

Fair Payment Code

Application Process Guidance - Simple Guide



The evidence required for each Award Level is as follows:

Award Level

Evidence Requirements



- Proof of payment performance clearly displaying that at least 95% of invoices to all UK suppliers are paid within 60 days from receipt of invoice
- Proof of payment performance must include at least 6 months of data
- At least 2 references from supply chain, ensuring a minimum of 1 reference is from a supplier with less than 50 employees



- Proof of payment performance clearly displaying that at least 95% of invoices to UK suppliers with over 50 employees are paid within 60 days from receipt of invoice
- Proof of payment performance clearly displaying that at least 95% of invoices to UK suppliers with less than 50 employees are paid within 30 days from receipt of invoice
- Proof of payment performance must include at least 6 months of data
- At least 2 references from supply chain, ensuring a minimum of 1 reference is from a supplier with less than 50 employees



- Proof of payment performance clearly displaying that at least 95% of invoices to all UK suppliers are paid within 30 days from receipt of invoice
- Proof of payment performance must include at least 6 months of data
- An example of your standard contract stating when you intend to pay suppliers. Please note that this must also stipulate that interest on late payments, (payments made after 30 days) will be paid at 8% above the Bank of England Base Rate in line with the Late Payment and Commercial Debts Act of 1998
- At least 2 references from supply chain, ensuring a minimum of 1 reference is from a supplier with less than 50 employees

Proof of Payment Performance

This can be in the form of:

- Payment Practices Reporting Data (If you are currently reporting)
- Data from a reputable digital accounting software system
- Evidence from an invoicing system
- A statement of confirmation providing evidence of payment terms from a Chief Financial Officer, Finance Director or Accountant

Please note that any of these submitted must:

- Include at least 6 months of data
- Clearly specify a percentage summary of invoices paid within 30 or 60 days
- Be taken from receipt of invoice

We will not accept:

- A summary for individual suppliers
- A list of invoices and the date these are paid

Standard Contracts (For Gold Award Applicants)

Your proof of standard contractual terms must:

- Be the contract you send to your suppliers
- Specify exactly when you intend to pay suppliers (within 30 days from receipt of invoice)
- Stipulate that interest on late payments, (payments made after 30 days) will be paid at 8% above the Bank of England Base Rate in line with the Late Payment and Commercial Debts Act of 1998

References

- Please ensure at least one of your references is a business with under 50 employees
- We will accept email evidence between yourself and your supplier confirming:
 1. The number of employees in their business
 2. How many days after receipt of invoice they are paid by your business
- Please ensure your supplier references are made aware we will be contacting them to confirm the same information if you've not already provided this to us

Any questions?

If you have any questions about your application, please don't hesitate to reach out to the FPC Team: fpc@smallbusinesscommissioner.gov.uk.