

SCHEDULE 2

Rule 9

PART 19

PARTIES AND GROUP LITIGATION

Contents of this Part

Parties—general	Rule 19.1
I ADDITION AND SUBSTITUTION OF PARTIES	Rule 19.2
Change of parties—general	
Provisions applicable where two or more persons are jointly entitled to a remedy	Rule 19.3
Procedure for adding and substituting parties	Rule 19.4
Special provisions about adding or substituting parties after the end of a relevant limitation period	Rule 19.5
II REPRESENTATIVE PARTIES	Rule 19.6
Representative parties with same interest	
Representation of interested persons who cannot be ascertained etc.	Rule 19.7
Death	Rule 19.8
Derivative claims	Rule 19.9
III GROUP LITIGATION	Rule 19.10
Definition	
Group Litigation Order	Rule 19.11
Effect of the GLO	Rule 19.12
Case management	Rule 19.13
Removal from the register	Rule 19.14
Test claims	Rule 19.15

Parties—general

19.1 Any number of claimants or defendants may be joined as parties to a claim.

I ADDITION AND SUBSTITUTION OF PARTIES

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Change of parties—general

19.2.—(1) This rule applies where a party is to be added or substituted except where the case falls within rule 19.5 (special provisions about changing parties after the end of a relevant limitation period^(gl)).

- (2) The court may order a person to be added as a new party if—
 - (a) it is desirable to add the new party so that the court can resolve all the matters in dispute in the proceedings; or
 - (b) there is an issue involving the new party and an existing party which is connected to the matters in dispute in the proceedings, and it is desirable to add the new party so that the court can resolve that issue.
- (3) The court may order any person to cease to be a party if it is not desirable for that person to be party to the proceedings.
- (4) The court may order a new party to be substituted for an existing one if—
 - (a) the existing party’s interest or liability has passed to the new party; and
 - (b) it is desirable to substitute the new party so that the court can resolve the matters in dispute in the proceedings.

Provisions applicable where two or more persons are jointly entitled to a remedy

19.3.—(1) Where a claimant claims a remedy to which some other person is jointly entitled with him, all persons jointly entitled to the remedy must be parties unless the court orders otherwise.

- (2) If any person does not agree to be a claimant, he must be made a defendant, unless the court orders otherwise.
- (3) This rule does not apply in probate proceedings.

Procedure for adding and substituting parties

19.4.—(1) The court’s permission is required to remove, add or substitute a party, unless the claim form has not been served.

- (2) An application for permission under paragraph (1) may be made by—
 - (a) an existing party; or
 - (b) a person who wishes to become a party.
- (3) An application for an order under rule 19.2(4) (substitution of a new party where existing party’s interest or liability has passed)—
 - (a) may be made without notice; and
 - (b) must be supported by evidence.
- (4) Nobody may be added or substituted as a claimant unless—
 - (a) he has given his consent in writing; and
 - (b) that consent has been filed with the court.
- (5) An order for the removal, addition or substitution of a party must be served on—
 - (a) all parties to the proceedings; and
 - (b) any other person affected by the order.
- (6) When the court makes an order for the removal, addition or substitution of a party, it may give consequential directions about—
 - (a) filing and serving the claim form on any new defendant;

- (b) serving relevant documents on the new party; and
- (c) the management of the proceedings.

Special provisions about adding or substituting parties after the end of a relevant limitation period

- 19.5.**—(1) This rule applies to a change of parties after the end of a period of limitation under—
- (a) the Limitation Act 1980⁽¹⁾;
 - (b) the Foreign Limitation Periods Act 1984⁽²⁾;
 - (c) section 190 of the Merchant Shipping Act 1995⁽³⁾; or
 - (d) any other statutory provision.
- (2) The court may add or substitute a party only if—
- (a) the relevant limitation period^(gl) was current when the proceedings were started; and
 - (b) the addition or substitution is necessary.
- (3) The addition or substitution of a party is necessary only if the court is satisfied that—
- (a) the new party is to be substituted for a party who was named in the claim form in mistake for the new party;
 - (b) the claim cannot properly be carried on by or against the original party unless the new party is added or substituted as claimant or defendant; or
 - (c) the original party has died or had a bankruptcy order made against him and his interest or liability has passed to the new party.
- (4) In addition, in a claim for personal injuries the court may add or substitute a party where it directs that—
- (a) (i) section 11 (special time limit for claims for personal injuries); or
(ii) section 12 (special time limit for claims under fatal accidents legislation),
of the Limitation Act 1980 shall not apply to the claim by or against the new party; or
 - (b) the issue of whether those sections apply shall be determined at trial.
- (Rule 17.4 deals with other changes after the end of a relevant limitation period^(gl))

