or I am not satisfied with your response, I will issue proceedings with the county court.

I look forward to hearing from you.

(Name)

Stage 3: Completing a claim form

If you are not satisfied with the defendant's response to the Letter Before Action or they do not reply within the time limit, you can formally start the small claim process by filling out a claim form.

You have the choice to complete the claim form either online or on paper. If you decide to complete the claim form online, you will need to go to the [Money Claims Online](#) website. You will only be able to complete the online process if you comply with the following:

- **You are over 18**
- **The defendant is over 18**
- **You don't need help with court fees**
- **You are not making a claim for an accident or injury**



If you need help navigating the Money Claims Online website, you can ring its helpline on 0300 123 1057 or 01604 619 402. They will be unable to offer legal advice.

If you or the defendant is aged under 18, you must complete the claim form on paper using [Form N1](#).

You will need to complete all the relevant sections and post it to the following address:

County Court Money Claims Centre
PO Box 527
Salford
M5 0BY

If you need any help in completing the paper version of the claim form, you can call the County Court Money Claims Centre on 0300 123 1372 or use its guide found [here](#).

Whether you decide to submit the claim form online or via post, you will have to pay a fee. The fee amount depends on the amount you are claiming. You can find out what fee you will have to pay using page five of the HM Courts and Tribunals Service Court Fees Guide [here](#).

You may be eligible for financial support for fees if you are claiming benefits or have a low income. This may mean that you will not have to pay the fee. Visit the [gov.uk website](#) to see if you are eligible for financial support with fees. Once you have submitted the claim form to the court, they will send a copy of the claim form to the defendant.

Upon receiving the claim form, the defendant can choose how to respond. These choices come with different rules and will affect how you decide to proceed with the claim.

Defendant's response to the claim

1. The defendant does not reply

If the defendant chooses to not reply to your claim within 14 days of receiving the claim form, you can ask the court for a judgment in default.

A judgment in default means the court will issue a judgment against the defendant without having to go to trial or without a response from the defendant. This will mean that you will be awarded some or all of the compensation you have asked for on the claim form.

However, be aware that you must apply for a judgment in default - it will not be given automatically. The method in which you must apply for a default judgment will depend upon whether you submitted your claim form online or in paper form.

If you submitted your claim form via Money Claims Online, you will be able to request for a judgment in default to be given by the court on the Money Claims Online platform. You must log in to your Money Claims Online account and select your claim from the claim menu.

In the '**Claim Overview**' section, select '**Request Judgment**'. You must then choose the option '**Judgment by Default**' and select the defendant you are requesting the judgment from.

Once you have selected the default judgment option, you can choose whether to request payment from the defendant in full, by a specific date, or in instalments. If you ask the defendant to pay the judgment in instalments, the defendant will be ordered to pay the first instalment one month from the date the court accepts the judgment.

You will be shown a summary of the request for default judgment and if you are happy with it, you can press '**submit**'. The court will review your request and you will be notified if it has accepted your request.

If you submitted your claim form via post, there are **two** potential forms you may have to fill out and send to the court.

- 1) If you are asking for a fixed or specific amount of compensation, for example the cost of replacing a faulty item, you must complete [Form N225](#) requesting for default judgment and send it to the court.
- 2) If you are asking for an unspecified amount of compensation, for example money you feel you are owed for an accident or injury, you must fill in [Form N277](#) requesting for default judgment and send it to the court.

The court will review your application for default judgment and may approve your default judgment request.

2. The defendant sends you an acknowledgment of service

The second way in which a defendant may reply to your claim is by sending you an **acknowledgment of service**. A defendant will usually choose this route if they are unsure as to how they wish to reply to your claim, and they want some extra time to construct a defence.

An acknowledgment of service will tell you that the defendant has received and acknowledged the claim you have made against them and that they plan to submit a defence. The defendant must send the acknowledgment of service within 14 days of receiving your claim form.

