

DO NOT RISK BECOMING A 2024 STATISTIC

FRESH JCT



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Let FRESH JCT help you negotiate security of your payment.

There has been a record-breaking number of construction insolvencies in the UK over the past twelve months. The construction sector being the biggest contributor to UK's insolvency figures in 2023, representing 17% of all insolvent firms in England & Wales.

In 2023 it is estimated well over 4000 construction companies collapsed including many well known names such as Tolent, Metnor, Henry Construction, J Tomlinson, Buckingham and Westridge to name a few of the more well known.

These failures from the largest to the smallest regional company will have many things in common not least that subcontractors will not have been paid.

For every construction firm that goes under tens maybe even hundreds of large and small suppliers and subcontractors are owed "eyewatering" sums that they will never see.

The demise of these companies in 2023 should focus all sub-contractors Directors & Business Owners in the Construction Industry into ensuring they negotiate both favourable and secure payment terms.

With the current economic climate and the repayment of COVID loans all the forecasts for 2024 are that the number of administrations will remain high which means more subcontractors will be exposed to non-payment and those that are paid will receive delayed payments.

The end result of this is that good profitable owner run sub-contractor businesses will go to the wall others will struggle on with Directors and Owners having to re-mortgage homes.

It cannot be said often or loud enough that the subcontractors must negotiate cash positive secure payment terms on all construction contracts and the only real security of payment is money in your bank.

SUBCONTRACTORS MUST NEGOTIATE SECURITY OF PAYMENT AND INTERIM OR MILESTONE PAYMENTS INCLUDING PAYMENT FOR MATERIALS OFF SITE.

It is better to walk away from that project with a Main Contractor that will not re-negotiate their unfavourable and onerous terms than become a 2024 statistic.

If you need help, guidance and advice in negotiating construction contracts and payment terms contact **FRESH JCT** for a no obligation chat on 07563 246975 or e-mail alan@freshjct.co.uk

FRESH JCT WILL PROTECT YOUR BUSINESS WITH YOUR OWN BESPOKE TERMS & CONDITIONS