



28 JULY 2021

BREAKING NEWS: “SNAP BACK” AFTER “SNAP BAN” FOR THE NSW CONSTRUCTION INDUSTRY ON 31 JULY 2021

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On 19 July, the Minister for Health directed that work (other than for certain, limited purposes) cannot be carried out on any construction site in Greater Sydney. He also directed that employees and others (such as subcontractors, design consultants and suppliers) cannot enter a construction site. The ban extended to demolition, excavation and civil works as well as construction work. Kreisson wrote on those restrictions on 21 June 2021 in our article: [“**Breaking News: Release of NSW Government Guidelines for “Closure of Construction Sites”**”](#)

The Government has today announced it will lift the lockdown on construction sites in Greater Sydney, other than in the local government areas of Fairfield, Liverpool Canterbury-Bankstown Blacktown and Cumberland.

It hopes that contractors will be ready to “snap-back to work on 31 July”, rather than start re-mobilising gradually after that date.

Transport for NSW has called on contractors to submit progress claims for work completed prior to 19 July 2021 together with a cost estimate of work programmed for the remainder of the month. That includes the costs of demobilising and remobilising to site so long as contractors work hard to minimise those costs. Transport for NSW has procured extra resources in order to fast-track payments.

It will require the usual evidence that subcontractors have been paid. It will seek to recover from head contractor any payments that are not passed down the supply chain.

Subcontractors involved in government-sponsored projects will have their own contractual arrangements with head contractors. Subcontract arrangements may or may not provide cost and time relief for the consequences of public health orders.

Kreisson urges subcontractors to pay special attention to contractual requirements for lodging Notices of Delay and Notice of Intention to Claim. Early provision of that information to head contractors will allow them to participate in the NSW Transport's COVID-19 Liquidity Support Programme which mandates the early progress claims to be distributed to subcontractors

CONTACT US

As always, Kreisson is ready to help contractors and subcontractors with contract administration and progress claims.

Please contact us on **(02) 8239 6500** or at excellence@kreisson.com.au if you have any queries or need any assistance regarding, the Guidelines or how the Guidelines may impact your contractual rights and obligations given the Public Health Order.