Commercial Payments Bill [HL]

RUNNING LIST OF ALL

AMENDMENTS IN GRAND COMMITTEE

Tabled up to and including

19 June 2026

The amendments are listed in accordance with the following Instruction—

Clauses 1 to 9	Schedule 3
Schedule 1	Clauses 20 to 25
Clauses 10 to 17	Schedule 4
Schedule 2	Clauses 26 to 32
Clauses 18 and 19	Title

[*Amendments marked ★ are new or have been altered*]

Clause 1

LORD HOLMES OF RICHMOND

Clause 1, page 2, line 5, at end insert—

"(1A) The purchaser must advise the supplier how the supplier should submit notice as set out in subsection (1).

(1B) Where the purchaser fails to advise the supplier on how to submit notice, the supplier may rely on the notice commencing by submitting a written document (for example, a delivery notice or invoice) to the person requesting the goods or services within the purchaser's business.

(1C) The purchaser must adopt internal systems that recognise that the serving of notice commences at the point the supplier complies with subsections (1A) and (1B)."

Member's explanatory statement
This amendment seeks to require the purchaser to give instructions as to how notice should be given. Where the purchaser gives no advice on notice, the supplier may rely on notice having been given by providing a delivery notice or invoice to the person within the purchaser's business who is requesting the goods or services.

LORD HOLMES OF RICHMOND

Clause 1, page 2, leave out lines 8 and 9 and insert “30 days”

Member's explanatory statement
This amendment seeks to make the maximum payment period 30 days, instead of 60 days, where the purchaser is not a public authority.

LORD HOLMES OF RICHMOND

Clause 1, page 3, line 4, leave out from “means” to end of line 8 and insert “the point at which the supplier has unequivocal and unencumbered use of cleared funds remitted by the buyer.”

Member's explanatory statement
The amendment seeks to define payment as the point at which the supplier has unequivocal and unencumbered use of cleared funds remitted by the buyer.

LORD HOLMES OF RICHMOND

Clause 1, page 3, line 38, at end insert—

“(8) Where a pre-existing trading relationship exists between the parties, and a new contract is issued after the day on which the Commercial Payments Act 2026 is passed to update or replace the contract in force prior to the day on which the Commercial Payments Act 2026 is passed, any new clause or variance to the old contract that has the effect of increasing the required verification period is to be deemed null and void.

(9) In relation to subsection (8), the verification period of the new contract issued after the day on which the Commercial Payments Act 2026 is passed must be replaced with the same or lower period to that included in the contracts in force between the parties prior to the day on which the Commercial Payments Act 2026 is passed.”

LORD FOX

Clause 1, page 3, line 38, at end insert—

“2CA Payments collected by intermediaries

(1) This section applies where, under or in connection with a contract to which section 2B applies (“the supply contract”), a person other than the supplier (“the intermediary”) receives all or part of a relevant payment from the purchaser for onward transmission to the supplier.

(2) This section applies regardless of—

(a) whether the intermediary acts as agent for the supplier or the purchaser or otherwise, and

(b) the legal characterisation of any contract between the intermediary and the supplier or the purchaser.

(3) For the purposes of this section, a relevant payment is not to be treated as made to the supplier until the amount received by the intermediary is received by the supplier.

(4) It is an implied term of any contract between the intermediary and the supplier that the intermediary must pay to the supplier any amount received from the purchaser in respect of a relevant payment under the supply contract before the end of the period of 7 days beginning with the day on which the intermediary receives that amount.

(5) A term of any contract is void so far as it purports to—

(a) provide for payment to the supplier later than is required by subsection (4), or

(b) treat a relevant payment as made to the supplier earlier than is provided by subsection (3).

(6) Where the intermediary fails to comply with the implied term in subsection (4), the unpaid amount is to be treated as a qualifying debt owed by the intermediary to the supplier for the purposes of this Act (and statutory interest runs accordingly).

(7) Subsection (4) does not require the intermediary to pay an amount to the supplier so far as the intermediary is entitled to deduct or withhold that amount under a term of a contract with the supplier that is fair and reasonable having regard to the matters specified in Schedule 2 to the Unfair Contract Terms Act 1977, and it is for the intermediary to show that any such term satisfies that test."

Member's explanatory statement
This amendment closes the online marketplace loophole by providing that payment is not treated as made to a supplier until the supplier actually receives the money, and by requiring any intermediary that collects payment on a supplier's behalf to remit it within 7 days regardless of how the intermediary is legally characterised.

After Clause 1

LORD FOX

After Clause 1, insert the following new Clause—

"Review of maximum payment period for non-public authority purchasers

(1) Within the period of five years beginning with the day on which section 1 comes into force, the Secretary of State must lay before Parliament—

(a) draft legislation to substitute "45 days" for "60 days" in section 2B(2)(b) of CPILPA 1998, or

(b) a statement explaining why the Secretary of State has not done so.

