



Press Release

Immed. 29 May 2018

CECA: Government Must Legislate To Abolish Cash Retentions

Contractors today rejected the proposed retention deposit law, known as the Aldous Bill, and instead called for the total abolition of cash retentions in the UK's construction industry.

Commenting, Chief Executive of the Civil Engineering Contractors Association (CECA) Alasdair Reisner said: "Retentions are a completely unacceptable tool in the modern construction industry, fostering a culture of poor workmanship rather than getting it right first time.

"The use of improperly managed retentions often has substantial impacts those businesses operating throughout the supply chain as these companies operate within extremely tight margins and reserves.

"For this reason CECA has long supported their abolition both for our customers and our members. We believe that it is essential that we work with industry to confirm a roadmap that eliminates rather than sustains this practice.

"Given our members' views, we cannot at this stage support this proposal. We keep our policy positions under review, but see particular challenges with a Bill that has apparently not considered the wider impacts of the proposal, including significant introductory and compliance costs as well as cementing retentions as part of the industry when the ambition is to abolish them.

"We call on Government to legislate to abolish cash retentions and work with industry to implement an agreed route map based approach to achieve this ambition."

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Notes to Editors

1. The Civil Engineering Contractors Association (CECA) represents over 300 contractors of all sizes, covering approximately 80% of the civil engineering market in Great Britain. Our members build infrastructure that provides the basis for economic sustainability and quality of life in communities across the country.

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