



Press Release

Immed. 24 March 2026

CECA Welcomes Government Crackdown On Late Payment

Civils contractors today welcomed the Government's announcement of new measures to tackle late payment, saying that tackling this issue head-on will be 'crucial' to realising the UK's infrastructure ambitions.

A [major package of reforms](#) to tackle poor payment practice, including a 60-day cap on payment terms for large firms paying smaller suppliers, mandatory statutory interest on late payments, stronger powers for the Small Business Commissioner, and action to prohibit the withholding of retention payments under construction contracts, was announced earlier today.

The Civil Engineering Contractors Association (CECA) has consistently argued that poor payment practice undermines cash-flow, confidence, and investment across the infrastructure supply chain.

[In its response](#) to the Government's consultation on the issue, CECA called for a legal maximum of 60 days for payment terms, mandatory statutory interest on late payments, stronger enforcement powers for the Small Business Commissioner, and reform of retentions.

Commenting, Ben Goodwin, CECA Director of Policy & Public Affairs, said: "CECA welcomes the Government's decision to take stronger action on late payment. Fair and timely payment is not a marginal issue for our members: it is fundamental to cash-flow, confidence, and the long-term health of the infrastructure supply chain.

"CECA members have been clear that extended payment terms, the abuse of invoice disputes, and the unjustified withholding of retentions continue to place real strain on businesses, particularly SMEs.

"The direction of travel is the right one. Government must now ensure these reforms are properly enforced and developed in close consultation with industry, so that they deliver a fairer and more sustainable payment culture across the sector."

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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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