(2) Draft legislation under subsection (1)(a) may make consequential, transitional or saving provision, including provision amending any reference to a period of 60 days elsewhere in that Act that is consequential on the substitution.

(3) Before laying anything under subsection (1), the Secretary of State must consult such persons as the Secretary of State considers appropriate, including persons appearing to represent the interests of small businesses and of larger businesses.”

Member's explanatory statement
This amendment requires the Secretary of State, within five years, either to lay draft legislation reducing the maximum payment period for private purchasers from 60 to 45 days, or to explain to Parliament why not.

Clause 3

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 3, page 7, leave out lines 3 to 16

Member's explanatory statement
This amendment seeks to probe the scope and impact of exempting upwards payments from the restriction on payment terms, given the fact that many of the suppliers will still be small or medium businesses.

LORD THOMAS OF CWMGIEDD

★ Clause 3, page 7, line 23, at end insert “save that the Secretary of State must not specify in regulations which have or will continue to have effect after 1 April 2029 any contract of a description which relates to—

(a) the supply of any goods or services by a person in the United Kingdom to any person for use outside of the United Kingdom, or

(b) the supply of any goods or services by a person outside the United Kingdom for use in the United Kingdom.”

Member's explanatory statement
This amendment would end the power under the regulations to exclude import and export trade contracts from the provisions of the Act, but do so only at a time which provides for ample familiarisation to make use of the Electronic Trade Documents Act 2023 and which coincides with the imposition of e-invoicing by HM Revenue and Customs.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 3, page 8, line 28, at end insert—

“(9A) Regulations under subsection (7) must not specify criteria of undertakings that differ from—

(a) the Procurement Act 2023 (see section 123 of that Act),

(b) the Companies Act 2006 (see sections 382, 383, 384, 384A, 465 and 466 of that Act),

(c) the Enterprise Act 2016 (see section 2 of that Act), or

(d) the Small Business, Enterprise and Employment Act 2015 (see sections 33 and 34 of that Act),

without amending all of those Acts in accordance with the Secretary of State's criteria."

Member's explanatory statement
This amendment seeks to prevent the Secretary of State from creating a new definition for different-sized businesses without standardising all existing definitions.

Clause 4

LORD HOLMES OF RICHMOND

Clause 4, page 9, line 2, at end insert—

"(3) Statutory interest is to be remitted to the supplier within five working days of payment of the invoices.

(4) "Remitted" in subsection (3) means the point at which the supplier has unequivocal and unencumbered use of cleared funds remitted by the buyer.

(5) Where statutory interest is not paid in accordance with subsection (3) the non-payment of statutory interest incurred in accordance with the period for which statutory interest runs in CPILPA 1998 will constitute a qualifying debt in the sum of the statutory interest, and will thus incur statutory interest on the unpaid original statutory interest.

(6) Where statutory interest is not paid in accordance with subsection (3) it will be deemed late and be subject to the provisions relating to compensation arising out of late payment.

(7) Where statutory interest is to be paid in accordance with subsection (3) and it has not been paid, the directors must write to the Small Business Commissioner stating the reasons for non-payment."

Member's explanatory statement
The amendment seeks to require the buyer to calculate and pay interest so as not to disrupt the buyer-supplier relationship.

After Clause 8

LORD FOX

After Clause 8, insert the following new Clause—

"Agreements relating to copyright and other intellectual property

After section 15A of the CPILPA 1998 insert—

"15B Agreements relating to copyright etc.

(1) The provisions in Part 1A, Part 1B, section 4, section 6A, section 11A and section 15A do not apply to a contract that is, or is principally, for—

(a) the licence or assignment of, or

(b) the grant of any other right in or in relation to,

copyright or rights in performances.

(2) Subsection (1) applies whether or not the work or other subject-matter to which the rights relate is in existence when the contract is entered into, and accordingly applies to a contract under which the supplier is to create, write or otherwise produce that work or subject-matter.

(3) A contract is not prevented from falling within subsection (1) by reason only that it also requires the supplier to do one or more things in connection with the work or other subject-matter, including to deliver, check, edit or revise it, to review proofs, to engage in relation to its design or packaging, or to undertake promotional or similar activities.

(4) Accordingly, no royalty, advance on royalties, residual or other payment under a contract within subsection (1) is a relevant payment or a qualifying debt for the purposes of this Act.

(5) In this section "rights in performances" has the same meaning as in Part 2 of the Copyright, Designs and Patents Act 1988.""

Member's explanatory statement
This amendment would confirm on the face of the Act that the Act does not apply to contracts principally for the licence or assignment of copyright or rights in performances, so that royalties, advances and residuals under publishing, music, screen and similar agreements fall outside the late payment regime.

