



2011 CHAPTER 4

Determination of payments due

5. In Article 9 of the 1997 Order (dates for payment) after paragraph (1) insert—

“(1A) The requirement in paragraph (1)(a) to provide an adequate mechanism for determining what payments become due under the contract, or when, is not satisfied where a construction contract makes payment conditional on—

- (a) the performance of obligations under another contract, or
- (b) a decision by any person as to whether obligations under another contract have been performed.

(1B) In paragraph (1A)(a) and (b) the references to obligations do not include obligations to make payments (but see Article 12).

(1C) Paragraph (1A) does not apply where—

- (a) the construction contract is an agreement between the parties for the carrying out of construction operations by another person, whether under sub-contract or otherwise, and
- (b) the obligations referred to in that paragraph are obligations on that other person to carry out those operations.

(1D) The requirement in paragraph (1)(a) to provide an adequate mechanism for determining when payments become due under the contract is not satisfied where a construction contract provides for the date on which a payment becomes due to be determined by reference to the giving to the person to whom the payment is due of a notice which relates to what payments are due under the contract.”