

The CFO's guide to payment practice reporting standards

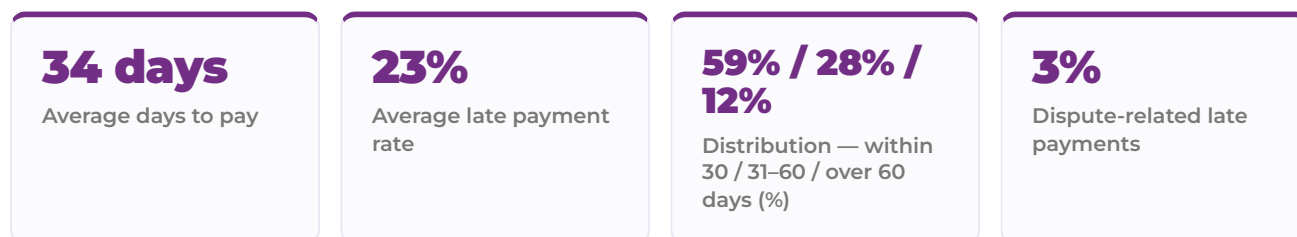
Benchmarks, analysis and improvement strategies



EXECUTIVE SUMMARY

Payment practice reporting is where your process performance is made public.

Benchmarked against your peers, it's a mirror, and a fairly honest one. Here's where the UK averages currently sit across the metrics measured*:



If your statistics match these figures, your payment practices are typical for the UK. But for most CFOs, average isn't the ambition. You want to be best in class.

This guide gives you the full benchmark bands for each metric, a practical diagnostic approach for reading your own data, and improvement strategies grouped by how quickly they pay off.

**Figures calculated using prompt payment reports entered in 2026 - a data set of 7097 entries.*

The PPR landscape in 2026

Most finance leaders know the basics. Qualifying large UK businesses report their payment performance in terms of days to pay, late payments, dispute-related late payments, use of supply chain finance, and payment distribution. The data is published on a public government register.

And as of 2026, payment practice information now needs to be included in the directors' report, phased in across three reporting cycles. That shifts PPR from a standalone filing into part of your statutory reporting and puts it in front of the board and your auditors.

Non-compliance, or inaccurate filing carries consequences including prosecution and a fine, and the reputational cost of poor published figures often outweighs the regulatory one.

PROMPT PAYMENT CODE

For signatories, published data and Code commitments need to line up. The Code commits signatories to pay **95% of invoices within 60 days**, with a **30-day target for smaller suppliers**. A public gap between what you've committed to and what your data shows is easy for others to spot.

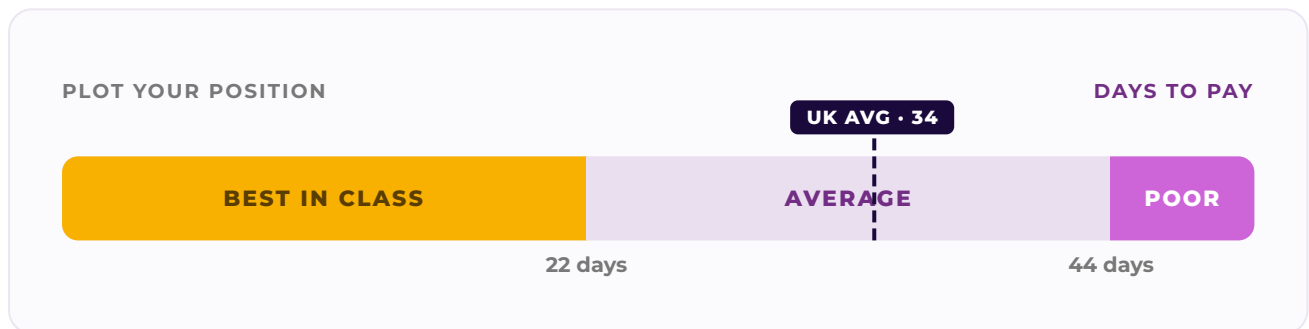
PPR BENCHMARKS

Where does your organisation stand?

Knowing your figures against the UK average tells you whether they're good, average, or problematic. Below are benchmark bands for the four PPR metrics that carry the most weight.

