



Guidance on Contract Amendments to Payment Terms and the use of Construction Procurement Route 1A (Quick Quote).

Purpose

1. This construction policy note (CPN) publishes updated guidance on contract payment terms and on the use of Construction Procurement Route 1A (Quick Quote or similar procedures) in public sector construction procurement.

Key messages

2. Payment terms should not be amended days where standard contract terms are already less than the 30 days payment period set out in the S15(5)(d) of the Procurement Reform (Scotland) Act 2014.

3. The use of Construction Procurement Route 1A (Quick Quote and similar procedures) is encouraged for tendering construction contracts with a value up to £2m for works and £50k for services, unless the project is considered 'high risk', or would otherwise be required to be advertised.

Target audience

4. This note is intended for all those contracting authority staff involved in the planning and delivery of construction projects.

Payment Terms

5. Guidance on the amendment to standard forms of contract is given in [Chapter 5 of The Client Guide to Construction Projects: Construction Procurement Handbook](#). The guidance highlights that variations to standard forms of contract should be kept to a minimum and used only when absolutely necessary to take account of the particular circumstances of a project.

6. The payment terms in standard contracts are fair and comply with the requirements of the Procurement Reform (Scotland) Act 2014 which requires contracting authorities to set out how they will ensure payments are made no later than 30 days after the invoice (or similar) relating to the payment is presented, this is continued down the supply chain.

7. Where standard contract terms already contain provision for payments in less than 30 days, contracting authorities should not introduce any amendment which would extend such payment period.

8. The use of Quick Quote (or similar) allows contracting authorities to procure lower value contracts much more quickly than would be the case for higher value ones. The guidance in chapters 3 and 6 of the [Construction Procurement Handbook](#) has been amended to encourage the use of Construction Procurement Route 1A for all bar the highest risk contracts up to the Procurement Reform (Scotland) Act 2014 regulated procurement thresholds.

Dissemination

9. Please bring this construction policy note to the attention of all those staff involved in the procurement or delivery of construction activities.

Contact

10. If you have any questions about this CPN please contact:

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