



Wednesday 1st April 2020

Emergency Plan to Save UK Construction

The Construction Leadership Council has written to the Prime Minister setting out essential actions to secure the future of the sector.

Research last week showed that without further support nearly half of all companies in the sector face potential failure in the next three months^[1].

Today, in a letter to the Prime Minister the Construction Leadership Council has asked the Government to implement measures to save cash-strapped companies in the construction supply chain:

- **Suspend PAYE and CIS tax due to HMRC in April and May for construction and consultancy firms and workers with no financial penalty**
- **Defer/cancel Apprenticeship Levy payments for the duration of the crisis**
- **Government to advise all public sector clients, regulated utilities, and firms in the private sector to expedite cash flow throughout the supply chain**
- **Support the directors of micro-businesses, who currently fall between the support provided by the Job Retention Scheme and assistance for the self-employed**
- **Direct all Government bodies to release all retention monies**
- **Extend the £25k SME business continuity grants scheme to the construction sector.**

In addition, the sector has asked for clear and visible encouragement that the production of building materials continues where possible, and that electrical, plumbing, and general builders' merchants remain open so that the industry can function.

Commenting, Andy Mitchell, co-Chair of the Construction Leadership Council, said:

"The construction industry is a key strategic sector of the UK economy and is playing a vital role in building and maintaining NHS estates, enabling the transport sector to function, and keeping the lights on in homes around the country.

"It is not an either/or question. The UK economy requires a functioning construction sector that can operate safely during this crisis and will rely upon construction workers and companies to get Britain building once we've won the war against Covid-19.

"We are calling on the Government to take these steps not only to save jobs and companies in the long term, but to ensure our sector can continue to function throughout the weeks and months to come.

"The UK Government's response to this crisis has been bold and necessary. It is time now for it to roll out emergency measures to protect UK construction directly, which is a sector of national strategic importance in good times as well as bad."