

Payment Performance - Action Plan

Organisation	VolkerFitzpatrick Limited
Company Registration Number	02387700
Date of last Payment Practices Reporting Data	31 December 2025
% invoices paid within 60 days	93%
% invoices not paid within agreed terms	20%

The primary causes of non-compliance

We consider the following to be the primary causes of slow or delayed payment to the suppliers and subcontractors that we trade with:

1. Manual and inefficient internal processes which can mean that invoices are not always progressed to payment quickly enough
2. Unforeseen fluctuations in business need for 'on demand' goods or sub-contract services which mean existing approved order values need to be uplifted before invoice or certificate can be processed for payment
3. Invoices presented to us for payment which do not contain the right details or lack supporting documentation (e.g. proof of delivery) to enable approval without query
4. Payment terms agreed with suppliers which are inconsistent with our payment objective

Actions that we have / are undertaking to improve our payment performance	Targeted outcomes
We implemented a new ERP system in the first half of 2024	<ul style="list-style-type: none"> - reduction in the number of manual steps in our process which slow progress of an invoice to payment - improved efficiency of our end-to-end P2P process (single platform, greater transparency of transactions) - availability of more detailed real time information on supplier transactions which will allow us to target inter alia delays in processing certain invoices, and specific suppliers for future payment improvement (e.g. those with less than 50 employees) <p>NB Whilst the implementation of our ERP was successful, the change from our existing systems was a significant one and challenged our teams. We are now focused on 'bedding in' the new system so that we can fully realise the benefits it can bring to our payment performance</p>
We hold regular cross-functional senior management meetings to review our payment performance	<ul style="list-style-type: none"> - to review recent performance data results and analyse trends - to identify, discuss and action resolutions to current supplier invoice processing issues - to consider and initiate operational and strategic level changes to the way we do business to improve our future payment performance, particularly in respect of those businesses we trade with who have less than 50 employees
We have increased the frequency of our payment runs	<ul style="list-style-type: none"> - so that approved invoices can be paid more quickly after they are approved
We are reviewing how we can improve our forecasting of business need for 'on demand' goods or subcontract services	<ul style="list-style-type: none"> - to minimise potential delays to payment arising from insufficient order headroom
We have reviewed our internal governance process	to ensure our approval process is streamlined and does not create undue delay
We perform periodic reviews of supplier payment terms	to ensure we are paying in line with what we have agreed with our partners, and that terms remain consistent with our commitments under the prompt payment code

This plan is reviewed, updated and approved by the VF Board on a quarterly basis.