



Groceries Code
Adjudicator

GCA Levy funding policy 2017/18

June 2017

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This document contains details of how the Groceries Code Adjudicator (GCA) has determined the levy on retailers for the financial year 2017/18. This fulfils the requirement of section 19(8) of the Groceries Code Adjudicator Act 2013.

Levy amount for 2017/18

The levy amount for 2017/18 was set at £2m. This was the same amount as 2016/17.

The total levy contributions required to be paid by retailers range from 7.7% to 19.9% of the total levy amount.

Levy methodology

As in 2016/17, the GCA charged the regulated retailers a variable percentage of the levy. In line with section 19 of the Groceries Code Adjudicator Act 2013, this variable percentage was based on criteria broadly intended to reflect the expense and time that the Adjudicator expects, in the light of previous experience, to spend in dealing with matters relating to different retailers.

- 70% of the levy is split in equal shares between each retailer;
- 20% of the levy is split in different shares per retailer based on a methodology which reflects the complexity and size of the retailer's business and impact on GCA time, by taking into account both groceries market share and the prevalence within the business of practices falling within the GCA's Top 5 issues, whether open or closed (and therefore requiring ongoing monitoring); and
- 10% of the levy is split in different shares between those retailers that: have an open investigation at the beginning of the financial year; compliance with recommendations from a closed investigation being monitored; a chargeable arbitration opened in a previous financial year requiring significant GCA involvement; or a case study being published in the previous financial year relating to a practice at the retailer.