

**RM : COMMERCIAL, CONTRACTUAL AND RISK REVIEW SERVICES  
PROVIDED TO A SPECIALIST SUBCONTRACTOR**

a. **Project - HMP Swaleside, Isle of Sheppey, Kent**

The project consisted of a new build and some refurbishment. The subcontract was a standard form of building contract SPC 2000 (partnering) and amendments, and the subcontract sum was £7.3m.

b. **Description of Issues**

RM were appointed to resolve a multitude of commercial and contractual matters.

c. **Entitlements or Liabilities**

The entitlements and liabilities considered were the valuation of withholding by the main contractor, liability for a 35 week delay to the subcontract works and valuation of costs associated with the delays.

d. **Assistance to the Specialist Subcontractor**

RM established the whole of the subcontract agreement which ultimately amounted to 22 lever arch files, giving rise to RM being able to establish the specialist subcontractor's entitlement.

RM established that the £750k set-off claim (withholding) was valued at circa £60k subject to further evidential material.

RM assisted in the preparation of a variation account worth in the region of £500k.

RM prepared a delay analysis supporting a claim for 35 weeks and defending additional preliminaries claimed by the main contractor valued at circa £875k.

RM assisted the specialist subcontractor in the preparation of a loss and expense claim of circa £400k.

e. **Monies Involved**

The sum involved was £8m.

The dispute involved was £2.5m.

The risk to the specialist subcontractor was £1.5m.

f. **Financial Settlement**

For financial reasons during the recession, the specialist subcontractor settled the account with an additional global payment of £600k for a walk away deal.