



MULTIPLEX CONSTRUCTIONS (UK) LTD

v

HONEYWELL CONTROL SYSTEMS LTD

England and Wales High Court (Technology and Construction Court)

6 March 2007

FACTS:

Multiplex were the contractors engaged to construct the Wembley Stadium in Wembley, England and Honeywell were responsible for the security and communication installations on that project.

A dispute arose between Multiplex and Honeywell as to the completion date, where Honeywell contended that time had become at large, i.e. that Honeywell were only obliged to complete within a reasonable time rather than in accordance with the time stipulated by the contract due to the conduct of Multiplex.

Multiplex argued that Honeywell failed to comply with the notice provisions for the granting of extensions of time but the mechanism for granting extensions of time was still functioning.

ISSUES:

Whether Honeywell was precluded from being granted extensions of time for practical completion because Honeywell had not made their claim within the time provided by the contract?

FINDING:

The Court found that Honeywell would be prevented from claiming extensions of time due to the failure whether or not deliberate to notify a claim for extension of time within the period required by the contract and accepted the reasoning in *Turner Corporation Limited (Receiver and Manager Appointed) v Austotel Pty Limited* (2nd June 1994) 1997 13 BCL 378.

QUOTE:

Jackson J [at 99] and [101] saw considerable force in the comments of Cole J in *Turner's Case* which are as follows

"...If the Builder, having a right to claim an extension of time fails to do so, it cannot claim that act of prevention which would have entitled it to an extension of time for Practical Completion resulted in its inability to complete by that time. A party to a contract cannot rely upon preventing the contract of the other party where it failed to exercise a contractual right which would have negated the effect of that preventing conduct..."

IMPACT:

The case illustrates that contractors should ensure that claims for delay and extensions of time are made promptly and strictly within the period which is required by the contract. Otherwise a valid claim may be completely denied.

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