01 Average Days to Pay

UK AVERAGE 34 days



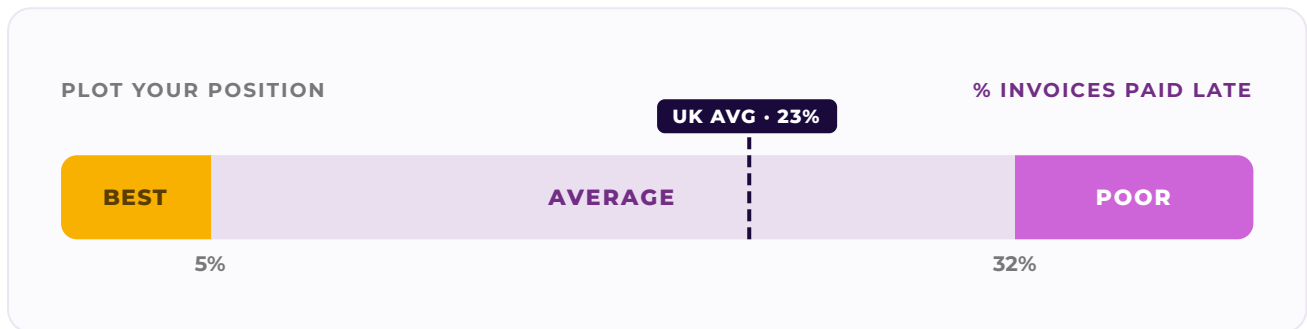
PERFORMANCE BAND	DAYS TO PAY	INTERPRETATION
● Best in class	1 - 22 days	Significantly outperforming peers; strong supplier relationships
● Average	23 - 43 days	In line with UK norms; room for improvement
● Poor	44 days +	Significant concern; reputational and supply chain risk

Average days to pay is the figure that suppliers check first. If you've signed the Prompt Payment Code, expect this one to be scrutinised most closely. Sitting well above the 34-day average is a prompt to ask a sharper question. Is the delay systemic across the ledger, or is it concentrated with a handful of suppliers or one business unit? This will affect your next steps.

02 Late Payment Rate

% of invoices not paid within agreed terms

UK AVERAGE **23%**



PERFORMANCE BAND	LATE PAYMENT %	INTERPRETATION
● Best in class	0% - 5%	Excellent payment discipline; strong controls
● Average	6% - 31%	In line with UK norms; improvement opportunities exist
● Poor	32% - 100%	Significant concern; requires urgent attention

Nearly a quarter of invoices across UK large companies are paid outside agreed terms. This metric measures how well you keep the promises you made when you agreed the terms in the first place.

High late-payment rates usually trace back to one of a few causes: approval bottlenecks, unresolved disputes, or a mismatch between the terms you agreed and what your process can actually deliver. Rates above 30% point to something systemic rather than the odd invoice slipping through, and that's worth a proper process review.

03 Payment Distribution

PERFORMANCE BAND	WITHIN 30 DAYS	31-60 DAYS	OVER 60 DAYS
● Best in class	86% - 100%	0% - 10%	0% - 2%
● Average	35% - 85%	11% - 42%	3% - 14%
● Poor	0% - 34%	43% - 100%	15% - 100%
UK AVERAGE	59%	28%	12%

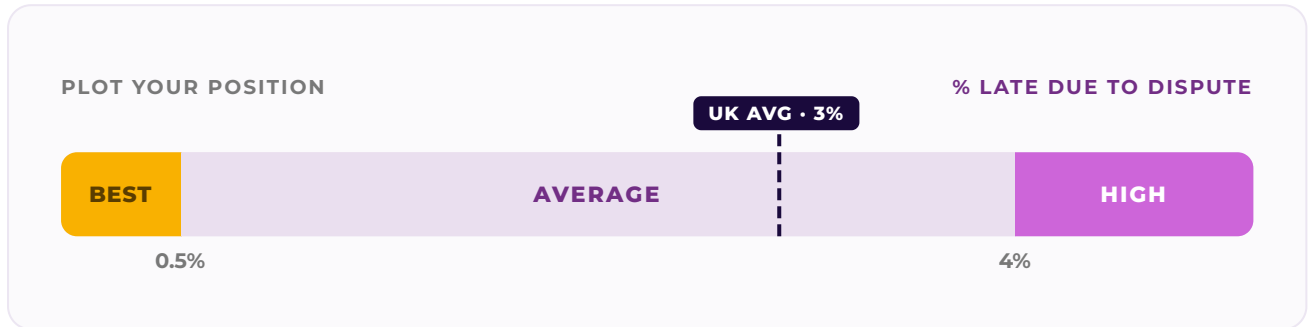
Distribution shows the shape of your payment behaviour. Two organisations can report the same average days to pay and behave completely differently underneath it.

A few patterns to look for.

- If your “within 30 days” figure is low but your late-payment rate is also low, you may simply have longer agreed terms. It’s legitimate, but it’s worth knowing how your suppliers feel about it.
- If payments cluster in the 31–60 day band, check whether invoices are being held until the last possible moment rather than processed when they arrive.
- Treat the 60+ day figure as your red-flag metric - anything above 15% deserves investigation.

04 Dispute-Related Late Payments

UK AVERAGE **3%**



PERFORMANCE BAND	% LATE DUE TO DISPUTE	INTERPRETATION
● Best in class	0% - 0.5%	Minimal disputes; strong supplier communication
● Average	0.6% - 3%	Typical; some improvement possible
● High	4% - 100%	Significant concern; upstream process issues likely

Where dispute rates run high, the cause is almost always upstream in the procure-to-pay process: PO accuracy, goods-receipt problems, pricing discrepancies, or gaps in supplier communication. The dispute itself is a symptom. Statement reconciliation is one of the more reliable ways to surface where those patterns are coming from, which we come back to later.

