

YOUR LOGO

Pay less notice

HOUSING GRANTS, CONSTRUCTION AND REGENERATION ACT 1996

SECTION 111

TO, THE PAYEE

FROM, THE PAYER

CONTRACT OR SUBCONTRACT	DATE OF THIS NOTICE	OUR REFERENCE
PAYMENT NOTICE OR APPLICATION IT ANSWERS	NOTIFIED SUM, £	FINAL DATE FOR PAYMENT

This is a notice of our intention to pay less than the notified sum, given under section 111 of the Housing Grants, Construction and Regeneration Act 1996, in respect of the payment whose final date for payment is shown above.

The sum we consider to be due at the date of this notice

This is the sum we will pay by the final date for payment.

£

DEDUCTION FROM THE NOTIFIED SUM	REASON AND SUPPORTING EVIDENCE	AMOUNT, £

THE BASIS ON WHICH THE SUM DUE IS CALCULATED

SIGNED

NAME

POSITION

DATE

FOR AND ON BEHALF OF

BEFORE YOU SEND IT

Getting a pay less notice right

A pay less notice fails for two reasons far more than any other: it arrives late, or it states a figure without saying how the figure was reached.



Default periods under the Scheme for Construction Contracts (England and Wales). Your contract may set different ones: check it first.

When to give it

Before the final date for payment, and not later than the period your contract prescribes. Where the contract is silent, the Scheme for Construction Contracts sets seven days before the final date. A notice a day late is no notice at all.

SECTION 111, AND THE SCHEME, PART II

What it must state

The sum you consider to be due at the date of the notice, and the basis on which that sum is calculated. Name each deduction and the reason for it, with the evidence it rests on.

SECTION 111

If you do not give one

The notified sum is payable in full by the final date for payment. If it is not paid, the payee may suspend performance after seven days' written notice, and may refer the sum to adjudication.

SECTIONS 111 AND 112

The notified sum

Normally the sum in your payment notice under section 110A. If no payment notice was given, it is the sum in the payee's notice in default, or their application where the contract lets it stand as one.

SECTIONS 110A AND 110B

Serving it

Send it the way your contract says notices are given, and keep proof of the date it was received. Check the periods in your own contract: JCT, NEC and bespoke forms each set their own.

CHECKED AGAINST LEGISLATION.GOV.UK: HGCRA 1996 SS 110A, 110B, 111 AND 112, AND THE SCHEME FOR CONSTRUCTION CONTRACTS (ENGLAND AND WALES) REGULATIONS 1998, PART II