

CASE STUDY: DISPUTE MANAGEMENT

CLIENT	Large City Transport Company
PROJECT	Station modernisation and refurbishment programme
CONTRACT	Public Private Partnership
CONTRACT VALUE	£17 billion
WORK SCOPE	Upgrade of stations on the network
BLAKE NEWPORT SERVICES PROVIDED	The management of claims associated with the station modernisation and refurbishment programme.



SITUATION

The client is a significant provider of rail transport in London. The scale of the contract necessitated that the company focus all attention on the build and refurbishment programme which attracts national public interest. As well as the difficulties associated with working in a live railway environment, and significant organisational transformation; the client had been receiving multiple alleged delay event claims and increased cost claims under the PPP contract.

It was clear that during a period of major organisational change, the programme office did not have the capacity to work on responding to the claims. The client's programme office wanted to understand the breadth and depth of the issues whilst at the same time working on a strategy for future management of the portfolio including the best approach to adopt for the business.

OBJECTIVE

Blake Newport's initial objective was to analyse the volume of claims submitted which involved the quantification and categorisation of claims into relevant areas. Phase two of Blake Newport's work was to investigate the alleged claims and prepare rebuttal response on behalf of the staff; all set against a backdrop of not disturbing the Project Managers in their day to day role of working on build. Phase three was to advise the Project Managers on process from a claims prevention perspective.

IMPLICATIONS

The PPP form of contract was a new approach for the firm and their joint venture contracting partners. A key risk element for the contractor had been removed by stipulating that fixed financial payments would be guaranteed. The firm faced a significant volume of claims that focused on interpreting the time and delay aspects of the work.

BLAKE NEWPORT SOLUTIONS

Blake Newport initially injected a small committed team of full-time resources at a suitable level to assess the level of the work. The Blake Newport staff were deployed to research, compile and present a report which assessed the level and range of claims that the client faced. The second phase of the work involved a smaller team tackling the claims on an individual basis, and also continuing to refine the client reports on an iterative monthly basis. Blake Newport's work extended to include advising project managers on the best way to work to prevent claims recurring on the various projects.

OUTCOME

The client was satisfied with our approach and extended our work for one year to a point where our role naturally concluded with the client being able to handle the work themselves.