



## Getting Paid On Time

If you find you are often chasing people for payment, try the following:

- 1) **Ask for a purchase order upfront** for the job from relevant organisations. This gets you logged onto their finance system.
- 2) **Have a simple contract.** If you are not given one by the client, then send yours to them.
- 3) **Invoice for part of the job upfront.** Your contract can include staged payments for each section of work including an invoice upfront to start the job.
- 4) **Make your terms of payment clear** in writing and when speaking to your client. On your basic contract include information on cost, delivery arrangements, payment terms, time limits for raising a dispute, quality and....
- 5) **Make sure the clients know that you can charge interest on late payments.** Since 2002 small companies can charge statutory interest for the late payment of commercial debt after an agreed period or the default period of 30 days. You can also claim reasonable debit recovery costs. Put this information on the bottom of your invoices.
- 6) **Have a system** for sending out invoices, logging when they are paid and chasing unpaid invoices.
- 7) **Retention of title in your contract** allows you to retain ownership of goods already supplied until they are paid for.

For more information see [www.payontime.co.uk](http://www.payontime.co.uk) and [www.businesslink.gov.uk](http://www.businesslink.gov.uk)