If the defendant does send you an acknowledgement of service within 14 days, they have an additional 14 days to send a formal defence starting from the date on which they received your claim form. This means that the defendant has 28 days altogether to file a defence from the date they received the claim form.

If the defendant does not reply at all within 14 days, or fails to send a formal defence within 28 days of receiving the acknowledgement of service, then you will be able to ask the court for a judgment in default. See above for how to do this.

The defendant can also accept all or part of the claim on the acknowledgment of service. If the defendant accepts the claim on the acknowledgement of service, you can ask the court for a judgment on acceptance.

Judgment on acceptance

If you have started your claim using the Money Claims Online Service, you can follow the same steps as outlined above for a default judgment when requesting a judgment on acceptance.

Once you have selected '**Request Judgment**' on the Money Claims Online platform, you must select '**Judgment on Acceptance**'. You will only be able to request a judgment on acceptance if the defendant has admitted they are liable.

3. The defendant sends you a formal defence

After receiving the claim form from you, the defendant may disagree with your claim and refuse to pay you compensation. If this happens, the defendant could send you a formal defence explaining the reasons why they disagree. The court will send you the defence on behalf of the defendant.

The defendant may also submit a counterclaim with their defence if they believe that you owe them compensation. The defendant must send you the defence within 14 days of them receiving the claim form, or 28 days if they sent you an acknowledgement of service before.

Once the defendant submits their defence, the court will decide whether to deal with your claim by a hearing or not. You and the defendant will both be sent a **directions questionnaire** by the court. This will include details of the date and time of the hearing, and any other actions you and the defendant must take before you attend the hearing.

The court will ask that you try and deal with your dispute via mediation before going to a formal hearing. If this is suggested, it is a good idea to agree to this as it will show that you are willing to cooperate with the court and defendant.

How to complete a directions questionnaire

Once a defendant has submitted their formal defence to the court, the court will send a directions questionnaire to you and the defendant arranging a date for the hearing.

You must complete this questionnaire and send it to the court so a hearing can be arranged. An example of a directions questionnaire can be seen [here](#).

The following section will guide you through the process of completing each section within a directions questionnaire.

Section A: Settlement and mediation options

The first section of the directions questionnaire explains that you and the defendant should make every effort to try and settle your small claim without having to go to a hearing.

The questionnaire highlights several options of settling your claim outside of a court setting, which includes direct negotiation with the defendant, or using the [Small Claims Mediation Service](#). You can find out more about this service on pages 14 and 15.

The questionnaire will ask if you wish for your claim to be referred to the small claims mediation service. It is advised that you tick 'yes' and agree to having your case referred to mediation as it will demonstrate to the court that you are willing to cooperate with them and the defendant.

If you attempt mediation with the defendant and it is unsuccessful, you will be able to proceed to a hearing to resolve your claim at the court.

Section B: Your contact details

The next section of the directions questionnaire requires you to fill out your contact details, including your full name, address, phone number, and email address.

It is particularly important that you fill out this section as thoroughly and carefully as possible because the court and small claims mediation service will use these details to contact you.

Section C: Track

This section asks you to confirm that your claim is appropriate for the small claims track. In essence, the court is asking you whether or not you believe your claim is worth less than £10,000.

If you do believe your claim will be valued at less than £10,000, tick 'yes'. If you think your claim will actually be worth more than £10,000, you will need to tick 'no' and explain the reason for your belief in the box allocated.

Section D: Suitability for determination without a hearing

Section D of the questionnaire asks if you believe your claim is suitable for determination without a hearing. This means that the judge will decide on the outcome of your claim and if you will be awarded compensation without you or the defendant attending a hearing.

The judge will reach a conclusion by reading the case papers including your claim form, any witness statements, and any other documents that you have sent to the court.

If your claim is relatively simple, you can tick 'yes' and avoid having to go through the court process in person. However, there are certain circumstances in which you should tick 'no' and attend a hearing in person. These circumstances are as follows:

- If there are disputes of the facts within the claim and it is necessary for the judge to hear from witnesses directly.
- The issues of the claim are very complex so need to be argued orally.

