



Prompt Payment Code

The PPC and Wessex Pumps

Paying suppliers or partners promptly and within the agreed payment terms is not only an ethical responsibility but economically beneficial for all parties and the wider economy. Speed and certainty of payment and stable cash flow are essential for all businesses to flourish and grow.

Wessex Pumps and Pipework Limited has demonstrated their commitment to prompt payment by becoming a signatory to the Code.

What is the PPC?

The Prompt Payment Code (PPC) is a voluntary code of practice for businesses, administered by the Office of the Small Business Commissioner (OSBC) on behalf of BEIS. It was established in December 2008 and sets standards for payment practices between organisations of any size and their suppliers.

The Ethos of the Code

Signatories have always undertaken to:

- Pay suppliers on time, within agreed terms
- Give clear guidance to suppliers on terms, dispute resolution and prompt notification of late payment
- Support good practice throughout their supply chain by encouraging adoption of the Code

Code Reforms

In changes announced on 19 January 2021, the Code has been strengthened by:

- confirming the requirement to pay 95% invoices within 60 days
- introducing an added requirement that 95% invoices from small businesses (with less than 50 employees) must be paid within 30 days (effective from 1 July 2021 for existing signatories)
- requiring small and medium sized signatories to report annually on their payment performance, on a comply or explain basis
- promoting and strengthening the Code website
- requiring signatories to recognise the right of suppliers to charge late payment interest and charges if an invoice is paid late without justification
- stating that applications to join the Code must be signed by the Chief Executive, Finance Director or, in the case of smaller businesses, the company owner
- suppliers should be provided with a contact point for payment queries