

Significant contract dispute, Covid and resulting delays led to PDR Construction collapse – administrator

Administrators appointed following the [collapse of PDR Construction Ltd](#) have revealed how all operations ceased and all staff were made redundant prior to their appointment.

A “significant lost adjudication” in a contractual dispute has also been highlighted at the Hessle firm, which walked away from 14 sites with ongoing work valued at £90 million.

Philip Deyes, Sean Williams and Andrew Poxon, of Leonard Curtis Business Rescue & Recovery, were appointed joint administrators of PDR this week.

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Describing it as a “long-established privately owned main contractor within the construction sector,” Mr Deyes said: “The company has experienced challenging market conditions including the timely delivery of a number of recent projects, resource issues within the sector principally as a result of the Covid-19 pandemic, and contractual disputes with private clients including a recent significant lost adjudication.

“New work opportunities have been delayed as a result of the uncertainty in the economic and political environment causing a significant fall in turnover. The company had fallen behind with payments to its creditors and .sub-contractor supply chain, culminating in a winding up petition being served on the company on January 4.”

The trio from the Leeds office of the national business solutions group are now looking to sell PDR's construction contracts ledger, which includes "active and completed sites where applications for payment and/or retention balances remain outstanding".

[Indicative offers on the ledger](#) are sought by Wednesday, January 19. It is liaising with all contracted employers in relation to site activity.

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PDR, launched by Paul Dransfield in 1993, was active nationwide, but had delivered several schemes for city developer Wykeland. It turned over £83 million in the year to April 20, 2020, reporting a first loss in a decade as a £373,011 profit in 2019 turned into a £351,853 loss.

One of the most high profile ongoing jobs is the Beal Homes headquarters at Bridgehead Business Park in its home-town. Housebuilder Beal has taken over the jobs with the workforce kept on to complete the £4.5 million 19,000 sq ft two-storey build.

The administrators said an additional sale is planned for separate land and property assets owned by the firm.

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