II REPRESENTATIVE PARTIES

Representative parties with same interest

- 19.6.**—(1) Where more than one person has the same interest in a claim—
- (a) the claim may be begun; or
 - (b) the court may order that the claim be continued,
- by or against one or more of the persons who have the same interest as representatives of any other persons who have that interest.
- (2) The court may direct that a person may not act as a representative.
 - (3) Any party may apply to the court for an order under paragraph (2).

(1) 1980 c. 58.
(2) 1984 c. 16.
(3) 1995 c. 21.

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- (4) Unless the court otherwise directs any judgment or order given in a claim in which a party is acting as a representative under this rule—
- (a) is binding on all persons represented in the claim; but
 - (b) may only be enforced by or against a person who is not a party to the claim with the permission of the court.
- (5) This rule does not apply to a claim to which rule 19.7 applies.

Representation of interested persons who cannot be ascertained etc.

- 19.7.**—(1) This rule applies to claims about—
- (a) the estate of a deceased person;
 - (b) property subject to a trust; or
 - (c) the meaning of a document, including a statute.
- (2) The court may make an order appointing a person to represent any other person or persons in the claim where the person or persons to be represented—
- (a) are unborn;
 - (b) cannot be found;
 - (c) cannot easily be ascertained; or
 - (d) are a class of persons who have the same interest in a claim and—
 - (i) one or more members of that class are within sub-paragraphs (a), (b) or (c); or
 - (ii) to appoint a representative would further the overriding objective.
- (3) An application for an order under paragraph (2)—
- (a) may be made by—
 - (i) any person who seeks to be appointed under the order; or
 - (ii) any party to the claim; and
 - (b) may be made at any time before or after the claim has started.
- (4) An application notice for an order under paragraph (2) must be served on—
- (a) all parties to the claim, if the claim has started;
 - (b) the person sought to be appointed, if that person is not the applicant or a party to the claim; and
 - (c) any other person as directed by the court.
- (5) The court’s approval is required to settle a claim in which a party is acting as a representative under this rule.
- (6) The court may approve a settlement where it is satisfied that the settlement is for the benefit of all the represented persons.
- (7) Unless the court otherwise directs, any judgment or order given in a claim in which a party is acting as a representative under this rule—
- (a) is binding on all persons represented in the claim; but
 - (b) may only be enforced by or against a person who is not a party to the claim with the permission of the court.

Death

19.8.—(1) Where a person who had an interest in a claim has died and that person has no personal representative the court may order—

- (a) the claim to proceed in the absence of a person representing the estate of the deceased; or
- (b) a person to be appointed to represent the estate of the deceased.

(2) Where a defendant against whom a claim could have been brought has died and—

- (a) a grant of probate or administration has been made, the claim must be brought against the persons who are the personal representatives of the deceased;
- (b) a grant of probate or administration has not been made—
 - (i) the claim must be brought against “the estate of” the deceased; and
 - (ii) the claimant must apply to the court for an order appointing a person to represent the estate of the deceased in the claim.

(3) A claim shall be treated as having been brought against “the estate of” the deceased in accordance with paragraph (2)(b)(i) where—

- (a) the claim is brought against the “personal representatives” of the deceased but a grant of probate or administration has not been made; or
- (b) the person against whom the claim was brought was dead when the claim was started.

(4) Before making an order under this rule, the court may direct notice of the application to be given to any other person with an interest in the claim.

(5) Where an order has been made under paragraphs (1) or (2)(b)(ii) any judgment or order made or given in the claim is binding on the estate of the deceased.

