



News from the Adjudicator

Edition 16



Welcome from the Groceries Code Adjudicator

My fifth annual conference has just taken place and this newsletter is an opportunity to bring you up to date with the announcements I made on the day and the results of the groceries sector survey. The theme of the conference was *Strong Progress, Fresh Challenges*. Please take some time to read my [Annual Report and Accounts](#) and the [conference presentations](#).

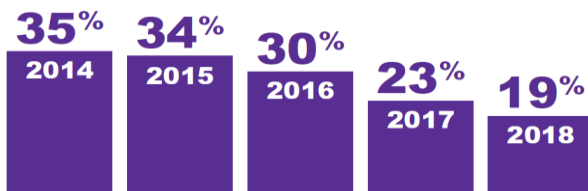
2018 survey results

I want to thank all of you who took part in the survey. YouGov, who carry it out for me, received 1052 responses, 911 of which were from direct suppliers. I cannot emphasise enough how valuable I find your contributions - what you say very definitely shapes my work for the year ahead.

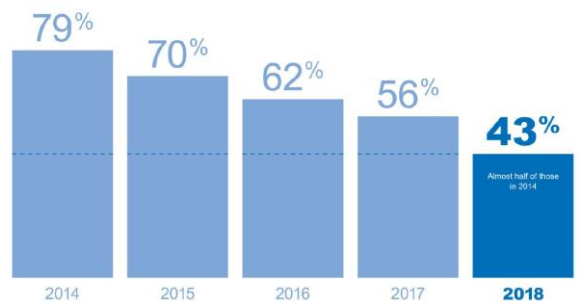
Congratulations to Aldi who came top for the 5th year in succession in perceived compliance by suppliers, and to both Tesco and Morrisons who have come 2nd and 5th respectively having been in the bottom 3 in 2014. There has also been a huge increase in compliance across all 10 retailers.

My 2018 survey tells a very positive story and I can point to significant improvements across all the regulated retailers with the four most improved - Tesco, Morrisons, Asda and the Co-operative Group - each having faced increased scrutiny and heightened levels of engagement from me through investigations and case studies. It is proof that my collaborative, business-focused approach gets results. This year only four out of ten suppliers reported having experienced a Code-related issue – down from a high of eight out of ten in 2014 and a big improvement on 2017.

The incidence of all Top Issues is also on a steep downward trend, with delay in payments – reported by only 19% of suppliers - being the highest-ranking issue in 2018. Compare this to 2014, when the percentage of suppliers reporting concerns on the main issues ranged from 45% to 33%.



% Suppliers experiencing Code-related issues



These results together with other information I have received mean there is no pressing candidate for me to identify as a current Top Issue. But this doesn't mean my job is done – far from it. I know there are fresh challenges waiting for me.



I can confidently say that for two reasons. One is that my current investigation into the Co-operative Group will likely generate future work with all regulated retailers, although of course I cannot yet know what form that will take. The second is that the Competition and Markets Authority (CMA) will soon designate additional retailers. I welcome this because we need a level playing field in the sector.

The CMA has told me that it has written to a number of retailers to identify those with a UK annual groceries turnover of more than £1 billion. It expects to designate one or more additional retailers by the end of August. Bringing these new retailers up to speed and ensuring a consistent level of Code compliance across the entire regulated cohort will be challenging and exciting work. I will be looking to suppliers to tell me what their experiences are of working with those retailers. Suppliers and trade associations also need to tell the CMA who they think should be designated because there will be annual reviews.

Finally, another thank you to those suppliers who followed up from my Code Confident campaign and went through training in the year. I was pleased that the survey showed an increase in the proportion of trained suppliers (up to 49% from 39% in 2017) but that still leaves a significant number who have not had any Code training – as much as 67% of micro suppliers and those who have been trained may need a refresher after a few years as my interpretation of the Code is evolving. This remains an area of concern for me. The results of my survey show that speaking up can bring real benefits but suppliers who are not trained are less likely to have the confidence to speak up.

Christine Tacon

Christine Tacon

Top Issues

At the conference the Adjudicator announced that she was moving delay in payments, forecasting and promotions to her monitored category. Pay to stay and payments for better positioning, which were monitored over the past year, are now in the previous category as the survey results indicated that they are no longer areas of concern.

Although suppliers are reporting that progress is being made on delay in payments, the Adjudicator is asking retailers to continue work on the issue and encouraging suppliers to [make use of retailers' supplier helplines \(see details here\)](#) if they have queries. Doing this enables finance-to-finance discussions without involving buyers and helps retailers identify what issues suppliers are facing.

On the day of the conference the Adjudicator published a [revised best practice statement on forecasting and promotions \(read here\)](#). She will be reviewing retailer progress on this and delay in payments in Spring 2019 so is looking for continued supplier feedback on how the retailers are performing in these areas. In addition, if there are different issues you are facing as a supplier or concerns pick up the phone (020 3738 6537) or speak to Christine Tacon at the regular supplier ones-to-ones held around the country. Check out the GCA website – <http://www.gov.uk/gca> - for news of events.

Meet the CCO

George Leicester-Thackara, Code Compliance Officer for Waitrose Limited, has answered News from the Adjudicator's questions about his role at the retailer. Read [here](#) about what he hopes to achieve over the next 12 months.

The Waitrose logo is displayed in a green, sans-serif font.

You can also see a video of all the Code Compliance Officers on our [YouTube channel](#).

GCA videos

The GCA has recently produced some short videos explaining the Code and the role of the Adjudicator. These are available on the GCA's [Youtube Channel](#). Please subscribe to this to receive alerts of new material. On the site you can also see a video of a presentation that Christine Tacon gave at a TedX event in Macclesfield setting out her approach to effective regulation.

New email address

The Government is phasing out .gsi from official email addresses and the GCA email address has had to change. Please note that from 29 June 2018 all addresses will now end in [@GroceriesCode.gov.uk](#). Enquiries should be directed to [Enquiries@GroceriesCode.gov.uk](#).