If either of the above circumstances apply to your claim, you will need to state these reasons in the box allocated in this section.

Section E: The hearing

The last section of the directions questionnaire asks you to fill out details regarding the hearing. You must fill out this section even if you have ticked 'yes' in section D for your claim to be determined without a hearing.

Section E1 asks you which county court hearing centre you would prefer the hearing to take place at and why. You can request for your claim to be heard at your nearest county court hearing centre and explain that it is for reasons of being close to your home.

You can search for your nearest county court hearing centre by using the 'Find a Court or Tribunal' search on gov.uk [here](#).

Section E2 asks you whether you require the court's permission to use the written evidence of an expert. This will apply to you if you are wishing to use an expert witness to provide evidence in support of your claim. Instructing an expert witness will usually only apply if your claim concerns an accident or injury and you wish to get an expert medical report on your injuries and prognosis.

If you are intending to instruct an expert witness, you must tick 'yes' in this section as the court will have to grant you permission to use an expert.

Section E3 asks how many witnesses, including yourself, will be giving evidence on your behalf at the hearing. It is important that you count all of the witnesses you intend to bring to the hearing as the court must be given notice of your intention to call a witness.

If you do intend to call a witness, your witness's expenses for travel, accommodation, and loss of earnings whilst they are attending the hearing should be met by you. You may be able to claim these expenses back from the defendant if you win your claim.

Section E4 asks whether there are any days within the next six months when you, an expert, or witness is unable to attend a hearing at the court. It is important that you ask any witnesses or experts you intend to rely upon of their availability to ensure that you will all be able to attend the hearing.

It will also ask you whether an interpreter is required during the hearing. If so, please tick 'yes' and specify the type of interpreter you may need.

Section E5 asks whether you or any of your witnesses are vulnerable in any way and will require the court's consideration. This may include if you or a witness are disabled and require adjustments during the hearing.

Once you have completed all sections of the directions questionnaire and are happy with its contents, you must sign the form and return it to the court. Once the court has received your directions questionnaire, they will contact you with a **Notice of Allocation** if you decided to proceed to a hearing or the court believed your claim needed to go to a hearing.

A Notice of Allocation will explain the date and time of your hearing and any other information you will need in preparation for the hearing. The notice will also explain any other tasks you must complete before the hearing.

Alternatively, if the court has decided to come to a determination on your small claim without a hearing, you will receive information from the court regarding this.

Small Claims Mediation Service

The court is always looking for alternative ways to settle a dispute that does not involve going to a hearing. Mediation is one of the ways that your claim could be settled outside of the court setting.

It is important that you at least consider accepting mediation if it is offered to you, as it will demonstrate to the court that you are willing to cooperate with them and the defendant.

This article will give you an insight into the mediation process, specifically the Small Claims Mediation Service.

What is the small claims mediation service?

The [Small Claims Mediation Service](#) is organised by HM Courts and Tribunals and offers free mediation to help resolve your dispute without the need for a hearing.

During the mediation process, you and the defendant will work alongside a trained mediator who will adopt a neutral stance and assist you in finding a way to resolve your dispute.

The mediation session will usually be conducted over the telephone and will last around an hour depending on the nature of your claim.

When will you be offered mediation?

The court will offer you and the defendant the opportunity to undertake mediation if you submit a small claim using a claim form and the defendant disputes it.

When filling out your directions questionnaire, you will be asked to confirm whether you are willing to undertake mediation using the small claims mediation service and settle your dispute without going to a hearing.

If you tick 'yes' to this, a mediator from the Small Claims Mediation Service will contact you and the defendant to arrange a mediation session. **Both you and the defendant must agree to undertake mediation for your claim to be referred to the Small Claims Mediation Service.**

If one of you does not consent to participating in mediation, your claim will instead proceed to a hearing.

What will happen during mediation?

During a mediation session, the mediator will seek to resolve your dispute by listening to both your and the defendant's view. The mediator will speak to you and the defendant separately and you are therefore not required to speak to the defendant directly.

