

# CASE STUDY: DISPUTE MANAGEMENT

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|---------------------------------|---|
| CLIENT                          | Main Contractor                                 |
| PROJECT                         | Social Housing in Yorkshire                     |
| CONTRACT                        | DOM/2 Amended Subcontract.                      |
| WORK SCOPE                      | Substructure External Works and Infrastructure  |
| BLAKE NEWPORT SERVICES PROVIDED | Independent Review of Claim from Sub-contractor |



## SITUATION

The main contractor had received increasingly voluminous claims from the infrastructure subcontractor in relation to prolongation and disruption on a social housing project in Yorkshire. The claim was initially submitted 10 months previously and was at its fourth revision. The subcontractor was threatening adjudication.

## IMPLICATIONS

The delivery of any housing project is a complex process, involving the co-ordination of subcontractors and a whole range of statutory undertakers in order to achieve completion in time and on budget to allow phased tenant occupation. Any claim from a subcontractor that is persistent and increasing has to be dealt with in accordance with the contract, often diverting site resource away from project completion to excessive project administration and dragging in management resource.

## OBJECTIVE

Our client was not certain of the validity of the delay and disruption claim and was extremely concerned about the threat of adjudication. Blake Newport was contacted for advice and to act if the dispute was referred to adjudication. Ideally the relationship with the subcontractor was to be maintained at a professional level in order that any related claim our client had with the employer could be pursued with the aid of the subcontractor.

## BLAKE NEWPORT'S SOLUTION

Rather than wait for any adjudication to commence and for costs to accrue, Blake Newport proposed, at an agreed fixed cost, to carry out an initial analysis of the claim and to provide a briefing note report and advice to enable informed negotiations.

## OUTCOME

The brief provided by Blake Newport allayed the client's concerns that any adjudication would be successful and enabled a more considered approach to negotiations. Within a month the account was agreed in a sum approximately £1/2m less than that claimed, allowing site and management staff to concentrate on work in progress.