

Amendments to the Construction Act – Main Points

This table provides a quick guide to the proposed amendments as laid down in the Local Democracy Economic Development and Construction Bill 2008

Issue	Points to Note	Where to find it
Form of contract	Construction contracts will no longer need to be in writing. The Construction Act 1996 will also apply to oral and partly oral contracts.	Clause 133
Correction of adjudicator's mistakes	Adjudicators will be entitled to correct their mistakes in a decision.	Clause 134
Adjudication costs	Can't agree costs of the adjudication unless in writing and after the adjudication notice is served.	Clause 135
Pay-when-certified clauses	Prohibited	Clause 136
Payment Notices	Contracts must provide for a payment notice to be given within five days of sum becoming due. Payment notices can be given by payer/payee.	Clause 137
Withholding Notices	Overhaul of withholding notices and replacement with 'counter-notices', containing explanation for any set-off or abatement.	Clause 138
Suspension of performance for non-payment	Reasonable costs and expenses to be allowed where incurred by stopping work and contractor allowed to suspend part of works and potential for contractor to be given extension of time.	Clause 139