Derivative Claims

19.9.—(1) This rule applies where a company, other incorporated body or trade union is alleged to be entitled to claim a remedy and a claim is made by one or more members of the company, body or trade union for it to be given that remedy (a “derivative claim”).

(2) The company, body or trade union for whose benefit a remedy is sought must be a defendant to the claim.

(3) After the claim form has been issued the claimant must apply to the court for permission to continue the claim and may not take any other step in the proceedings except—

- (a) as provided by paragraph (5); or
- (b) where the court gives permission.

(4) An application in accordance with paragraph (3) must be supported by written evidence.

(5) The—

- (a) claim form;
- (b) application notice; and
- (c) written evidence in support of the application,

must be served on the defendant within the period within which the claim form must be served and, in any event, at least 14 days before the court is to deal with the application.

(6) If the court gives the claimant permission to continue the claim, the time within which the defence must be filed is 14 days after the date on which the permission is given or such period as the court may specify.

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(7) The court may order the company, body or trade union to indemnify the claimant against any liability in respect of costs incurred in the claim.

III GROUP LITIGATION

Definition

19.10 A Group Litigation Order (“GLO”) means an order made under rule 19.11 to provide for the case management of claims which give rise to common or related issues of fact or law (the “GLO issues”).

Group Litigation Order

19.11.—(1) The court may make a GLO where there are or are likely to be a number of claims giving rise to the GLO issues.

(The practice direction provides the procedure for applying for a GLO)

(2) A GLO must—

- (a) contain directions about the establishment of a register (the “group register”) on which the claims managed under the GLO will be entered;
- (b) specify the GLO issues which will identify the claims to be managed as a group under the GLO; and
- (c) specify the court (the “management court”) which will manage the claims on the group register.

(3) A GLO may—

- (a) in relation to claims which raise one or more of the GLO issues—
 - (i) direct their transfer to the management court;
 - (ii) order their stay^(gl) until further order; and
 - (iii) direct their entry on the group register;
- (b) direct that from a specified date claims which raise one or more of the GLO issues should be started in the management court and entered on the group register; and
- (c) give directions for publicising the GLO.

Effect of the GLO

19.12.—(1) Where a judgment or order is given or made in a claim on the group register in relation to one or more GLO issues—

- (a) that judgment or order is binding on the parties to all other claims that are on the group register at the time the judgment is given or the order is made unless the court orders otherwise; and
- (b) the court may give directions as to the extent to which that judgment or order is binding on the parties to any claim which is subsequently entered on the group register.

(2) Unless paragraph (3) applies, any party who is adversely affected by a judgment or order which is binding on him may seek permission to appeal the order.

(3) A party to a claim which was entered on the group register after a judgment or order which is binding on him was given or made may not—

- (a) apply for the judgment or order to be set aside^(gl), varied or stayed^(gl); or

(b) appeal the judgment or order,
but may apply to the court for an order that the judgment or order is not binding on him.

(4) Unless the court orders otherwise, disclosure of any document relating to the GLO issues by a party to a claim on the group register is disclosure of that document to all parties to claims—

- (a) on the group register; and
- (b) which are subsequently entered on the group register.

Case management

19.13 Directions given by the management court may include directions—

- (a) varying the GLO issues;
- (b) providing for one or more claims on the group register to proceed as test claims;
- (c) appointing the solicitor of one or more parties to be the lead solicitor for the claimants or defendants;
- (d) specifying the details to be included in a statement of case in order to show that the criteria for entry of the claim on the group register have been met;
- (e) specifying a date after which no claim may be added to the group register unless the court gives permission; and
- (f) for the entry of any particular claim which meets one or more of the GLO issues on the group register.

(Part 3 contains general provisions about the case management powers of the court)

Removal from the register

19.14.—(1) A party to a claim entered on the group register may apply to the management court for the claim to be removed from the register.

(2) If the management court orders the claim to be removed from the register it may give directions about the future management of the claim.

Test claims

19.15.—(1) Where a direction has been given for a claim on the group register to proceed as a test claim and that claim is settled, the management court may order that another claim on the group register be substituted as the test claim.

(2) Where an order is made under paragraph (1), any order made in the test claim before the date of substitution is binding on the substituted claim unless the court orders otherwise.