



18 MORE BUSINESSES PENALISED FOR FAILING TO PAY SUPPLIERS ON TIME

- *BT, British American Tobacco and Centrica among businesses removed from industry-led Prompt Payment Code*

(17th July 2019) Eighteen companies – including BT Plc, British American Tobacco, and Centrica – have been suspended from the Prompt Payment Code for failing to pay suppliers on time, the Chartered Institute of Credit Management (CICM) announced today.

Screwfix, Prudential, and various businesses of BAE Systems are also among those that have failed to honour their Code commitment to pay 95% of all supplier invoices within 60 days. The Code is administered by the CICM on behalf of the Department for Business, Energy and Industrial Strategy (BEIS). Signatories pledge to uphold its best practice for payment standards to end the culture of late payment.

The full list of companies suspended or removed from the Code include:

17 suspended with action plan received (or committed):

Severfield (Design & Build) Ltd

Stantec UK Limited

Screwfix

Prudential

British American Tobacco (Holdings) Limited

Galliford Try PLC

Alun Griffiths

Ferrovial Agroman (UK) Limited

BAE Systems Global Combat Systems Limited

BAE Systems Applied Intelligence Limited

BAE Systems (Oman) Limited

Centrica

Maintenance Management Limited

Fujitsu Services Limited

De La Rue Holdings plc

Domino UK Ltd

BT plc

One suspended with no action plan yet received:

AB World Foods

The Prompt Payment Code's Compliance Board, chaired by CICM's Chief Executive Philip King, includes the Small Business Commissioner Paul Uppal, and regularly reviews the status of organisations to ensure they are upholding their commitments. Businesses suspended from the Code are invited to produce an action plan that leads to a substantial improvement in payment performance and are reinstated to the Code as soon as they demonstrate compliance.

Mr King said: "We will continue to challenge signatories to the Code if the obligatory Payment Practice Reporting data suggests that their practices are not compliant. We are encouraged that of the 18 who have been suspended or removed today, all but one has already submitted action plans to achieve future compliance, and we are working closely with those businesses to support a better payment culture."

Small Business Commissioner Paul Uppal added: "Large companies who are not currently meeting the Code Standards need to note their unethical payment practices will not be tolerated. The suspension of those who are failing to meet their obligations demonstrates Government is committed to ensure small businesses are treated fairly."

Small Business Minister Kelly Tolhurst said: "As a former small business owner I know how damaging late payments can be. Although the vast majority of businesses pay their bills on time, we recently announced ambitious new measures to level the playing field for small businesses as part of our modern Industrial Strategy. These include plans to hold company boards accountable for payment practices and proposed new powers for the Small Business Commissioner to tackle late payments through fines and binding payment plans."

The Cabinet Office Minister for Implementation, Oliver Dowden added: "Paying invoices promptly is vital, particular for smaller businesses, who are the backbone of the UK economy. So I hope that the companies who have been suspended from the code will now get their act together and work hard to improve their performance."

"From September 1st, 2019, any supplier who bids for a government contract above £5m per annum will be expected to answer questions about their payment practices and performance. If they are unable to demonstrate that they are paying 95% of invoices within 60 days, they may be excluded from the process."

Atos IT Services UK Limited, which was included in a list of businesses removed from the Code earlier this year, has since been re-instated having satisfied the PPC Compliance Board that it is now meeting the standards and commitments of the Code.

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Notes/additional guidance for media:

For individual Payment Practice Reports:

<https://check-payment-practices.service.gov.uk/search>

Full CSV extracts from Payment Practice Reporting data can be downloaded at:

<https://check-payment-practices.service.gov.uk/export>

For further Prompt Payment Code information:

<http://www.promptpaymentcode.org.uk>

http://ppc.promptpaymentcode.org.uk/ppc/ppc_signatory.a4d

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About the CICM:

The Chartered Institute of Credit Management (CICM) is the largest recognised professional body in the world for the credit management community. Formed in 1939, the Institute was granted its Royal Charter in 2014. Representing all areas of the credit and collections lifecycle, it is the trusted leader and expert in its field providing its members with support, resources, advice, and career development as well as a networking and interactive community. In addition to its comprehensive suite of qualifications and learning opportunities, events and magazine 'Credit Management', the CICM administers the Prompt Payment Code for BEIS. Independently, and through collaboration with business organisations, it provides vital advice to businesses of all sizes on how best to manage cashflow and credit.