

# SUBCONTRACTOR & SME SUPPORT

Dedicated support for small and medium-sized businesses in the construction industry

### Introduction

DAMIAN JAMES provides dedicated commercial and dispute resolution services to the construction and engineering sectors.

Allow us to bridge the gap between technical, legal and financial expertise. We help you understand and navigate the complex world of construction contracts and disputes, resolving conflict with the minimum fuss and tacking complex commercial matters.

#### **Payment Challenges**

It is not uncommon for many SME's and subcontractors to face challenges recovering payment.

Contractor arguments tend to revolve around common issues such as:

- The value of works completed.
- · Variations undertaken.
- The cost of remedy to defective works.

As a contractor, you may find you are frequently driven by spreadsheet-focussed financial targets. As a result, it's often easy to lose track of the value of works.

This in turn causes you to drive values down by any means – be they appropriate or otherwise.

#### **Impact**

The resultant effect is that SME's and subcontractors may have between 10-15% withheld from the value of construction work at the final payment stage.

The effect on cashflow, particularly when retention is factored into the payment, is that a reversal or deficit situation occurs.

This is not good for any business, let alone one operating in a sector where margins are notoriously low, and insolvency is rife.

In the UK the use of statutory adjudication (the 28-day dispute resolution process set up in law) offers a good opportunity to recover sums that are properly due. Equally, it provides a useful starting position for the resolution of amounts in dispute.

#### How We Help

In the past 24 months by providing a heavy focus on recovering the value of works we have seen a significant reduction in the monies withheld from the SME's and subcontractors represented and supported by Damian James.

In the same period, we have seen contractors engage with expensive tier-one legel firms. These firms in turn have been unable to address the entitlement issues and quantification. They instead tend to adopt complex merit arguments and jurisdictional challenges.

With a thorough knowledge and understanding of subcontract documents, the Damian James team can assist in resolving final accounts.

2022 - over £6 million of withheld sums recovered.

2023 - over £8 million of withheld sums recovered.

Working with us, your team can implement the best commercial solution possible, ensuring the most economic means of recovering withheld monies.

An important part of the legacy of our involvement is the oftenneeded skills transfer or simply pointers to put SME's and subcontractors in better positions. This leaves you to look after your own future with greater confidence and assurance.

Get in touch today for a no-obligation chat about how we can support you.





## **Damian James**

www.damian-james.com