



Insurance mediation horsebox dispute case study

Insurance mediation was desperately needed in this case, Mr X traded and dealt in horses as well as horse related products such as fertilizer and insemination. Whilst in the course of his business his horsebox (vehicle used to transport his horses) was involved in a non fault accident. At the time of the accident quite a few years ago horseboxes were quite specialist vehicles and difficult to come by. It was established that Mr X's horsebox would take several weeks to repair, which his insurance company approved.

In the meantime his insurance company who were at the time one of the few companies who specialised in insuring these types of vehicle had to source and provide Mr X with a replacement horsebox and pay the hire of which they managed to do. Mr X's horsebox was repaired and returned to him, for which the repairs and hire of the replacement were paid for in full by his insurance company.

When the insurers tried to seek recompense from the other side's insurer who had caused the accident, they refused to pay out stating that this was excessive, this resulted in an action for £95,000 including interest and legal fees.

The claimants contended at mediation, they had no choice but to provide a replacement horsebox like for like, as that is what their liability was, the defendants solicitors refused, advising that a much cheaper horsebox could have been sought, the repairs seemed to drag and were possibly inflated, benefitting the claimant with a newer vehicle for longer than was actually required.

It was established at the time of the accident horseboxes were so difficult to come by, the one of a very few found was very expensive to hire and therefore the claimants insurers had no choice but to hire it, at no time did the defendants object to this, during their course of regular communications with the claimant insurance company.

Equally the cheaper horseboxes that the defendants advised that could be sourced were only available some 2-3 years after the accident had occurred and were more promotional costs rather than the true cost.

A whole day of the strengths and weaknesses of each sides case were presented, coupled with the facts, which was the claimant insurance company had paid out, after unravelling each sides watertight case, it was apparent that neither had a watertight case should this go onto litigation , whereby the litigation risk needed to be strongly considered.

Each side agreed to be commercial about this matter, even for the mediation itself both parties had to travel a considerable way to get to the mediator who had arranged for the mediation to be halfway between the two parties, each side bore their own legal fees, the claimants waived the interest and settled for £55,000.

Facts & figures

- **The mediation took 1 day compared to the 3 and half years this insurance dispute had already gone on.**
- **The mediation cost each party £950.00 each compared to the thousands they had already spent on legal fees and the thousands they would have had to spend had they continued with Court action.**