Clause 11

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 11, page 15, line 34, at end insert—

"(3) A party to a construction contract is not precluded from engaging with a third party in the transference of money to another party to the construction contract under subsection (1)."

Member's explanatory statement
This amendment seeks to probe whether escrow arrangements would still be permitted under the terms of the Bill.

Clause 12

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 12, page 17, line 30, leave out from “means” to the end of line 32 and insert “—

(a) the last day of the period of two years beginning with the day on which this section comes into force, where the payer is a public authority, or

(b) the last day of the period of three years beginning with the day on which this section comes into force, where the payer is not a public authority;”

Member's explanatory statement
This amendment seeks to reduce the transition period for existing retention payments held by public authorities from three to two years.

Clause 18

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 21, line 23, leave out “(but no other type of person)” and insert “or consumer”

Member's explanatory statement
This amendment, and another in the name of Lord Hunt, is intended to probe the Government's reasoning for restricting the adjudication scheme solely to disputes involving small businesses as claimants.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 21, line 29, leave out “larger”

Member's explanatory statement
This amendment is intended to probe the Government's reasoning for limiting the Small Business Commissioner's adjudication scheme to disputes between small businesses and larger businesses.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 21, line 31, after "applies" insert "or by a small business to a consumer under an express or implied term of a contract"

Member's explanatory statement
This amendment, and another in the name of Lord Hunt, is intended to probe the Government's reasoning for restricting the adjudication scheme solely to disputes involving small businesses as claimants.

LORD LEIGH OF HURLEY
LORD HUNT OF WIRRAL

Clause 18, page 22, line 26, at end insert—

"(1A) It is not a defence for the larger business to claim that payment was withheld due to the small business not complying with non-statutory environmental, social and governance requirements that are not included in the terms of the contract."

Member's explanatory statement
This amendment seeks to remove the non-compliance of non-statutory ESG requirements as a defence for larger businesses not paying small businesses.

LORD FOX

Clause 18, page 22, line 35, insert—

"(5A) The adjudicator must reach a decision determining a relevant payment dispute before the end of the period of 60 days beginning with the day on which the dispute is referred to adjudication under the scheme.

(5B) The adjudicator may compel parties to share relevant information with itself, if the sharing of such information is necessary for the fulfilment of the duty under section (5A).

(5C) The Commissioner may extend the period in subsection (5A), in relation to a particular dispute, by such further period as the Commissioner considers reasonable, having regard in particular to the complexity of the dispute and the conduct of the parties.

(5D) Where the Commissioner extends the period under subsection (5C), the Commissioner must notify the parties of the extension and of the reasons for it."

Member's explanatory statement
This amendment requires payment disputes referred to the adjudication scheme to be resolved within 60 days, unless the Small Business Commissioner considers a longer period reasonable.

LORD LEIGH OF HURLEY
LORD HUNT OF WIRRAL

Clause 18, page 24, line 5, at end insert—

"(3A) The Commissioner must give written reasons for the decision to decline to adjudicate a relevant payment dispute under subsection (3)."

Member's explanatory statement
This amendment would require the Small Business Commissioner to alert both parties in a payment dispute of the reasons for declining to adjudicate a dispute, should they so choose to.

LORD FOX

Clause 18, page 25, line 4, at end insert—

"2FA Protection of small businesses from detriment

(1) A larger business must not subject a small business to a detriment on the ground that the small business has—
  (a) referred, or proposes to refer, a relevant payment dispute to adjudication under the SBC adjudication scheme,
  (b) provided information to the Commissioner for the purposes of, or in connection with, an investigation under section 2H, or
  (c) done any other thing for the purposes of, or in connection with, the exercise of any of the Commissioner's functions under this Part.

(2) A "detriment" includes (but is not limited to)—
  (a) terminating, or threatening to terminate, a contract;
  (b) refusing to enter into a contract or to continue to supply or purchase goods or services;
  (c) varying the terms on which the larger business deals with the small business to the disadvantage of the small business;
  (d) including the small business on, or referring it to, any list, register or database maintained for the purpose of discouraging others from contracting with it.

(3) A term of any contract or other agreement is void so far as it purports to authorise, or to provide for the consequences of, conduct prohibited by subsection (1).

(4) A small business which is subjected to a detriment in contravention of subsection (1) may bring civil proceedings; and the court may grant such remedy or relief (including damages, an injunction or, in Scotland, an order for specific performance or interdict) as it considers appropriate.

(5) Where a small business shows facts from which the court could conclude, in the absence of any other explanation, that a detriment was imposed on a ground mentioned in subsection (1), the court must find that the

contravention occurred unless the larger business shows that the detriment was imposed for another reason."