DIAGNOSTIC GUIDE

PPR data diagnostic guide

Identifying late-payment patterns

Late payment is rarely spread evenly. The useful question is whether it's concentrated or dispersed, so segment the data a few different ways:

- **By supplier** — are the same names paid late again and again?
- **By business unit** — is one team struggling more than the rest?
- **By invoice type** — do non-PO invoices fare worse than PO-backed ones?
- **By value** — do high-value invoices attract extra scrutiny and stall?

Once you can see where late payment concentrates, the cause tends to reveal itself: an approval bottleneck, a run of disputes, or a data-quality issue feeding bad information into the process.

Understanding dispute-related delays

Disputes are worth separating into two piles: genuine commercial disagreements, and process failures dressed up as disputes. The second pile is where the quick wins live.

- What share of disputes are legitimate versus avoidable through better process?
- How quickly are disputes resolved, and where does the clock actually stop?
- Are disputes concentrated with particular suppliers or invoice types?

Comparing across reporting periods

One period is a snapshot. Several periods are a trend, and trends are where the real story sits.

- Is performance stable, improving, or drifting the wrong way?
- Can any change be tied to a specific event — a system migration, a team change, a shift in your supplier base?
- Are there seasonal swings you should be reading around rather than reacting to?

IMPROVEMENT STRATEGIES

Practical strategies for improvement

Once you know the cause, the fix usually falls into one of three time horizons.

QUICK WINS 0–3 months

- Tighten the invoice-receipt process so invoices enter the workflow cleanly and early.
- Streamline approval workflows and remove the steps that add delay without adding control.
- Put a clear dispute-escalation protocol in place so disagreements don't just sit.
- Improve supplier communication, so queries are resolved before they become late payments.

MEDIUM-TERM 3–12 months

- Standardise payment terms where they've drifted into a patchwork.
- Segment and prioritise suppliers so the ones that matter most get the right attention.
- Extend AP automation into the parts of the process still done by hand.
- Run data-quality initiatives to fix the bad inputs causing downstream problems.

STRATEGIC 12+ months

- Optimise working capital with payment timing that's deliberate rather than accidental.
- Explore supply-chain finance where it suits both sides.
- Invest in the supplier relationships that underpin your operation.
- Move to continuous monitoring, so you're tracking performance in real time instead of discovering it at filing.

THE SOLUTION

Continuous visibility with FISCAL Technologies

Most of the improvements above depend on one thing: seeing problems before payment, not after. That's where technology earns its place.

FISCAL's **transaction risk intelligence** analyses invoices before they're paid, so discrepancies get caught and resolved ahead of the payment run rather than turning into late payments or disputes after the fact. It flags duplicate invoices, data discrepancies, incorrect POs and suspicious activity for your team to investigate — which is exactly the upstream noise that shows up later in your PPR numbers. Your team stays in control; the software does the looking.

For the reporting side, **custom reporting** turns PPR from a periodic scramble into a live view:

- Automated PPR calculations, so the numbers are accurate and you're not rebuilding them by hand each cycle.
- Drill-down from a headline metric to the suppliers or units driving it.
- Dashboard visibility, so you're monitoring performance continuously rather than at filing.
- Period-over-period trend comparison built in.
- Data-quality reporting that catches gaps before they reach your submission.
- Segmentation and filtering by supplier, business unit and invoice type — the same cuts the diagnostic section calls for.

Used together, the two do the work this guide describes: transaction risk intelligence keeps issues out of the numbers in the first place, and custom reporting shows you where you stand and whether your changes are working.

The practical next step is simple: take your latest PPR figures and plot them against the bands in this guide. If you're sitting on or around the UK averages, you're typical, which for most CFOs isn't the ambition. The organisations pulling ahead are the ones reading their data for cause, not just compliance.

Speak to the FISCAL team about monitoring your risks and payment processes

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METHODOLOGY

Prompt payment reports filed in 2026 · 7,097 entries. Figures are indicative UK benchmarks drawn from published PPR filings, not absolute sector-wide norms. Individual organisations will vary based on their own terms, controls and processes.



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FISCAL's P2P risk management software helps finance teams protect spend and strengthen risk controls. It's backed by our expert consultancy and support teams. The AI-native platform analyses every supplier and invoice, finding risks for your team to investigate and resolve.

FISCAL reduces fraud and compliance breaches, prevents duplicate payments, decreases supplier risk and automates statement reconciliation 12x faster. It integrates smoothly into your systems and processes, improving efficiency, and streamlining pay runs.

Since 2007, we have worked with organisations across local government, healthcare, retail, and many more sectors. We now protect over £340 billion each year with proven, data-driven intelligence.