

Construction Disputes Increasingly Being Settled Through Mediation

Leading Lawyer Reports 250% Rise In The Number of Cases

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A leading construction lawyer is reporting a significant rise in the number of commercial disputes which are being settled via mediation.

Steven Bate, a Partner at Irwin Mitchell in Leeds and a CEDR (Centre for Effective Dispute Resolution) accredited mediator, is reporting a 250% increase in the number of cases so far in 2014 compared to 2013 in which mediation has been used to explore a solution to the dispute.

Mediation is a voluntary non-binding private dispute resolution process in which an independent and neutral individual works closely with the parties involved to try and reach a negotiated settlement without going to court.

Commenting on the growth in mediation so far this year, Steven Bate said:

Steven Bate The increase in mediation that we are seeing seems to mirror the findings from CEDR and other bodies.

“The last available formal report by CEDR in 2012 confirmed that at that time, the current size of the civil and commercial mediation market was in the order of 8,000 cases per year. This represented a year on year increase of about 15% per annum since CEDR’s 2010 audit.

“Anecdotally and in accordance with our own experience it seems that mediation is continuing to grow at a similar rate.

“The levels of understanding amongst construction firms about mediation has grown in recent years and it has become recognised as an effective tool in the box.

“One other potential reason for mediation becoming more popular is the cost budgeting reforms which have been implemented under the Jackson Review and other reforms. In some situations, mediation offers a cheaper, quicker and easier method of resolving a dispute satisfactorily for parties.”

Irwin Mitchell’s construction, engineering and infrastructure team has grown significantly in the last two years. The 15-strong UK-wide team consists of Partners Steven Bate, David Parton and Julie Morrissey, and incorporates a specialist disputes team which advises employers, contractors and professional consultants on any disputes which arise out of construction projects. These include claims for extensions of time or variations, claims by contractors for loss and expense arising out of delayed or disrupted work, and claims by employers for defective works or liquidated damages for late completion of works.