
STATUTORY INSTRUMENTS

1997 No. 274

The Construction Contracts (Northern Ireland) Order 1997

Payment

Notice of intention to withhold payment

10.—(1) A party to a construction contract may not withhold payment after the final date for payment of a sum due under the contract unless he has given an effective notice of intention to withhold payment.

The notice mentioned in Article 9(2) may suffice as a notice of intention to withhold payment if it complies with the requirements of this Article.

(2) To be effective such a notice must specify—

- (a) the amount proposed to be withheld and the ground for withholding payment, or
- (b) if there is more than one ground, each ground and the amount attributable to it,

and must be given not later than the prescribed period before the final date for payment.

(3) The parties are free to agree what that prescribed period is to be.

In the absence of such agreement, the period shall be that provided by the Scheme.

(4) Where an effective notice of intention to withhold payment is given, but on the matter being referred to adjudication it is decided that the whole or part of the amount should be paid, the decision shall be construed as requiring payment not later than—

- (a) 7 days from the date of the decision, or
- (b) the date which apart from the notice would have been the final date for payment,

whichever is the later.