

MANAGING RISK SERVICE - CONSTRUCTION AND ENGINEERING GROUP

Our Construction and Engineering team understands how disputes can arise and how best to avoid them. Whatever the form of contract, we work closely with clients to proactively ensure that systems are put in place at the start of a project to avoid disputes where possible.

WHAT WE DO

Our Managing Risk Service gives you and your project management team the legal resource, information and advice that you need, when you need it, during the construction phase of your project; allowing you to make informed decisions at the right time, thereby reducing cost and risk.

Whether we have acted for you during the drafting stages or not, we will quickly work to understand the key project risks and requirements of the contracts, the structure of the wider transaction, your commercial priorities and the dynamics of your project team.

Dispute resolution, whilst it cannot always be avoided, is inherently costly and uncertain. Many disputes can be avoided if a proactive approach is taken from the outset to inform your position on risk and put you in the strongest position to settle disputes where possible before they develop. Managing ongoing risks also reduces direct project cost impact and impact to programme. Through our in-depth and detailed involvement in a project, clients find that this means disputes are dealt with more quickly and cost-effectively.

The Managing Risk Service is geared to addressing the challenges and requirements presented by projects to also help you maintain relationships with interested parties. It is geared to supporting and complimenting the project team in their roles to deliver the project successfully. Whatever contract is used, legal input at the right time can make a real difference, particularly where the form of contract may be unfamiliar to some members of the project team.



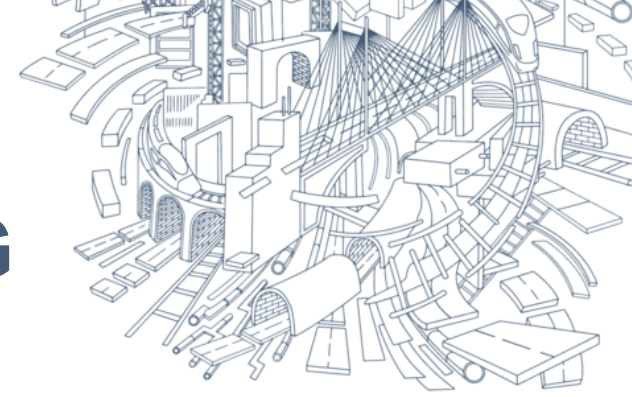
[The team] shows a grasp of complex issues that need to be covered across complicated projects and draws them together well

Chambers & Partners

The following are common examples of legal issues which may arise:

- Defective works
- Variations / Changes
- Payment and pay less notices
- Sectional Completion / Practical Completion
- KPIs / Testing
- Liquidated damages / Limits on liability
- Delay notices and contractor's claims for extension of time/compensation events and loss and expense
- Insolvency / Termination / Bond claims

Each of the above can give rise to issues where legal advice is required. Having the dedicated legal resource, on hand, without having to instruct us separately, will enable you to be informed of issues and deal with them early. Instructing us and ensuring we are part of them also means that those (and all) project team discussions attract legal privilege – a key benefit of our service.



The service is entirely flexible and we would like to discuss your needs with you. The central parts of the service are:

- An AG team dedicated to managing risk on your project. This team will include the team lead you dealt with at the drafting stage working alongside our experienced, partner led, specialist risk management construction team of over 100 construction lawyers.
- A familiarisation and training session with your project team, such that they understand the legal resource available to them, the project risks, the contract and that we understand how you would like us to operate and report within the team.
- The production of a "Risk Management Manual" containing guidance and pro forma documents for use by the project team when administering the contract. This minimises the risk of non-compliance with contractual procedures and, at the same time, assists the project team to understand and perform their roles effectively.
- Advice at any time, whether by email, telephone or in person.
- Periodic attendance at client project meetings and preparing an "outstanding issues tracker", as a catalyst for discussion, giving advice and resolving issues proactively, with legal advice being privileged.
- Periodic reports covering areas of legal/contractual risk, recommending solutions and confirmation of any advice given, in a form to suit you and your team; from weekly to quarterly.
- If expert input is required from the outset (for example quantum or programming expertise), we can adopt a combined approach with one of the leading independent consultancies that we work alongside on a regular basis.

EXAMPLES OF OUR MANAGING RISK EXPERIENCE

- Acting on United Utilities' £300m West Cumbria Supplies Projects linking West Cumbria to the rest of United Utilities' regional water network via a major new pipeline, a new water treatment works, pumping stations and underground service reservoirs in the Lake District National park.
- Acting for a global leader in steel production and engineering on a £1billion recapitalisation programme across a number of different contracts.
- Acting on Scotia Gas Networks' £250m Gas to the West project which involved the construction of 200km of high pressure and low pressure underground gas pipelines which will extend the natural gas network into the west of Northern Ireland.
- Working with a contracting JV in respect of a £250m scheme to construct a wastewater treatment works. Our involvement from the outset of the project and the use of regular advice surgeries meant disputes were avoided where possible and dealt with quickly and cost effectively when they did arise.
- Assisting one of the 'Big 6' UK energy providers to resolve a number of multi million pound issues with a series of PFI street lighting contracts without recourse to dispute resolution. The client concerned was both the funder and the service provider. Our advice helped the client to reduce and quickly settle its adjustments liability so that it could achieve a sale of its stake to a third party within the requisite timescales and without incurring a significant loss.
- Acting for the Houses of Parliament in respect of the £7.1billion refurbishment of the Palace of Westminster over a 20-year period.

WHAT OUR CLIENTS SAY ABOUT OUR MANAGING RISK SERVICE



What sets Addleshaw Goddard apart from other law firms I have been involved with is the calibre of its people, their commitment to dispute avoidance and early dispute resolution and the fact that at all times they maintain a professional, honest and ethical approach



It is a testament to the approach and calibre of [the AG team] and the emphasis they place on risk management and dispute avoidance that all of the contractual issues that arose on [the project] were addressed and amicably resolved before they escalated into costly disputes

Commercial Director, Waste Water Treatment Works Project, c£250m