

CASE STUDY: CONSTRUCTION & ENGINEERING

CLIENT	Demolition and Remediation Contractor
PROJECT	Sub-contract traditional demolition and asbestos removal for major city centre development.
CONTRACT	Letter of Intent
CONTRACT VALUE	£300,000
WORK SCOPE	Traditional demolition and asbestos removal
BLAKE NEWPORT SERVICES PROVIDED	Settlement of final account, including preparation and agreement of claims for prolongation and disruption.



SITUATION

The client is an international contractor in the demolition, remediation and asbestos removal sector. Blake Newport was appointed to review a number of projects specifically identified by the client. In each case contractual difficulties and disputes had resulted in a poor financial recovery by the client.

OBJECTIVE

Blake Newport's initial brief was to review the contract documents and correspondence to establish if there was a valid case for entitlement and advise on a suitable commercial strategy.

IMPLICATIONS

Significant variations and delays had been encountered on the sub-contract, the majority of which were linked to the removal of unidentified asbestos. Although the client had identified heads of claim, the main contractor was not prepared to certify payment without substantiation of entitlement and cost.

BLAKE NEWPORT SOLUTIONS

Upon agreement of the commercial strategy with the client, Blake Newport worked with the project team to implement the strategy to achieve an acceptable financial settlement.

Blake Newport worked closely with the client's project team to identify, cost and substantiate the changes to scope and programme to ensure that the client could present a credible final account. Plant, labour and sub-contract returns were analysed to prepare claims for prolongation and disruption. This process was followed up by attendance, with the client, at a series of negotiation meetings with the main contractor and employer to settle the final account.

OUTCOME

As a result the client secured agreement to major variations to the contract and payment against claims for both prolongation and disruption. The account was settled in excess of £600,000, an increase of 25% on the previously certified figure.