

Defective design or defective workmanship? Challenges of analyzing root cause

CHALLENGE

During an excavation adjacent to a highway, there was a slope collapse leading to collapse of a section of the highway. The issue for consideration was the determination of the root cause of the loss. Was this defective workmanship or defective design?

SOLUTION

At the time of our first inspection, we identified an issue with the design which had assumed that the area was flat. The area was in fact, sloped. In conjunction with insurers, we engaged geotechnical experts and designers. We also sought to involve the original designers of the works and identify their potential involvement while highlighting the relevance of professional indemnity considerations. Discussions followed around the responsibilities of the parties involved and potential contributory negligence on the part of the contractor for their actions preceding the collapse. We guided insurers and the insured through the difficulties of the claim leading to a resolution agreed by the relevant parties.

INDUSTRY

Power

LOCATION

Southeast Asia

CLAIM TYPE

Property Damage

RESULTS

Preserved and **enhanced client relationship** with a strategic goodwill offer