Member's explanatory statement
This amendment protects small businesses from blacklisting, contract termination and other retaliation for using the adjudication scheme or assisting an investigation, voids contract terms enabling such retaliation, and places the burden on the larger business to show any detriment had a legitimate cause.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, leave out lines 12 and 13

Member's explanatory statement
This amendment probes what additional grounds may be included in section 2D (power to decline to adjudicate disputes) by regulations to decline to adjudicate and why they are not included in primary legislation.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, leave out lines 14 and 15

Member's explanatory statement
This amendment probes what additional disputes may be included in section 2E (excluded disputes) by regulations and why they are not included in primary legislation.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, line 19, after "adjudication" insert "(but see subsection (2A))"

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, line 21, after "circumstances" insert "subject to the agreement of both parties"

Member's explanatory statement
This amendment seeks to ensure that any extensions to time limits are subject to the consent of both parties participating in adjudication.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, leave out lines 33 to 35

Member's explanatory statement
This amendment ensures that the Small Business Commissioner is not conferred unspecified adjudicatory powers without the appropriate safeguards in place.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, leave out lines 37 and 38

Member's explanatory statement
This amendment probes at how the Small Business Adjudication scheme will be funded.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, line 38, at end insert—

"(2A) In paragraph (2)(a), "steps" include but are not limited to—
(a) mandatory negotiation, and
(b) a specified complaints procedure."

Member's explanatory statement
This amendment probes what steps are envisaged small businesses must make before referring a dispute to adjudication.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 25, line 38, at end insert—

"(2A) Regulations under this section must provide for an adjudicator to determine a dispute within 28 days of referral, subject to such extensions as may be agreed by the parties."

Member's explanatory statement
This amendment sets a defined timeline for the Small Business Commissioner to adjudicate disputes.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 18, page 26, line 3, at end insert—

"(5) A statutory instrument containing regulations under this section must not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament."

Member's explanatory statement
This amendment ensures that any regulations about the Small Business Commissioner adjudication scheme are subject to the affirmative procedure.

After Clause 18

LORD HOLMES OF RICHMOND

After Clause 18, insert the following new Clause—

“Digital access to SBC adjudication scheme

After section 2G of the Enterprise Act 2016 (inserted by section 18), insert—

“2H Digital access to SBC adjudication scheme

(1) The Commissioner must, within 12 months of the day on which this section comes into force, provide a digital service to assist small businesses in accessing the SBC adjudication scheme.

(2) The digital service provided under subsection (1) must include—

(a) a plain-language eligibility checker enabling a small business to determine whether a relevant payment dispute may be referred to the scheme,

(b) a statutory interest calculator enabling a small business to calculate the interest owed under the Commercial Payments and Interest on Late Payment Act 1998, and

(c) guided assistance in completing a referral to the scheme, using natural language processing or equivalent technology where appropriate.

(3 The Commissioner must ensure that the digital service—

(a) meets the accessibility requirements set out in the Public Sector Bodies (Websites and Mobile Applications) Accessibility Regulations 2018 (S.I. 2018/952), and

(b) is available in accessible formats including voice interface.

(4) The Commissioner must maintain non-digital alternatives to each element of the service provided under subsection (1), to ensure that small businesses that are unable to use digital services are not disadvantaged in accessing the scheme.””

Member's explanatory statement
This amendment requires the Commissioner to provide a plain-language digital pathway into the SBC adjudication scheme, including an eligibility checker, interest calculator, and guided referral process.

Clause 19

LORD LEIGH OF HURLEY
LORD HUNT OF WIRRAL

Clause 19, page 26, leave out lines 36 and 37

Member's explanatory statement
This amendment seeks to remove the lack of resources as a reason for why the Small Business Commissioner can decide not to carry out an investigation into payment practices.

LORD LEIGH OF HURLEY
LORD HUNT OF WIRRAL

★ Clause 19, page 27, line 7, at end insert—

"(6A) In subsection (4) "a sufficient number of occasions" must be defined by the Commissioner within six months of the day on which the Commercial Payments Act 2026 is passed."

Member's explanatory statement
This amendment seeks to require the Small Business Commissioner to define "a sufficient number of occasions".

After Clause 19

LORD HOLMES OF RICHMOND

After Clause 19, insert the following new Clause—

"Algorithmic accountability

After section 2P of the Enterprises Act 2016 (inserted by section 19), insert—

"2Q Algorithmic accountability

(1) This section applies to any AI system or automated decision-making tool used by the Commissioner in connection with—

(a) the selection of investigations under section 2H, or

(b) the adjudication of relevant payment disputes under section 2A.

