



Case study

A dispute between a Building Contractor and a Door Manufacturer over the fit and performance of doors at a Residential Care Home.

The problem

A Contractor won a contract to refit a Residential Care Home. Under that contract they re-fit all of the internal doors to the residents' private rooms. The doors fit poorly and hence their performance was seriously compromised. This problem became apparent almost immediately after installation and the customer, the Care Home Company, was withholding part of the payment for the building works until the problem was rectified. The Contractor believed that the Door Manufacturer was at fault because the doors were manufactured incorrectly. The Door Manufacturer denied that the fit and performance was their fault, because they had worked to the Contractor's drawings and specifications and believed that they had been given not only, not enough detail, but incorrect detail which meant that the doors did not fit correctly. Neither party bought technical drawings or any evidence to Mediation to support their claims hence there was no way to actually assess where the fault lay.

The solution

The Door Manufacturer was quite adamant that, if they were not paid they would have to take the case further in order to get paid for their work. Whether there were actually drawing in existence that would prove that they had been instructed incorrectly, remained unknown at the mediation session, though if drawings had been produced during legal proceedings the Contractor would have been liable for all legal costs.

The Contractor eventually conceded to pay. The Door Manufacturer, as a gesture of good will, and without admitting any liability, said that they would undertake a site visit and offer three days of rectification where such an approach was possible.

The benefits

For the Door Manufacturer the benefit was, of course, that they were paid in full. For the Contractor, the benefit was most likely that had the case gone to court, if the Door Manufacturer had managed to prove that they had worked to the Contractor's drawings the Contractor would have had to pay the legal fees which may have been substantial. The good will offered by the Door Manufacturer was of financial benefit, though further costs would have been chargeable after the three days offered at no cost.