20240520

FRESH JCT

HOW DO SUBCONTRACTORS SURVIVE THE CURRENT STATE OF THE UK CONSTRUCTION INDUSTRY?

The UK's construction sector is a major and vital part of the UK economy, yet it continues to suffer an alarming rate of business failures.
From headline National Main Contractors to smaller less well known Main Contractors and Construction Companies they cease trading weekly.

One thing we can be certain of yet goes unreported is that for every failed Main Contractor many subcontractors and suppliers who are at the "bottom of the food chain financing the construction industry" will again be owed millions.

For every failed Main Contractor or Construction Company the consequence for tens even hundreds of subcontractors and suppliers results in serious cash flow problems, job losses, good profitable well run business forced to close, incalculable stress for the business owners, re-mortgage and lost homes livelihoods and dreams and ambitions destroyed.

Much of the UK Construction industry is built on "credit" from a combination of suppliers or sub-contractors in the first instance operating under adverse payment terms and then receiving delayed or late payment and an undervaluation of their work.

Subcontractors' monies should be protected but it's not.

All of us in the industry know the system should and must change but realistically accept that's not going to happen.

As a Subcontractor with the onerous and unfavourable terms of "one-side" JCT and Construction Contracts what can you do to minimise your risks and exposure when the next Main Contractor fails – as they will.

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

JCT AFFORDABLE SERVICES & SUPPORT FOR SUBCONTRACTORS INCLUDE:-

- GOLD CONTRACT REVIEW & SUPPORT
- TITANIUM "IN-HOUSE" CONTRACTUAL SUPPORT
- DISPUTE RESOLUTION
- CONTRACTUAL THEORY INTO PRACTICE GUIDANCE
- MANAGING A CONSTRUCTION CONTRACT
- PAYMENT FOR MATERIALS OFF-SITE
- PASSING ON SUPPLIER LIABULITY
- PREPARING BESPOKE TERMS & CONDITIONS
- CONTRACTUAL BUSINESS "HEALTH CHECK" & AUDIT
- PROJECT MANAGEMENT SUPPORT
- MENTORING YOUR CONTRACT & PROJECT EMPLOYEES

FRESH JCT

07563 246 975

info@freshjct.co.uk

Www.freshjct.co.uk

First and foremost, read the contract and make sure you are aware of risks (and rewards) of the contract. Much better getter an expert Contract Professional or Construction Lawyer to read it advise and guide you (a few hundred pounds invested at this stage may say your business).

Negotiate the terms to reduce your risk and exposure BEFORE you start work and sign the contract.

Don't assume you can't negotiate and change the terms—especially payment terms— done professionally and with a logical well presented argument you can and have every right to.

Don't be afraid to negotiate payment terms that reflect your expenditure on the project – make sure your cash flow is positive.

Once you are in contact manage the contract and make it work for you. By understanding and managing the contract disputes with the Main Contractor are less likely.

If you have a dispute with a Main Contractor, it might just be sign, they are having cashflow issues therefore you need to manage it and resolve it as quickly as you can, whilst they are withholding your money and not paying you your risk and exposure increases.

Even if you have signed a contract with onerous terms there are still things you can do to reduce your exposure.

If you don't have the skills, knowledge and understanding of JCT and Construction Contracts and why should you you're an expert in the products and services you provide not a lawyer invest a few hundred pounds. FRESH JCT will help, guide and even negotiate for you.

Make sure that when the next Main Contractor or Construction Company goes under you have reduced your risk and exposure so that you survive.

Contact FRESH JCT at info@freshjct.co.uk or ring 07563 246 975 for a free consultation to see how we can reduce your risk and exposure to the next Main Contractor's failure.

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