The mediator will try to find a resolution that will be satisfactory to you and the

defendant. It is important that you both participate in mediation positively and work with the mediator to come to a fair resolution. You should also be willing to compromise to some extent.

What happens if you reach an agreement during mediation?

If you and the defendant both agree to a settlement during mediation, this will mean that you will not have to attend a hearing to resolve your dispute. You will both make a verbal agreement over the telephone during mediation, which is legally binding.

After the verbal agreement is made, you and the defendant will be sent a written document outlining the terms that have been verbally agreed. This is called a settlement agreement and is also legally binding.

A legally binding document requires you and the defendant to comply with its terms. If either of you do not comply with the agreed terms, the other party can go to the court to ask for a judgment or hearing on the basis that you breached the settlement terms.

What happens if we do not reach an agreement during mediation?

Neither you nor the defendant have to agree to the settlement suggested during mediation. If you feel that you are owed more than has been offered during mediation, you can politely decline the settlement suggestion and proceed to a hearing.

When your claim goes to a hearing, anything said during mediation cannot be mentioned in the court. If you require any further information or help regarding the small claims mediation service, call its helpline on 0300 123 4593.

How to prepare for a small claims hearing

Once you and the defendant have completed and returned the directions questionnaire, you will receive a document from the court outlining the details of your hearing at least 21 days before the hearing.

This document is called a Notice of Allocation - an example of it is provided [here](#). The Notice of Allocation will state the date, time and estimated duration of your hearing. It will also outline any instructions that the judge has ordered you and the defendant to comply with to ensure that the hearing goes smoothly, such as preparing a witness statement.

These instructions are otherwise known as directions. It is very important that you abide by these directions to avoid any consequences arising from the court. Consequences could include you having to pay extra costs, your claim being dismissed, or being unable to call a witness.

If you or the defendant cannot attend the hearing date, you must write and tell the court at least seven days before the date of your hearing. The judge will likely hear the case without you there, but will consider your claim form and any other documents or statements you have filed with the court.

However, if you are unable to attend the hearing and you fail to notify the court as above, the judge may strike out your claim. **This means that your claim will no longer exist and you will be unable to claim any compensation for your losses.**

If you attend but the defendant does not, the judge is able to make a decision based on your evidence only.

Organising your evidence

In preparation for attending your hearing, it is a good idea to organise any evidence and prepare some points you wish to make to the judge.

You should first refresh your memory by reading the claim form you submitted and any defence or counterclaim the defendant also submitted. It may be helpful to note down any points that you wish to raise in the hearing, and any points in the defence that you disagree with. This will ensure that you are prepared for questions the judge may have and will calm your nerves ahead of attending the hearing.

You should also collect any pieces of evidence you want to rely on in the hearing and put them in date order. It is important that you bring the original versions of any evidence to the hearing as the court will not accept any copies. If you do not have the original versions, you may not be able to rely on the evidence during the hearing.

Any evidence you want the judge to consider at the hearing will need to be sent to the court and defendant with your witness statement. You cannot produce evidence at the hearing that you have not already provided to the court and defendant in advance.

Attending a small claims hearing

Attending a court hearing can be a stressful experience. However, we have created this guide so you know what to expect at a small claims hearing and to minimise stress.

What to expect during the hearing

A small claims hearing is an informal process and will be held in an office-like room. The judge will not wear a wig or a gown and there will not be a jury in attendance.

You and the defendant will sit separately in the courtroom and you do not have to speak to them during the hearing.

If you are seeking to rely on witnesses for your hearing, then it is important that you and your witnesses arrive on time. If you are relying on evidence during your hearing, then you must bring the original versions to the court. If you do not bring the original documents to the hearing, the judge may decide to not consider this evidence at all.

If you feel that you would benefit from extra support during the hearing, you can bring a friend or family member. They will be able to sit behind you in the courtroom, but they won't be able to speak on your behalf.

What will be expected of me during the hearing?

