

Guidelines on Procedure under the LMAA Small Claims Procedure 2021

The intention of the LMAA Small Claims Procedure is to provide a simple, quick and inexpensive procedure for the resolution of small claims. To achieve this paragraph 5 of the Procedure limits strictly the number and length of letters of submission.

Users of the Procedure are reminded that:

- (i) all letters of submission are to be accompanied by relevant documents, and
- (ii) the limits on the length of letters of submission are as follows:
 - Letters of Claim 2,500 words
 - Letters of Defence and Counterclaim 2,500 words
 - Letters of Reply 1,000 words
 - Letters of Defence to Counterclaim 2,500 words
 - Letters of Reply to Defence to Counterclaim 1,000 words

Arbitrators may require letters of submission that do not comply with these requirements to be re-submitted in a form that complies with those stated in the Procedure.

Particular attention is drawn to the occasional practice of serving Letters of Claim that merely assert a claim (for example as a claim based simply on a hire statement) but without any substantive explanation of the nature of any underlying dispute, or the claimant's position in respect of the dispute, and which instead defer the provision of such information until the service of Letters of Reply. This is despite the fact that in most cases the nature and detail of the dispute will have become apparent from correspondence between the parties leading to arbitration.

Such a practice is inappropriate in cases proceeding under this Procedure and leads merely to additional rounds of submission and an increase in the time and expense of the reference. Where, as in most instances, a claimant is aware – at least in outline – of the respondent's objections, those must be dealt with as far as possible in the Letter of Claim.

Therefore if, in the opinion of the arbitrator, a claim is insufficiently pleaded in a Letter of Claim (or Counterclaim) under this Procedure, the arbitrator may order the claimant (or counter-claimant) to re-serve a more fully pleaded letter of submission that complies with paragraph 5 of the Procedure, and time for service of any Defence (or Defence to Counterclaim) will not begin to count until such letter has been served.

Where, in the opinion of the arbitrator, costs are increased because the Claim (or Counterclaim) was inadequately pleaded or was not supported by appropriate evidence, any additional costs incurred in consequence may be awarded against the party whose letter of submission was deficient, regardless of the outcome of the case.