



RM : RISK REVIEW PREPARED FOR A MECHANICAL AND ELECTRICAL SPECIALIST SUBCONTRACTOR

a. **Project - Dudley Hospital**

RM's client was a specialist subcontractor with a subcontract sum of £4.6m. The subcontract was a standard form of DOM/1, 1980 Edition including Amendments 1 to 10 and additional clauses as set out in numbered document 37.

b. **Description of Issues**

RM prepared a Risk Review for a mechanical and electrical specialist subcontractor on its final account valuation and a loss and/or expense (damages claim). RM reviewed 63 lever arch files in preparing the Risk Review.

c. **Entitlements or Liabilities**

The specialist subcontractor was claiming £1.1m. RM's valuation, based on the information produced by the subcontractor, amounted to £200k - £300k only. The specialist had failed to demonstrate entitlement to additional money and time.

d. **Assistance to the Specialist Subcontractor**

RM's Risk Review assisted the specialist subcontractor in making sound commercial and contractual decisions. The result of the Risk Review was a pre-requisite to the specialist subcontractor pursuing its claims in adjudication. The specialist subcontractor returned to the negotiating table and settled the account at circa £250k and avoided an expensive and disruptive adjudication process.

e. **Monies Involved**

Specialist subcontractor's valuation £5.7m, RM's valuation £4.85m.