



**TWEED**  
SHIRE COUNCIL

# Policy

## On Time Payment

Version 1.0

Adopted by Council at its meeting on Thursday 22 January 2015

Minute No: 5

Division:  
Section:  
File Reference:  
Historical Reference:

Corporate Services  
Financial Services  
N/A

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# On Time Payment

## Policy Objective

This Policy sets out Tweed Shire Councils commitment to the payment for goods and services supplied by small businesses.

## Definitions

**Small Business:** Small businesses are Australian based firms that have an annual turnover of under \$2 million in the last financial year.

**Goods and Services:** for the purposes of this policy generally means goods and services of any kind excluding construction and property contracts.

**Correctly rendered invoice or statement** is an invoice or statement which:

- is rendered in accordance with all of the requirements of the approved purchase order and, where applicable, the written contract;
- is for amounts correctly calculated; and
- is for work properly performed (i.e. goods received in good order and condition and / or service satisfactorily carried out).

**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.

## Policy Background

The Office of the NSW Small Business Commissioner (OSBC) 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 of the program is to develop an 'On time payment policy'.

## Policy

Tweed 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.

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

## **Related Legislation**

Not applicable.

## **Compliance**

Compliance with this policy will be reported quarterly in the Tweed Shire Council Delivery Program/Operational Plan by the reference to the proportion of small businesses paid on time for the period.

## **Forms**

Not applicable.

## **Review Period**

This policy will be reviewed within 12 months of the election of each new Council or more frequently in the event of any legislative changes or change in circumstances.

## **Useful Links**

[NSW Small Business Commissioner](#)

[NSW Business Chamber](#)

**Version Control:**

<b>Version History</b>		
<b>Version #</b>	<b>Summary of changes made</b>	<b>Date changes made</b>
1.0	<i>Original Policy developed as the participation in the Small Business Friendly Council (SBFC) Program.</i>	<i>New Policy</i>
1.0	Adopted by Council on 22 January 2015	27/1/2015