During the hearing, you may be asked questions by the judge. It is important that you answer these questions as honestly and clearly as possible to ensure that the judge and the defendant are able to understand your answer.

You may be asked to summarise your case to the judge during the hearing. This is the point in which any notes you have prepared in advance will become useful. Make sure to speak slowly, clearly and coherently to ensure the judge is able to understand your side of the story. This may be the only opportunity you have to explain to the judge why you feel the defendant owes you compensation.

If you need to address the judge during the hearing you must refer to them as **Judge**, not Sir, Miss or Ma'am.

What will be expected of the defendant during the hearing?

The judge may ask the defendant questions, or ask them to summarise their case. If you disagree with any point the defendant makes during the hearing, you should make a note of it. If given the opportunity, you could raise the point you disagree with if asked to respond by the judge.

What happens once the judge makes a decision?

Once the judge feels they have asked you and the defendant enough questions, they will come to a decision. At the end of the hearing, the judge will outline their decision to you and the defendant, otherwise known as a judgment.

If you win your claim, the judge will order the defendant to pay some or all of what you have claimed for. The judge will order the defendant to pay interest, your court fee expenses, reasonable travel expenses, and any other expenses that the judge deems appropriate.

What if my case didn't have a hearing?

If a judge decided that a hearing wasn't needed to come to a decision, you will receive the judgment via post.

What if I disagree with the judge's decision?

If you lose your claim and disagree with the judge's decision, you can ask the court for permission to appeal. However, the court will only consider an appeal if the judge made a legal mistake.

If you do decide to appeal, you must do so within 21 days of the court's decision. **We recommend that you also get legal representation or advice if you decide to appeal the decision.**

How to write a witness statement

If you decide to rely on witness evidence as part of your small claim, every witness must write a witness statement. As the claimant, you must also write a witness statement setting out the events of the claim as you see them. This section will provide you with some useful guidance as to how you can write a witness statement for the court.

Witness statement template

The court has a set of rules that requires a witness statement to be in a standard layout. We have provided you with a template to follow when preparing a witness statement.

On behalf of the claimant made by **(witness name)**

No: 1
Exhibits:
Dated:

IN THE **(NAME OF COURT)** Claim number:

BETWEEN:

(CLAIMANT NAME)

And

(DEFENDANT'S NAME)

1st WITNESS STATEMENT OF **(WITNESS NAME)**

Name:

Date of birth:

Address:

Occupation:

I believe the facts stated in this Witness Statement to be true.

1. I make this statement in support of **(claimant name)** the claimant, in the above claim for damages against the Defendant arising from **(insert brief circumstances of the claim)**
2. **(Insert facts here)**
- 3.
- 4.
- 5.
- 6.
- 7.

Statement of Truth

I believe the facts stated in this witness statement to be true. I understand that proceedings for contempt of court may be brought against anyone who makes, or causes to be made, a false statement of truth without an honest belief in its truth.

Dated:

Signed:

(name of witness)



The witness statement must be, if possible, in the witness's own words and should be written in the first person.

The statement should include all facts of the case and be written in chronological order. Any emotional points including how the circumstances of the claim have affected you or the witness should also be included where appropriate.

Try and include as much information as possible that you or the witness believes will help you win your claim.

However, be aware that if your claim proceeds to a hearing, you may be asked questions about your witness statement by the judge or barristers.

It is possible to rely on evidence to support the witness statement, for example a copy of a contract or photographs of an accident. If the witness intends to rely on this evidence, it will need to be provided in the form of exhibits.

These exhibits will need to be mentioned in the body of the witness statement when referred to and should be clearly labelled.

Statement of Truth

When you sign the statement of truth, you are agreeing that the contents of the witness statement are true. If you are found to have signed the statement of truth and subsequently lied in your statement, you may be found in contempt of court. Therefore, it is important that you ensure everything written in your witness statement is the truth.

Once you have all of the witness statements you would like to produce in favour of your claim, you will need to file the statements with the court where the hearing will proceed.