



Highways England Fair Payment Charter

1. We will strive to meet the 'Fair Payment' commitments set out below. We will additionally seek to embed the principles throughout our supply chain ¹.
 - Companies have the right to receive correct full payment as and when due. Deliberate late payment or unjustifiable withholding of payment is ethically not acceptable;
 - 'Fair Payment' will apply equally between the client and lead contractor and throughout the supply chain;
 - The process will be transparent, and members of the supply chain will have certainty of how much and when they will be paid;
 - Companies will consider, where appropriate, operating relevant contracts on an open book basis;
 - The correct payment will represent the work properly carried out, or products supplied, in accordance with the contract. Any withholding of payment due to defects or non-delivery will be proportionate and demonstrably justified in line with arrangements made at the time of contract.
 - To ensure effective and equitable cash flow for all those involved, all contracts will provide for regular payments and have payment periods not exceeding 30 days, from receipt of invoice.
 - In order to avoid payments delays, Highways England and all the supply chain members will agree payment procedures at the outset of their contracts. Payment will be through BACS transfer and will apply throughout the supply chain.
 - Monitoring compliance with these principles will be built into the performance management requirements pertaining to this Call Off Agreement/Agreement.

¹This charter aims to align with the principles outlined by the Office of Government Commerce in its "Guide to Best Fair Payment Practice". It is not intended to be a legally binding document and will not be used in construing any contractual commitment.

Suppliers who have not already signed up to their commitment to work towards delivering the requirements of this charter will be expected to do so prior to award of any Highways England contract.

It is recognised that Suppliers to Highways England may require an introductory period to modify their business systems and procedures in line with the charter commitments.