(2) The Commissioner must—

(a) publish a description of any tool to which this section applies, including its purpose, the data on which it is trained, and the criteria it applies,

(b) commission an independent bias audit of any such tool before it is deployed and at intervals of not more than 12 months thereafter,

(c) publish the results of each bias audit, and

(d) ensure that no decision made with the assistance of a tool to which this section applies is taken without human review and authorisation.

(3) A larger business that is the subject of an investigation initiated in whole or in part on the basis of a tool to which this section applies has the right, on request, to receive a written explanation of the factors that led to the decision to investigate.

(4) In this section, "AI system" means a machine-based system that, for a given set of objectives, generates outputs such as predictions, recommendations, decisions or content that influence real or virtual environments.""

Member's explanatory statement
This amendment establishes an algorithmic accountability framework for any AI or automated tool used by the Commissioner. It requires transparency, regular bias audits, human oversight, and a right of explanation for businesses selected for investigation.

LORD HOLMES OF RICHMOND

After Clause 19, insert the following new Clause—

"Time limits for investigations

After section 2P of the Enterprise Act 2016 (inserted by section 19), insert—

"2Q Time limits for investigations

(1) An investigation under section 2H must be completed, and a report published under section 2M, within the period of 12 months beginning with the day on which the Commissioner publishes a notice under section 2I(1) identifying the larger business under investigation.

(2) Where the Commissioner considers that an investigation cannot reasonably be completed within the period specified in subsection (1), the Commissioner may extend that period by not more than 6 months by publishing a written notice—
(a) stating the reasons for the extension, and
(b) specifying the revised date by which the investigation will be completed.

(3) The Commissioner must notify any small business that referred information relevant to an investigation of—
(a) the commencement of the investigation,
(b) any extension of the investigation period under subsection (2), and
(c) the publication of the report under section 2M.

(4) Failure to comply with subsection (1) or (2) does not affect the validity of an investigation or any steps taken by the Commissioner under section 2J.""

Member's explanatory statement
This amendment imposes a statutory time limit of 12 months on SBC investigations, with a single permitted extension of 6 months.

LORD HOLMES OF RICHMOND

After Clause 19, insert the following new Clause—

“Equalities monitoring of payment disputes and investigations

After section 2P of the Enterprise Act 2016 (inserted by section 19), insert—

“2Q Equalities monitoring of payment disputes and investigations

(1) The Commissioner must, from the date on which the SBC adjudication scheme comes into force, collect and record data on—
  (a) relevant payment disputes referred to the scheme, and
  (b) investigations carried out under section 2H,

disaggregated by the protected characteristics of the owners or senior leaders of the small business concerned, where that information is voluntarily provided.

(2) The Commissioner must publish a report annually setting out—
  (a) the data collected under subsection (1),
  (b) any patterns identified in that data relating to the protected characteristics of business owners, and
  (c) any steps the Commissioner proposes to take to address disparities identified.

(3) The Commissioner must take steps to encourage voluntary disclosure of protected characteristics information for the purposes of subsection (1), and must ensure that any such disclosure—
  (a) is entirely voluntary,
  (b) does not affect the handling of a dispute or investigation, and
  (c) is held and processed in accordance with the data protection legislation within the meaning given in section 3 of the Data Protection Act 2018 (terms relating to the processing of personal data).

(4) In this section, “protected characteristics” has the meaning given by section 4 of the Equality Act 2010.””

Member's explanatory statement
This amendment requires the Commissioner to collect and publish annual data on payment disputes and investigations disaggregated by the protected characteristics of small business owners.

After Clause 21

LORD HOLMES OF RICHMOND

After Clause 21, insert the following new Clause—

"Small Business Payments Charter

After section 3A of the Enterprise Act 2016 (inserted by section 21), insert—

"3B Small Business Payments Charter

(1) The Commissioner must, before the end of the period of 6 months beginning with the day on which this section comes into force, publish a Small Business Payments Charter.

(2) The Small Business Payments Charter must set out, in plain language—

(a) the rights of small businesses under the Commercial Payments Act 2026 and the Commercial Payments and Interest on Late Payment Act 1998,

(b) how a small business may calculate interest owed on late payments,

(c) how a small business may refer a relevant payment dispute to the SBC adjudication scheme, and

(d) how a small business may report suspected poor payment practices to the Commissioner.

(3) The Commissioner must take steps to promote awareness of the Small Business Payments Charter among small businesses, having particular regard to—

(a) businesses owned or led by persons sharing one or more protected characteristics within the meaning of the Equality Act 2010,

(b) businesses in rural and remote areas, and

(c) businesses with limited access to professional legal or financial advice.

(4) The Small Business Payments Charter must be made available in accessible and alternative formats, including audio format.

(5) The Commissioner must review and update the Small Business Payments Charter at intervals of not more than two years.""

