



# Case Law **Early Pay Less Notices Still Work**

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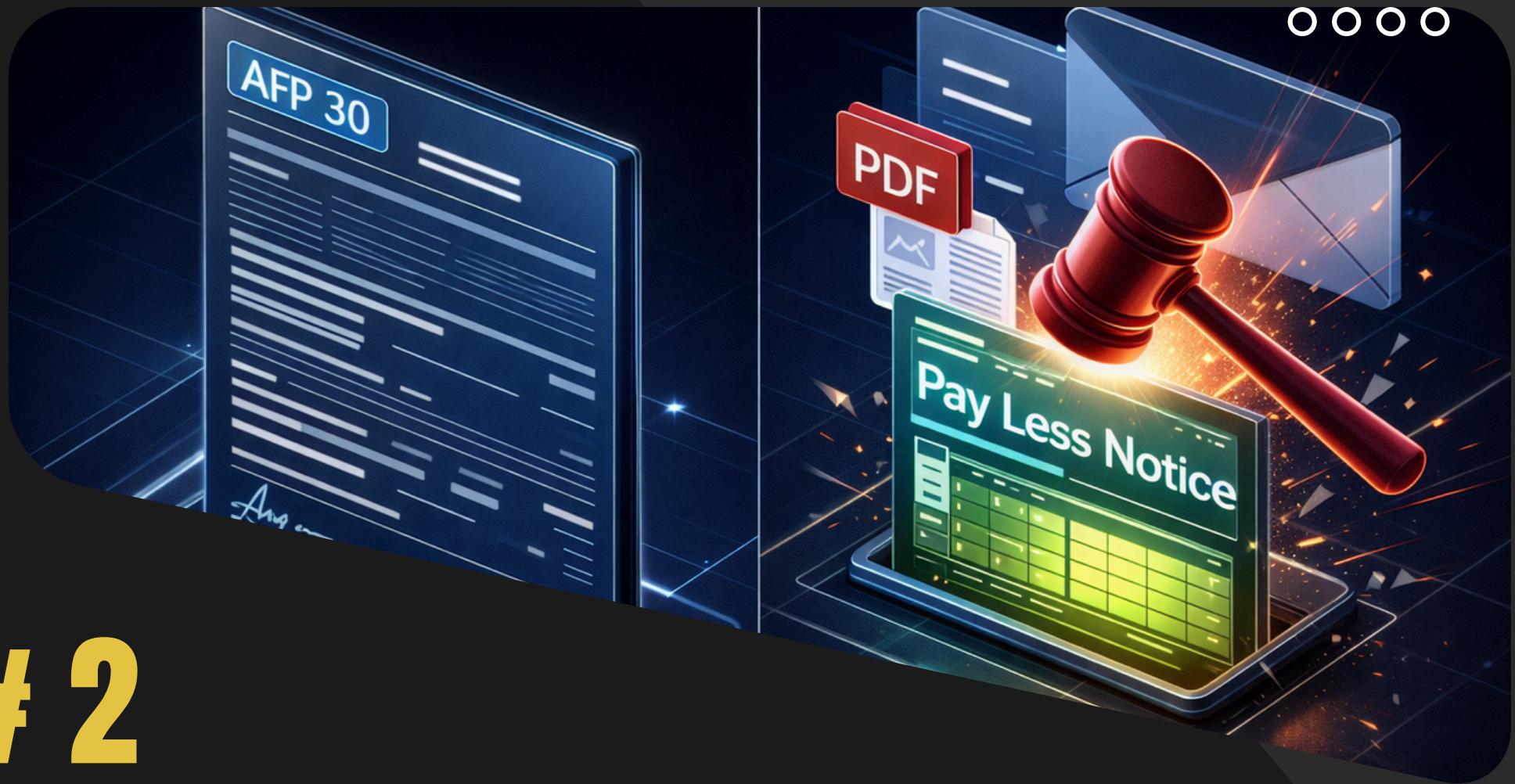
# 1

# **Placefirst Construction Ltd v CAR Construction (North East) Ltd [2025] EWHC 100 (TCC)**

Why it matters: This shuts down a nasty technical tripwire that can flip into an £800k+ cashflow hit even when your valuation is right by confirming you can serve a Pay Less Notice “early” and still be protected.



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## # 2

# The Dispute

Placefirst met CAR's interim application (AFP 30) with an email attaching a PDF headed as a pay less notice and a valuation spreadsheet, sent before the contractual window for the Payment Notice had closed. CAR ran a smash-and-grab adjudication, arguing the Pay Less Notice was premature and the valuation material couldn't count as a Payment Notice. The adjudicator awarded CAR the full applied sum.

# 3

# The Judgment

The TCC took a substance-over-form approach: the Pay Less Notice was not invalid just because it was served early (after the application existed), and the valuation spreadsheet could operate as a Payment Notice even if labelled as a “payment certificate” or similar. The court emphasised an objective, common-sense reading. It confirmed that (i) a payer doesn’t have to serve both notices to be compliant, (ii) a single document can’t be both notices, but (iii) you can serve both at the same time under the same cover email/letter.





**# 4**

## Contract Nexus Insight

This is classic “notice hygiene” risk: the work can be valued correctly, and you still lose on process. Nexus builds payment calendars, template packs, and sign-off gates so commercial teams can issue compliant notices quickly (especially on UK-Nordic projects where approvals span time zones).

# # 5

# Nexus Best Practice:

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- Issue two separate attachments every cycle: “Payment Notice” + “Pay Less Notice” (even if sent together).
- Make the valuation spreadsheet clearly state: sum due + basis of calculation (and reference the exact application number).



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