

Development of contract scope

The Situation

Cadbury Schweppes Group property team was in the process of negotiating the terms on which a single service provider would support their global property portfolio.

The timescale to develop and agree the scope of the contract was limited and the detail needed to be agreed within a few weeks. Fortunately, there had been a prior contract in place and many of the reports had been agreed.

Nevertheless, this was to be a more comprehensive contract and it was important that the scope and objectives were clear to both parties.

Our Approach

Remit Consulting was asked to facilitate a full day meeting of both teams to develop:

- The scope of the contract
- The levels of responsibility
- An overview of required reporting
- A discussion of risks and how to mitigate them
- An agreed set of next steps



Remit is an independent, international team of real estate experts. We have offices in the UK, the Netherlands and Germany. Our people come from across Europe, and between us, we speak English, Dutch, German, Spanish, French and Italian. The Remit team grew out of the Ernst & Young real estate consultancy practice, and most of our consultants have worked directly in the property industry, as Agents, Managers, Surveyors and IT Directors.

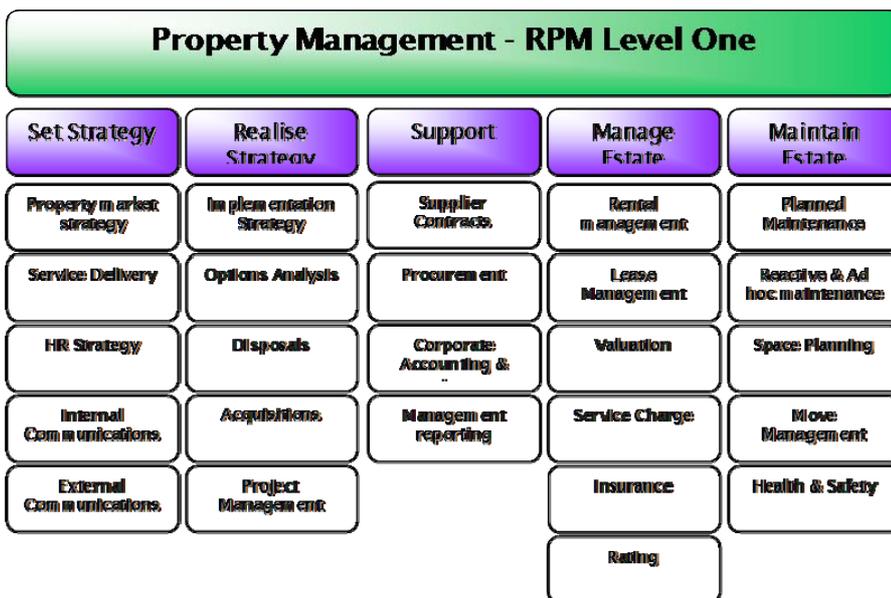
We have successfully carried out projects with clients across Europe and North America, building up our own methodology and library of processes which can be used as a basis for various projects such as IT specification, a tender process and outsourcing.

Please **contact us** to discuss any of the topics covered here:

Andrew Waller
+44 20 7969 2738

Melita Thomas
+44 20 7969 2738

www.remitconsulting.com



Typical Remit Process Model (RPM) Template

We used QuickStart methodology, involving a number of pre-prepared functional templates, to enable both parties to agree the scope of the contract. Areas of potential dispute were easily identified and in this case quickly reconciled.

Once the overall scope had been agreed and the levels of responsibility in each area defined, the teams developed a set of key performance indicators and matched these with existing reports. Notes of key risks and areas remaining to be agreed had been noted during the day and Remit documented the outcome of the workshop ready for a review two days later.

At the review, the teams had further opportunity to develop action plans to mitigate the identified contract risks, and built these into an overall action plan and timescale for completion of the contract.

Project Benefits

The use of process templates to provide a shortcut in agreeing the scope of the contract minimised the time taken to develop the scope of the project. The templates, based on best practice from the Real Estate industry, provided recognisable terminology and functional groups; this meant that the teams could spend more time on agreeing issues rather than debating structure. The templates also provided a basis for analysing reporting requirements and in establishing responsibility within the teams.

The short timescale required considerable focus from the workshop participants and both teams needed to work together effectively. The pressure of completing the majority of the work in one day with senior participants encouraged the teams to agree minor differences quickly and thus minimise disputes during preparation of contracts.

Client Feedback

Robin Worthington, Group Property Director, was delighted with the progress made by the teams in a short timescale and commented that the project was *“delivered on time, on budget and with value added.”*

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Andrew Waller is a Chartered Surveyor whose field of expertise is advising on business and technology strategies and improvements.

andrew.waller@remitconsulting.com
M: 07734209408



Melita Thomas, partner of Remit, is a chartered surveyor and expert in business process.

melita.thomas@remitconsulting.com
M: 07919448018

The short timescale really helped concentrate everyone on the essentials of the contract, rather than the “nice to haves”.

Remit Consulting LLP

43-45 Portman Square

London W1H 6HN

www.remitconsulting.com