

SME boost in Government slow pay clampdown

New government measures to clamp down on late payment, including holding boards directly accountable, have been welcomed by IPSE (the Association of Independent Professionals and the Self-Employed).

IPSE research has found that two thirds of the self-employed have suffered from late payment, and they have lost an average of 20 days a year chasing delayed client payments.

The Department for Business, Energy and Industrial Strategy (BEIS) have confirmed that it would introduce new measures to improve payment culture.

They include powers for Small Business Commissioner to tackle late payments through fines and binding payment plans, company boards to be held accountable for supply chain payment practices for first time and a fund to encourage businesses to use technology to simplify invoicing, payment and credit management

Andy Chamberlain, IPSE's deputy director of Policy, said: "For the two-thirds of self-employed people who experience it, late payment means no income, empty bank accounts, debt and possibly destitution.

"We are pleased that the government has listened to the UK's smallest businesses and is strengthening their carrot and their stick. This must now end the late payment culture that so many big businesses get away with."