

NEC4 · CLAUSES 50 TO 53

Payment Application Checklist

Under NEC4 the assessment date arrives whatever has been filed, and a month without an application is a month without an increase. Work down these checks before each assessment date, and again when the certificate arrives.

1 Before the assessment date

- ☐ **Assessment dates diarised** for the next quarter, with an internal deadline a few working days before each one.
- ☐ **An amount stated:** the sum the contractor considers due at the assessment date, not a request to be assessed (clause 50.2).
- ☐ **The build-up attached**, showing how the amount was assessed, line by line.
- ☐ **The form stated in the Scope followed**, so the project manager can check it against the programme and the records.

State it: the amount applied for, the assessment date it answers and the date it went in.

2 What the application proves, by main Option

- ☐ **Option A:** every activity claimed is complete as the activity schedule describes it, and nothing part-complete is claimed.
- ☐ **Option B:** quantities measured, with the method and the records behind each one.
- ☐ **Options C, D and E:** actual Defined Cost reconciled to the accounts and records, with Disallowed Cost left out.
- ☐ **The forecast to the next assessment date** taken from next month's programme and from supplier and subcontractor payment terms.

State it: the basis of the Price for Work Done to Date under your main Option, in two sentences.

3 Where the programme moves the money

- ☐ **A first programme submitted** where the Contract Data identifies none, so the clause 50.5 quarter is not held.
- ☐ **Implemented compensation events in the Prices;** unimplemented ones tracked separately, not claimed as Price.
- ☐ **Delay damages under Option X7**, where they apply, checked against the Completion Date, not the forecast.
- ☐ **One data date** for the planner and the quantity surveyor, so the application and the programme tell one story.

State it: the programme revision and data date the application was built from.

A month without an application is a month without an increase.

4 The certificate and the notices

- ☐ **The certificate checked within the week it arrives** (clause 51.1), against the application line by line.
- ☐ **Any difference raised in the same cycle**, not left to the next assessment.
- ☐ **The pay less deadline diarised**: no later than seven days before the final date for payment, day 14 on the default Y(UK)2 periods.
- ☐ **Where no certificate arrives**, the application's standing as the payment notice under section 110B recorded.

State it: the notified sum, where it came from and the final date for payment.

5 Interest, corrections and the final account

- ☐ **Payment tracked against the final date**, and interest claimed on late payment under clause 51.2, calculated daily and compounded annually (51.4).
- ☐ **Corrections followed through**: a wrongly assessed amount corrected in a later certificate (50.6), with interest on the correcting amount (51.3).
- ☐ **Subcontract cycles diarised on their own periods**, with one pay less notice per cycle.
- ☐ **The clause 53 final assessment diarised**: four weeks after the Defects Certificate, then four weeks to dispute it.

State it: open interest claims, corrections pending and the final assessment date.

Before it goes in

Ready to submit when all three hold.

- ☐ The amount, the build-up and the form match what the Scope asks for.
- ☐ It will reach the project manager before the assessment date.
- ☐ Every figure in it can be traced to the programme or the records.

Want the application built from the programme every month? Live project controls keep both on one data date.

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