

# COVID-19: JCT D&B 2016 ISSUES

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Understanding law, understanding you

# JCT Design and Build 2016

- Clause 2.26.12
- Clause 2.26.14
- Clause 4.21.4
- Clause 2.15.2.1
- Clause 8.11.1



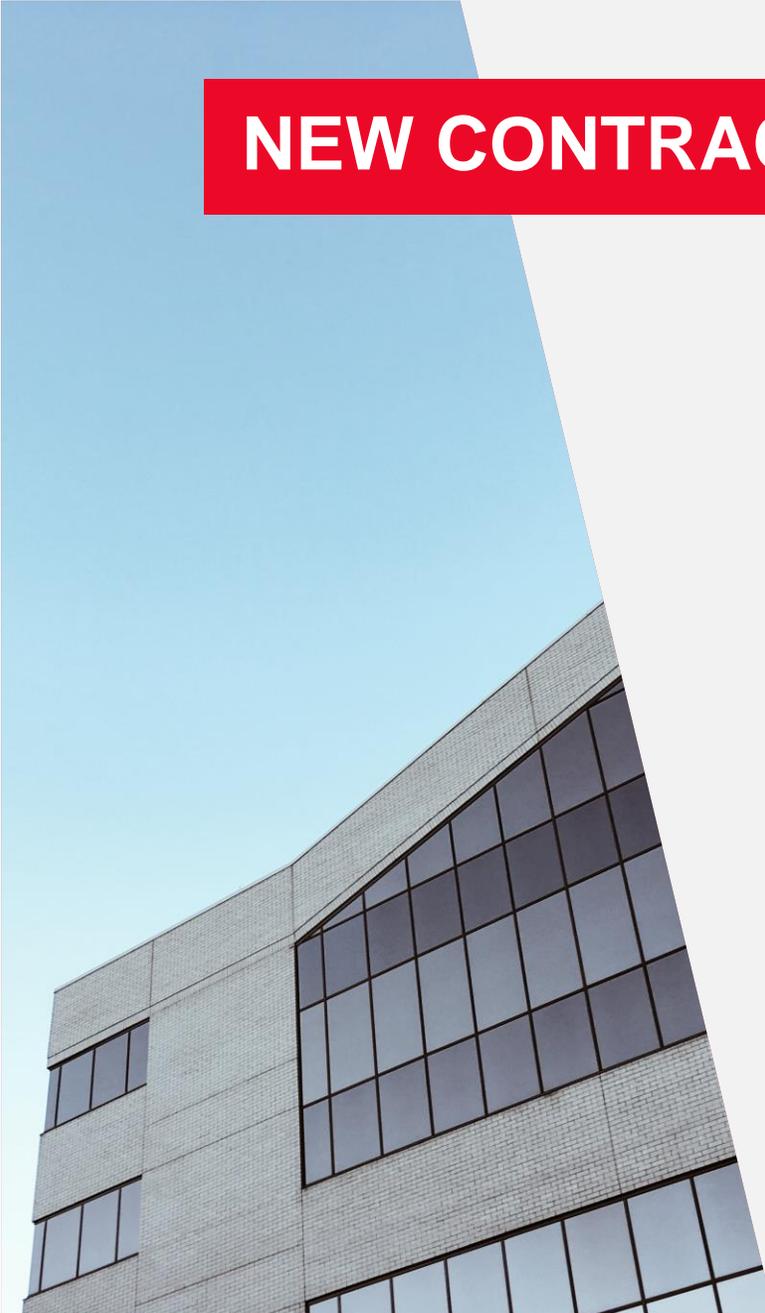
# TIMELINE

- 23 March – UK Government Lockdown announcement
- 25 March – Coronavirus Act 2020 came into force
- 26 March -The Health Protection (Coronavirus Restrictions) (Wales) Regulations 2020/353
- 7 April - The Health Protection (Coronavirus Restrictions) (Wales) (Amendment) Regulations 2020 and guidance on reasonable measures
- 14 April – WG supplementary guidance on reasonable measures



## EXISTING CONTRACTS

- Date of contract important for clause 2.26.14
- Base Date important for clause 2.26.12 and 2.15.2.1
- Contractors have taken different approaches
- Significant hurdles for Force Majeure claims especially around causation.
- Clause 2.26.12 from 7 April the easiest route to time
- Same analysis and approach if lockdown eased and re introduced later during contract period



# NEW CONTRACTS

- Contractors will be aware of time and money risk
- Relevant Event for COVID-19 – narrow and wide definition
- Relevant Matter for COVID-19 – risk in lump sum contract
  - Open book
  - Cost not profit
  - Risk sharing
- Termination risk – Contract Particulars or amend SOA
- Break options – market downturn



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