Local Democracy, Economic Development and Construction Act 2009

2009 CHAPTER 20

PART 8

CONSTRUCTION CONTRACTS

142 Determination of payments due

(1) In the Housing Grants, Construction and Regeneration Act 1996, section 110 (dates for payment) is amended as follows.

(2) After subsection (1) insert—

"(1A) The requirement in subsection (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 subsection (1A)(a) and (b) the references to obligations do not include obligations to make payments (but see section 113).

(1C) Subsection (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 subsection are obligations on that other person to carry out those operations."

(3) After subsection (1C) (as inserted by subsection (2) above) insert—

"(1D) The requirement in subsection (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."

Commencement Information

I1 S. 142 in force at 1.10.2011 for specified purposes for E.W. by S.I. 2011/1582, **art. 2**

I2 S. 142 in force at 1.10.2011 for specified purposes for E.W. by S.I. 2011/1597, **arts. 2**, 3(b)

I3 S. 142 in force at 1.11.2011 for S. by S.S.I. 2011/291, **art. 2**

Changes to legislation:
There are currently no known outstanding effects for the Local Democracy, Economic Development and Construction Act 2009, Section 142.