

PRESS RELEASE
17 January 2011

Government Confirms Fair Payment Requirement

NSCC welcomes the announcement from Government that payment within 30 days throughout the supply chain will now be a contractual requirement on central Government contracts.

Mark Prisk MP, Minister for Business and Enterprise, confirmed at the NSCC AGM in November 2010 that the decision to implement 30-day payment periods in the public sector had come as a result of listening to the NSCC Fair Payment Campaign. From December 2010, there will be a common assessment or valuation date for all tiers of the supply chain on central Government contracts and payment must be received down to tier 3 within 30 days of this date. An Information Note has been issued to all central Government departments outlining the 30-day requirement and, following the Minister's call for feedback on how it is working in practice, NSCC has set up a confidential feedback service on the newly launched Fair Payment Campaign website at www.fairpaymentcampaign.co.uk.

The Fair Payment Campaign continues to go from strength to strength and NSCC will be focussing on the removal of retentions in 2011. Clients are increasingly recognising that retentions are an outdated practice and the new NSCC No Retention Policy recommends that Specialist Contractors do not accept cash retentions. The best guarantee of quality is a competent and qualified supply chain, and NSCC is encouraging the industry to resist cash retentions in favour of more modern and practical alternatives.

NSCC President David Jones praised the continued success of the Fair Payment Campaign:

"Changing custom and practice is never easy – particularly when the practice in question has been around for more than 100 years – but the Fair Payment Campaign shows that, by working together, we can make a difference. Government has clearly recognised the importance of fair payment and its decision to make 30 days a requirement gives us a huge opportunity to overhaul the industry's payment practices once and for all."

~ Ends ~

For further information, contact Suzannah Nichol MBE at NSCC:

T: 0844 249 5351

E: enquiries@nsc.org.uk

Notes to Editors

1. The National Specialist Contractors' Council (NSCC) brings together the common aims of 32 specialist trade organisations within the construction industry and is the authoritative voice of 7,000 Specialist Contractors in the UK – www.nsc.org.uk
2. The Information Note *Making fair payment in construction a requirement in central Government contracts* which has been issued to central Government departments can be viewed at [http://www.ogc.gov.uk/documents/Fair Payment Information Note.pdf](http://www.ogc.gov.uk/documents/Fair_Payment_Information_Note.pdf)
3. The new Fair Payment Campaign website can be viewed at www.fairpaymentcampaign.co.uk