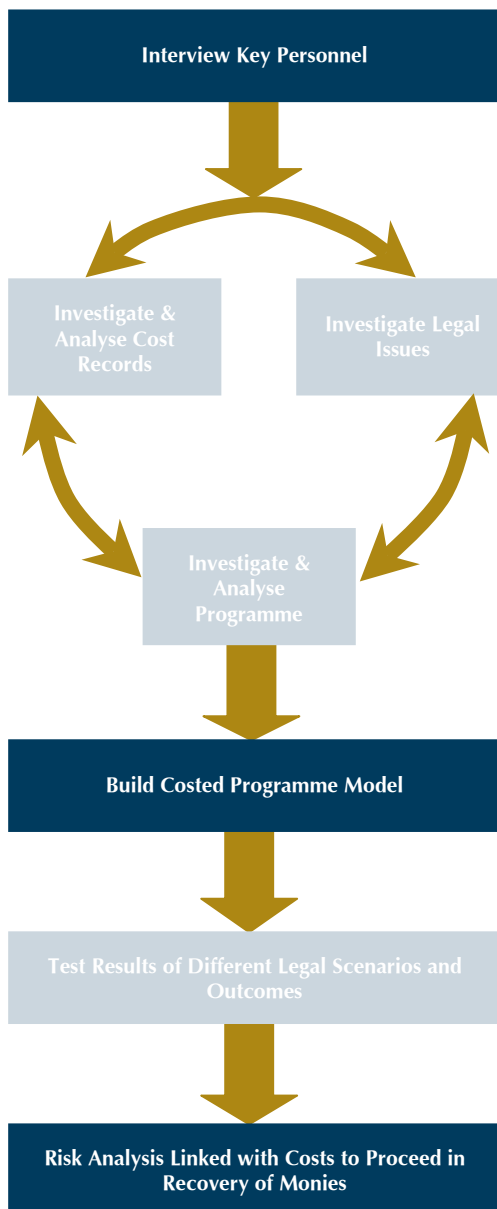


The Business Case

Our client required board level advice as to how to proceed with the situation where significant losses and delay had occurred on a project, and where the prospects of recovery of monies had not been investigated.

THE BUSINESS CASE APPROACH:



A BUSINESS CASE REVIEW

North Sea Gas Platform Cost & Delay

We were appointed on behalf of a major international engineering company to review the reasons for significant delay and cost overrun that had occurred to the retrofitting of compression and associated facilities to a working gas platform in the North Sea.

A particular aspect of the work was the assessment of the delay and disruptive impacts of carrying work over from onshore to offshore working conditions, and assessment of the impact on production.

In common with other similar projects, work carried over from onshore to offshore suffered from a considerable loss in productivity, taking longer and costing significantly more to complete, in this case largely as a result of the stringent health and safety requirements and restrictions of working on an operating gas platform.

We worked in a team comprising lawyers, accountants, engineers and the client's own staff to rapidly analyse potential causes of the substantial body of carry over work, to assess the legal strengths and prospects of recovery of monies and the likely costs and risks of recovery of that money.

We produced a board level report setting out a business case for proceeding with the resolution of the matter, considering various costed scenarios in a risk analysis.