Member's explanatory statement

This amendment requires the Commissioner to publish a plain-language Small Business Payments Charter, setting out the rights of small businesses under the Act and how to access them.

LORD HOLMES OF RICHMOND

After Clause 21, insert the following new Clause—

“Targeted support for under-served small businesses

After section 3A of the Enterprise Act 2016 (inserted by section 21), insert—

“3B Targeted support for under-served small businesses

(1) The Commissioner must, within 12 months of the day on which this section comes into force, publish a strategy for improving access to the Commissioner's functions for small businesses that are—

(a) owned or led by persons sharing one or more protected characteristics within the meaning of the Equality Act 2010,

(b) located in rural or geographically isolated areas, or

(c) operating without access to professional legal or financial advice.

(2) The strategy published under subsection (1) must include—

(a) an assessment of the barriers facing the businesses described in subsection (1) in accessing the SBC adjudication scheme and other functions of the Commissioner,

(b) specific measures the Commissioner proposes to take to reduce those barriers, and

(c) measurable targets for improving access by those businesses within three years of the strategy’s publication.

(3) The Commissioner must review and update the strategy at intervals of not more than three years.””

Member's explanatory statement
This amendment requires the Commissioner to publish and maintain a strategy for improving access to its functions for the small businesses most likely to face late payment but least able to access enforcement mechanisms. The Bill creates protections but contains no provision to ensure they reach those who most need them. This amendment addresses that gap directly, requiring targeted action with measurable outcomes.

LORD HOLMES OF RICHMOND

After Clause 21, insert the following new Clause—

“Digital accessibility requirements

After section 3A of the Enterprise Act 2016 (inserted by section 21), insert—

“3B Digital accessibility requirements

(1) Any digital service provided by the Commissioner in connection with the functions conferred by this Act must—

(a) meet the Web Content Accessibility Guidelines (WCAG) 2.2 Level AA standard, or any standard that replaces it,

(b) be available in accessible formats including, where appropriate, audio format, large print, and British Sign Language, and

(c) be capable of use on mobile devices and via low-bandwidth connections.

(2) The Commissioner must maintain a non-digital alternative for each element of any digital service to which subsection (1) applies, ensuring that small businesses that are unable to use digital services are not disadvantaged in accessing the Commissioner's functions.

(3) The Commissioner must publish an annual accessibility statement in respect of each digital service to which this section applies, setting out—

(a) the extent to which the service meets the requirements of subsection (1), and

(b) the steps the Commissioner proposes to take to address any shortfall.””

Member's explanatory statement
This amendment imposes binding digital accessibility standards on all Commissioner-facing digital services introduced under the Act, and mandates non-digital alternatives.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

After Clause 21, insert the following new Clause—

“Employment Rights Act 2025: review of impact on payment practices

After section 10 of the Enterprise Act 2016 insert—

“10A Employment Rights Act 2025: review

(1) Within six months of the day on which the Commercial Payments Act 2026 is passed, the Commissioner must undertake a review of the impact on small businesses, in relation to payment practices, of the Employment Rights Act 2025, including considering whether the ability of small businesses to fulfil the payment terms required under the Commercial Payments Act 2026 has been affected by the changes in the Employment Rights Act 2025 to—

(a) low-hour contracts, and

(b) eligibility for statutory sick pay.

(2) The review must include the impact of the changes on payment practices where—

(a) the purchaser is a small business, or

(b) the supplier is a small business.

(3) The review established under subsection (1) must complete its work within 12 months of its establishment.

(4) Within three months of receiving the review, the Secretary of State must lay a statement before Parliament containing the Government’s response and proposals to take forward any recommendations in the review.””

Member's explanatory statement
This amendment requires the Small Business Commissioner to establish and publish a review into the impact on small businesses, in relation to payment practices, of the Employment Rights Act 2025, and requires the Secretary of State to publish a response.

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

After Clause 21, insert the following new Clause—

“Changes in employment law: duty to review

After section 10 of the Enterprise Act 2016 insert—

“10A Changes in employment law: duty to review

(1) Before the Secretary of State makes any significant change to employment law, the Commissioner must prepare and publish a report which—

(a) describes the expected impact of the change on payment practices where—

(i) the purchaser is a small business, or

(ii) the supplier is a small business,

(b) contains a summary of the matters relating to the proposed law which the Commissioner considers to be the most significant matters in relation to the ability to fulfil payment terms raised by small businesses with the Commissioner, and

(c) states the Commissioner's recommendations, if any, as to how any of those matters might be addressed.

(2) As well as publishing the report, the Commissioner must send a copy to the Secretary of State.

(3) The Secretary of State must—

(a) lay a copy of the report before Parliament, and

(b) lay a statement before Parliament containing their response and proposals to take forward any recommendations in the report.””

