



## On-Time Payment Policy

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|----------------------------|---|
| <b>Application</b>         | Finance Staff, Registered Small Business Owners |
| <b>Responsible Officer</b> | Director Corporate & Community Services         |
| <b>File No</b>             | CM:POL:CWP                                      |
| <b>Authorised by</b>       | Council   |
| <b>Effective Date</b>      | 16 October 2018                                 |
| <b>Distribution</b>        | Internet / Intranet / Public Display            |

### Purpose

The purpose of this policy is to ensure that Council conforms to the commitment to pay invoices from eligible small business suppliers within 30 days of receipt as part of the Small Business Friendly Councils Program

### Definitions

|  |   |
|--|---|
| Council:                                 | Carrathool Shire Council  |
| Small Business:                          | Small businesses are Australian based firms that have an annual turnover of under \$2 million in the latest financial year.   |
| Goods and Services:                      | For the purposes of this policy goods and services are as defined in the Public Sector Employment and Management (Goods and Services) Regulation 2010. In general terms, goods and services exclude construction and property contracts.  |
| Correctly Rendered Invoice or Statement: | is an invoice or statement which: <ul style="list-style-type: none"><li>• Is rendered in accordance with all of the requirements of the approved purchase order and, where applicable, the written contract;</li><li>• Is for amounts correctly calculated; and</li><li>• Is for work properly performed (i.e.goods received in good order and condition and/or service satisfactorily carried out.</li></ul> |
| Day that payment is made:                | Is the day that funds are transferred into the banking system for payment to suppliers or a cheque is sent.   |
| Standing offer:                          | Is an agreement for the provision or disposal of goods or services over a certain period on the order of any customer for whom the agreement had been arranged.   |

### Reference

Office of Small Business Commissioner

### Policy statements

#### Background:

The Office of the NSW Small Business Commissioner in partnership with the NSW Business Chamber has developed a program to proactively work with and support businesses in local government areas and enhance the business relationship with Councils. A key component to the program is to develop an 'On time payment policy'

#### Policy:

Carrathool Shire Council will pay small business suppliers for the provision of goods and services not later than 30 days from the date of receipt of a correctly rendered invoice or statement, unless an existing contract or standing offer provides for an alternative time period.

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| O:\Common\Document Control\Council Policy\Adopted\On Time Payment v2 152.docx                   | Effective Date: | 16.10.2018 |
| Uncontrolled document when printed. Please refer to website or intranet for controlled document | Version No.:    | 2          |



## Council Policy 152

Payment terms longer than 30 days are permitted only where the nature of goods and services or the structure of the purchase make it impractical to require payment within 30 days.

### Revision Table

| Minute /Date      | Amendment Summary | Reason or Reference |
|-------------------|-------------------|---------------------|
| 1205 / 17.11.2015 |                   | Policy Adoption     |
| 0741 / 16.10.2018 |                   | Amended             |

### Associated Documents

Business Ethics Statement  
Procurement Policy

### Review

This policy may be amended from time to time and will be reviewed within 2 years of its adoption (or latest amendment) with reference to any relevant legislation, best practice guides, or other factor.