



Contract disputes with former contractors

Situation

One of the country's largest housing associations appointed a firm of management consultants and a number of IT companies to assist with a multimillion pound transformation of its IT systems and workforce.

Challenge

The transformation fell behind schedule and later had to be abandoned. As a result, the housing provider failed to realise the savings it had sought to achieve, spent large sums on contractors and ultimately was left with the same IT system it began with.

Solution

We advised the housing association in relation to potential claims against the consultant and one of the key IT contractors. In order to provide the advice our client required, on time and on budget, we regularly visited the housing association as the technical nature of some aspects of the disputes meant we had to work closely with the client and their IT team. In addition, we provided input on tackling the housing association's internal governance issues which arose from the failed transformation.

Face to face meetings are essential in order for lawyers and their client to collectively understand complex, highly technical issues. There is huge value in face to face visits with clients to conduct conferences (especially the initial one) and meet all key personnel as early as possible.

We allocated dedicated junior lawyers to work on the separate disputes with the IT contractor and the auditor consultant with a Legal Director overseeing the two disputes. Compartmentalising the work helped provide timely advice and having a Partner level lawyer work across both disputes ensured continuity of advice.

Outcome

A financial settlement was achieved with the IT company and the advice we provided to our client led them to the pragmatic decision to decide not to pursue the consultant (although we had suggested they make contact with the consultant and see if an early settlement could be secured).

Do you face similar challenges?

Please contact Jane Barker on 020 8780 4783 or by email at jane.barker@capsticks.com

CASE PROFILE