Member's explanatory statement
This amendment would require the Secretary of State to publish a response to a report by the Small Business Commissioner into potential impacts of employment law reforms on the ability of small businesses to fulfil payment terms.

Clause 24

LORD FOX

Clause 24, page 37, line 41, at end insert—

“(ca) must, in making provision under paragraph (c), secure that a company’s turnover in the United Kingdom—

(i) includes turnover of any undertaking in the same group as the company so far as that turnover is attributable to activity in the United Kingdom, and

(ii) includes turnover attributable to goods or services supplied to, or for the benefit of, persons in the United Kingdom, however and wherever that turnover is booked, recognised or accounted for;

(cb) must include provision disregarding, for the purpose of determining turnover in the United Kingdom, any arrangement the main purpose, or one of the main purposes, of which is to reduce the amount of a financial penalty that may be imposed under the regulations;”

Member's explanatory statement

This amendment requires the regulations defining a company’s UK turnover, for the purpose of the penalty cap, to capture UK-attributable group turnover however it is booked and to disregard arrangements designed to shrink the penalty, preventing avoidance through profit-shifting.

After Clause 24

LORD HOLMES OF RICHMOND

After Clause 24, insert the following new Clause—

“AI-assisted payment monitoring

(1) The Secretary of State must, within 18 months of the day on which this section comes into force, commission an AI-assisted payment monitoring tool for use by the Small Business Commissioner.

(2) The tool commissioned under subsection (1) must be capable of—

(a) analysing data published under regulations made under section 3 of the Small Business, Enterprise and Employment Act 2015 (duty to publish report on payment practices and performance),

(b) cross-referencing that data with relevant information held by His Majesty's Revenue and Customs, Companies House, and His Majesty's Courts and Tribunals Service, and

(c) identifying larger businesses whose reported payment performance is inconsistent with other available financial or legal data, for the purposes of prioritising investigations under section 2H of the Enterprise Act 2016 (inserted by section 19).

(3) The Secretary of State must ensure that any tool commissioned under subsection (1) is subject to the algorithmic accountability requirements set out in section 2Q of the Enterprise Act 2016 (inserted by section 19).

(4) The Small Business Commissioner must have regard to the outputs of the tool commissioned under subsection (1) when deciding whether to carry out an investigation under section 2H of the Enterprise Act 2016 (inserted by section 19)."

Member's explanatory statement
This amendment requires the Secretary of State to commission an AI-assisted payment monitoring tool for the Small Business Commissioner.

After Clause 25

LORD FOX
LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

After Clause 25, insert the following new Clause—

"Funding of the Small Business Commissioner: statement to Parliament

(1) The Secretary of State may not appoint a day under section 31(1) for the coming into force of any provision of Part 2, or of Schedule 4, until the Secretary of State has laid before each House of Parliament a statement setting out the Government's plan for funding the exercise by the Small Business Commissioner of the functions conferred or modified by this Act.

(2) The statement must in particular set out—
  (a) the resources the Secretary of State considers the Commissioner will require to operate the SBC adjudication scheme and to carry out investigations under section 2H of the Enterprise Act 2016,
  (b) the funding the Secretary of State intends to make available for each of the first three financial years following commencement, and
  (c) the basis on which the adequacy of that funding will be kept under review."

Member's explanatory statement
This amendment prevents the Commissioner's new adjudication and investigation functions from being commenced until the Government has laid before Parliament a plan for funding them.

LORD HOLMES OF RICHMOND

After Clause 25, insert the following new Clause—

"Open payment data register

(1) The Secretary of State must, within 12 months of the day on which this section comes into force, establish and maintain an open payment data register.

(2) The register must—

(a) contain all reports published under regulations made under section 3 of the Small Business, Enterprise and Employment Act 2015 (companies: duty to publish report on payment practices and performance),

(b) be publicly accessible and machine-readable in a standardised open data format,

(c) be updated at intervals of not more than 30 days, and

(d) enable analysis by sector, business size, and payment performance over time.

(3) The Secretary of State must publish guidance on the use of the register for the purposes of—

(a) research into payment practices, and

(c) the exercise of enforcement functions by the Small Business Commissioner.”

Member's explanatory statement
This amendment requires the Secretary of State to establish an open, machine-readable register of payment practice reports.

LORD HOLMES OF RICHMOND

After Clause 25, insert the following new Clause—

“Blockchain pilot for construction retention records

(1) The Secretary of State must, within 24 months of the day on which section 113B of the HGCRA 1996 (ineffective retention clauses) comes into force, commission a pilot scheme using distributed ledger technology for the recording and automated release of transitional retained sums within the meaning of that section.

