



Groceries Code
Adjudicator

GCA Levy funding policy 2019/20

June 2019

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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 2019/20. This fulfils the requirement of section 19(8) of the Groceries Code Adjudicator Act 2013.

Levy amount for 2019/20

The levy amount for 2019/20 was set at £2m.

The total levy contributions required to be paid by retailers range from 5.8% to 21.36% of the total levy amount.

Levy methodology

As in 2018/19, 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 light of previous experience, to spend in dealing with matters relating to different retailers.

- 60% 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 Issues, whether current or monitored; and
- 20% 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 open 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.

Designation of additional retailers

Any additional retailers designated under the Groceries (Supply Chain Practices) Market Investigation Order 2009 during the financial year 2019/20 will be charged a flat-rate levy payment of £200,000 pro-rated to reflect the portion of the GCA financial year remaining from the date of designation.