*[name of local MP]*

**The House of Commons,**

**London SW1A 0AA**

Or Email:

[MP’s surname (X) followed by without space by first name initials (Y)@parliament.uk]

Dear *[name of local MP]*

**CASH RETENTIONS IN THE CONSTRUCTION INDUSTRY**

I work for *[am a director of] [name of company]* a *(construction design consultancy)*.

Over many years the construction industry has been bedevilled by the practice of cash retentions. These are monies which are deducted from due payments and held back in case of failure of a firm to return to remedy non-complying work. In practice they are deducted to bolster the working capital of the other party. This was recently confirmed in research published by the Business Department.

The key concern is that these monies are held for long periods – often over two years. Figures produced by the Business Department have revealed that £700 million worth of retentions were lost over a three year period as a result of insolvencies up the supply chain. But these monies belong in law to the firms from whom they were withheld.

I understand that Peter Aldous MP will be introducing a Private Member’s Bill on 9 January 2018. The Bill will seek to protect cash retentions by requiring them to be placed in a retention deposit scheme.

The purpose of writing, therefore, is to invite you to support this Bill. If it was to be passed it would make a massive difference to the industry, especially to the cash flow position of small businesses. I attached a briefing which explains the matter in more detail.

Please get back to me if you have any questions. Thank you in anticipation of your help.

Kind regards

*(Insert Briefing paper as an attachment)*