

## PARLIAMENTARY RECEPTION ON PAYMENT SECURITY IN THE CONSTRUCTION INDUSTRY - 10 DECEMBER 2008

Dear Member of Parliament,

**You are invited to an evening reception on 10 December in Dining Room A at the House of Commons.**

The construction industry is significant: its output is worth over £100bn a year. It accounts for 8% of GDP and provides employment for around 3 million workers. These are the people that build the hospitals and the schools. The public sector is a major client of the industry and is responsible for directly procuring about a third of all construction.

**Your help is required to improve security of payment in the construction industry - especially for small and medium sized businesses.**

We continue to invite the Government to use the opportunity presented by the current review of Part II of the Housing Grants, Construction and Regeneration Act 1996 to strengthen the Act and ensure a fair and equitable payment culture in the construction industry.

Against this background there has been a significant development. The Prime Minister has launched his

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**This is an opportunity that must not be missed. Construction firms - especially small and medium sized enterprises - need the support of their Member of Parliament on this issue.**

**The Specialist Engineering Contractors' Group look forward to you attending the reception at 5:30pm to 7:30pm on 10 DECEMBER 2008 in Dining Room A at the House of Commons.**

If you wish to attend then please contact Carol Cooper at [ccooper@hvca.org.uk](mailto:ccooper@hvca.org.uk) or 020 7313 4920.

draft legislative programme 'Preparing Britain for the Future' - the Government's Draft Legislative Programme 2008-09.

The programme includes the *Community Empowerment, Housing and Economic Regeneration Bill* and one

*Continued overleaf*

of the main elements of the Bill is to be 'Improving the operation of construction contracts' and one of the main benefits is stated to be 'Improving cash flow through construction supply chains and, where appropriate, encouraging parties to resolve disputes by adjudication rather than by litigation'.

The Specialist Engineering Contractors' Group is particularly encouraged by the specific reference to 'improving cash flow'. The position of SEC Group throughout this review of the Act has been that cash flow is the lifeblood of construction and ensuring a fair payment culture throughout the industry supply chains is an essential part of the implementation of the 'Construction Commitments'.

The proposed *Community Empowerment, Housing and Economic Regeneration Bill* will require amendments that improve payment practices and tighten up the adjudication procedure.

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## ABOUT SEC GROUP

SEC Group is the representative voice of the specialist engineering sector. It brings together the construction industry's premier trade associations:

- Association of Plumbing and Heating Contractors (APHC)
- British Constructional Steelwork Association (BCSA)
- Electrical Contractors' Association (ECA)
- Heating and Ventilating Contractors' Association (HVCA)
- Lift and Escalator Industry Association (LEIA)
- SELECT (Electrical Contractors' Association of Scotland)

Together these organisations represent a sector comprising over 60,000 companies and a workforce of more than 300,000. The output of the sector represents almost 40% of the construction industry's output.



**IF YOU HAVE ANY COMMENTS OR VIEWS ON THE CONTENT OF THIS PARLIAMENTARY NEWSLETTER, PLEASE CONTACT:**

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