

Fiona Cain in Building Magazine: Interim Payments: Many Happy Returns'

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PRACTICES Energy, Power and Natural Resources, Offshore Oil and Gas, Offshore Oil and Gas Dispute Resolution

The common aim of the parties to a construction contract is to complete the works. To achieve this, the employer will commonly make interim payments to the contractor during the project to ensure the contractor has sufficient cash flow. This hopefully means that the project is not delayed due to disputes. But what happens after completion? The parties will undertake a final account but might the interim payments have compromised the final account? Can amounts that have already been paid be clawed back by the employer? Can the contractor seek to introduce new claims?

These issues were considered in *HSM Offshore BV v. Aker Offshore Partner Ltd*, which concerned a contract for the fabrication of modules for an offshore platform. The contract incorporated subcontract conditions of a LOGIC form of contract for the oil and gas industry, but the case highlights issues relevant to any construction contract. ...

Excerpted from *Building* magazine. To read the full article, click [here](#). (Subscription required)