(2) A pilot scheme under subsection (1) must be designed to—

(a) create an immutable, auditable record of sums deducted or retained under retention clauses during the transition period,

(b) automate the release of transitional retained sums upon the occurrence of defined contractual conditions, including practical completion and the expiry of any defects liability period, and

(c) provide the Commissioner with access to audit trail data for the purposes of enforcement under section 113E of the HGCRA 1996 and section 2H of the Enterprise Act 1996.

(3) The Secretary of State must lay a report before both Houses of Parliament on the outcome of the pilot scheme within 36 months of the day on which section 113B of the HGCRA 1996 comes into force.”

Member's explanatory statement
This amendment requires a pilot of distributed ledger technology for construction retention records during the transition period.

LORD HOLMES OF RICHMOND

After Clause 25, insert the following new Clause—

“Cyber security and post-quantum cryptographic standards

(1) The Secretary of State must, within 12 months of the day on which this section comes into force, publish minimum cyber security standards applicable to—

(a) all digital systems operated by the Small Business Commissioner in connection with the functions conferred by this Act, and

(b) all digital systems used by larger businesses to comply with requirements imposed by regulations under section 3 of the Small Business, Enterprise and Employment Act 2015 (companies: duty to publish report on payment practices and performance).

(2) The standards published under subsection (1) must include requirements for—

(a) post-quantum cryptographic algorithms for the encryption of data held in connection with investigations, adjudications, and financial penalties, and

(b) regular security audits of systems to which this section applies, at intervals of not more than 12 months.

(3) In this section, “post-quantum cryptographic algorithms” means cryptographic algorithms assessed by the National Cyber Security Centre as providing adequate security against attacks using quantum computing.

(4) The Commissioner must comply with the standards published under subsection (1) within 18 months of their publication.”

Member's explanatory statement
This amendment requires post-quantum cryptographic standards for all digital infrastructure supporting the Commissioner's functions.

LORD HOLMES OF RICHMOND

After Clause 25, insert the following new Clause—

“Supply chain payment sustainability reporting

(1) Regulations under section 3 of the Small Business, Enterprise and Employment Act 2015 (companies: duty to publish report on payment practices and performance) must make provision requiring a company to which that section applies to publish, alongside its report on payment practices and performance, a supply chain payment sustainability statement.

(2) A supply chain payment sustainability statement must include—

(a) the company’s payment performance disaggregated by supply chain tier, showing separately the payment performance in relation to—

(i) direct suppliers (first tier),

(ii) second tier suppliers, where this information is available to the company, and

(iii) micro and small suppliers within each tier,

(b) the steps the company has taken during the reporting period to improve payment performance in its supply chain, and

(c) the company’s objectives for payment performance in the following reporting period.

(3) Regulations under subsection (1) must—

(a) specify the size threshold above which this section applies, and

(b) make provision for the verification of supply chain payment sustainability statements by an independent third party.”

Member's explanatory statement
This amendment requires large companies to publish a supply chain payment sustainability statement alongside their existing payment practice reports, disaggregated by supply chain tier.

LORD HOLMES OF RICHMOND

After Clause 25, insert the following new Clause—

“ESG framework for payment practices

(1) The Secretary of State must, within 18 months of the day on which this section comes into force, publish a framework (the “Payment Practices ESG Framework”) setting minimum standards for the treatment of payment practices in the environmental, social and governance reporting of larger businesses.

(2) The Payment Practices ESG Framework must—

(a) specify the metrics by which the payment performance of a larger business is to be assessed for ESG purposes, including metrics relating to—

(i) the proportion of invoices paid within the agreed payment terms,

(ii) the proportion of invoices paid within 30 days, and

(iii) payment performance disaggregated by the size of the supplier,

(b) set out how payment performance metrics are to be integrated into ESG reporting frameworks applicable in the United Kingdom, and

(c) specify the steps a larger business is expected to take to improve payment performance in its supply chain.

(3) The Secretary of State must consult the Commissioner, representatives of small businesses, and representatives of larger businesses before publishing the Payment Practices ESG Framework.

(4) The Secretary of State must review the Payment Practices ESG Framework at intervals of not more than three years.”

Member's explanatory statement
This amendment requires the Secretary of State to publish a Payment Practices ESG Framework, integrating payment performance into the ESG reporting obligations of larger businesses.

Clause 31

LORD HUNT OF WIRRAL
LORD SHARPE OF EPSOM

Clause 31, page 41, line 34, at end insert—

"(2A) Section 4 comes into force on the day after the last day of the period of 12 months beginning with the day on which this Act is passed."

Member's explanatory statement
This amendment seeks to provide a one year transitional period before statutory interest payments come into force, so as to allow businesses to implement the underpinning technology and deal with the incoming regulation.

Commercial Payments Bill [HL]

RUNNING LIST OF ALL

AMENDMENTS IN GRAND COMMITTEE

Tabled up to and including

19 June 2026

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