

BAM Nuttall Ltd

Fair Payment of Supply Chain: Action Plan

BAM Nuttall Limited is committed to ensure that fair and timely payment is made to our supply chain in accordance with agreed terms and conditions.

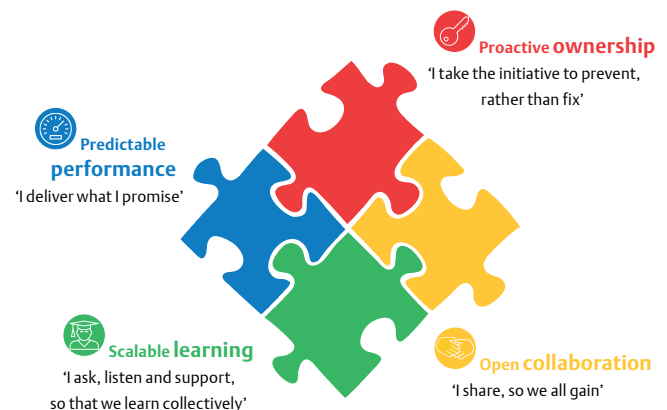
How can you, as a valued supply chain member, help us make timely payment to you?

- Submit applications for payment and or invoices in accordance with the terms of the contract (eg once per month and by the required date)
- Ensure you obtain a valid order number from our authorised representative
- Clearly state the correct and complete order number with the project name and address on all applications for payment and invoices (order number format example: BXX.4000/1234567890)
- Avoid multiple invoices per order each month (unless expressly requested to do so); one invoice per order per month is the default preference
- Submit subcontract applications for payment and or invoices to the address stated in the contract (if no address is stated or confirmed by our authorised representative then send to our registered office: email invoices@bamnuttall.co.uk or post to Accounts Department, BAM Nuttall Limited, St James House, Knoll Road, Camberley, Surrey, GU15 3XW), unless expressly instructed otherwise by our authorised representative
- Submit supplier ledger invoices to our registered office: email invoices@bamnuttall.co.uk or post to Accounts Department, BAM Nuttall Limited, St James House, Knoll Road, Camberley, Surrey, GU15 3XW unless expressly instructed otherwise by our authorised representative
- Ensure we have your correct bank details
- Issue credit notes quickly and in the same manner as invoices
- Issue us with monthly statements for supplier ledger invoices which are considered as unpaid: email statements@bamnuttall.co.uk or post to Accounts Department, BAM Nuttall Limited, St James House, Knoll Road, Camberley, Surrey, GU15 3XW unless expressly instructed otherwise by our authorised representative

Our commitments and actions

- Agreeing payment terms when we place orders
- Checking how our supply chain will need to be paid
- Aiming to pay invoices on time (queries and or errors in invoicing can delay this)
- Raising queries with our supply chain regarding their applications/invoices as soon as possible
- Subcontractors' and suppliers' payments not being dependant on the pay date of main contracts
- Subcontract agreements with payment periods in alignment with Fair Payment Charter obligations
- Multiple payment runs each week
- Making payments usually by electronic means (via BACS transfer)
- Payments not deliberately being paid late
- Payment representing the work properly carried out, or products supplied, in accordance with the contracts
- Paying early where our payment runs do not allow for payments to be made on the final date for payment
- Regular review of our payment performance

Our payment practices and performance are reported in accordance with the Reporting on Payment Practices and Performance Regulations 2017, found at: <https://check-payment-practices.service.gov.uk/company/00305189/reports>.



Action plan for improving payment performance

Primary causes of failure to pay supply chain invoices within agreed terms	Actions to address these causes
Internal supplier ledger system not capturing all invoices to be paid in each payment run	Adjustment to our supplier ledger payment dates to improve supplier payment Improvement to our internal supplier ledger payment process
Late approvals	Raising the profile and importance of fair and timely payment to supply chain with managers Investigation of electronic capture of deliver tickets up-loadable directly to our cost administration system
Invoice queries (eg invoices submitted not in accordance with purchase orders, missing proofs of delivery, invoice errors, etc)	Proactive communication by personnel Website publication of 'Fair Payment of Supply Chain: Action Plan' prompt/help list for supply chain submission of applications/ invoices to assist with timely payment
Late submissions	Internal checks of compliance with contractual terms, processes and procedures Review of internal processes
Generally	Investigate 'hot spots' with relevant parts of the business

Primary causes of failure to pay supply chain invoices within 60 days	Actions to address these causes
Missing proofs of delivery	Proactive communication by personnel Investigation of electronic capture of deliver tickets up-loadable directly to our cost administration system
Suppliers incorrectly charging and not issuing credit notes quickly	Website publication of 'Fair Payment of Supply Chain: Action Plan' prompt/help list for supply chain submission of applications/ invoices to assist with timely payment
No/wrong order number on invoices	
Non-receipt of original invoices	
Incorrectly addressed invoices	
Multiply invoices being submitted per order per month	Checks of compliance with contractual terms, processes and procedures, raise with supply chain
Invoices being submitted more frequently than once per month	
Generally	Investigate 'hot spots' with relevant parts of the business

Review and reporting: in addition to the bi-annual reports required under the Reporting on Payment Practices and Performance Regulations 2017, interim data shall be analysed to monitor performance and identify necessary improvement actions.



Approved by: Ian Phillpot, Finance Director, September 2020

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