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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? Book a 30-minute call about project controls and reporting.

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