



# Case Law

## Miss the Notice, Pay the Money

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# #1

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## **Bexheat Ltd v Essex Services Group Ltd [2022] EWHC 936 (TCC)**

Why it matters: This is the notified-sum regime in its most brutal form: even with genuine valuation arguments, a late Pay Less Notice can force immediate payment, and the court will usually enforce.







## # 2

# The Dispute

The parties ran two adjudications: one on the actual value of an earlier interim application, and a later smash-and-grab where the payer's Pay Less Notice for the next application was served late. The payer tried to resist enforcement by arguing earlier accurate value findings, contractual set-off mechanisms, and attempts to fold "true value" into the later payment dispute.



# # 3

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## The Judgment

The TCC enforced: the notified-sum dispute for the later cycle was a different dispute, and contractual set-off/election mechanisms can't be used to sidestep the statutory payment obligation where notices weren't served on time. The wider message is consistent: pay now, argue later, and "later" means a separate, true-value route after compliance, not a procedural workaround.



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# # 4

## Contract Nexus Insight

This is exactly why we treat notices as a project control function, not a QS afterthought. Nexus embeds “notice governance” into weekly commercial rhythm (dashboard, owner, escalation) so missed deadlines don’t turn into forced funding events.

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## # 5

# Nexus Best Practice:

- Operate a “two-person rule”: one drafts the notice, another signs off on the cycle reference + dates + calculation basis.
- If a Pay Less Notice deadline is at risk, treat it as a red alert equal to a critical path delay.

