Some interesting cases

Moore v. James (Bloor Holdings) Ltd (2000), 2 Current Law 45 (2001), related to a motor accident on 10th March 2000. Liability was admitted by the defendants on the 6th April and damages were agreed on the 15th June 2000. Among the costs claimed was an insurance premium of £410.25. the policy was effected on the 12th May 2000 and it was in excess of the amount charged by Accident Line. Thus the admission of liability preceded the commencement of the policy. The court decided there was no real risk to the claimant and although he was entitled to obtain as much cover as he wanted, this should not be done at the expense of the defendant. The District Judge dismissed the claim for the insurance premium. So in this case the Judge did not follow the APIL President's statement or that of the Government mentioned in 12 above.

Callery v. Grey (2001) unreported at the time of writing, was a motor accident on 2nd April 2000, where the claimant was a rear-seat passenger on a car hit by another. On May 4th after the event insurance was taken out by the claimant, and his solicitors when claiming damages advised the defendant to pass the letter to his insurers. In that letter the existence of the insurance was mentioned. In reply to that letter on the 19th May the defendant's insurers said "We are able to admit liability as to negligence, but not to causation". The Judge decided this was a denial of liability, and he commented that no case is ever risk free even if liability is admitted at the outset but admitted this view was contrary to that of the author of Cook on Costs.

The Judge also took the view that premiums can normally be taken out at the start, but the claimant's solicitors or the claims would probably be wiser at least to await the response to the letter before action. He said this was a discretionary area, and he could not guarantee that every insurance premium demanded for every case would be regarded as reasonable if it had not first been ascertained whether there was likely to be a contest. Consequently although some may think the Judge was back-tracking her the fact remains that the FOIL position, mentioned earlier that AEI purchased a pre-issue of proceedings should not be recoverable from a defendant, was not followed.

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