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the

digest

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providing food for thought



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Tesco Future
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Guest comment



After 18 months in the role Christine Tacon - the Groceries Code Adjudicator - writes about the progress she has already made and calls for more evidence

The New Year marks my first 18 months in post as the Groceries Code Adjudicator (GCA) to enforce, monitor and ensure compliance with the Groceries Supply Code of Practice. It has been a hectic and fascinating period in a complex environment and I am seeing progress already.

A positive start

I have set my stall out that I will use a collaborative approach which means that I will bring issues to the retailers' Code Compliance Officers (CCOs) before taking any formal action. Retailers will be given time to examine and explain to me their business practices and to address any shortcomings they find. In this period my monitoring function is crucial. Once I have exhausted informal methods and have a reasonable suspicion that a breach of the Code has occurred, I will weigh up whether or not to investigate based on my prioritisation principles – impact, strategic importance, risks and benefits and resources.

Working collaboratively with the retailers' CCOs ensures that any necessary action is taken swiftly and it has already produced significant progress in one of the top five issues I identified in my first year. Eight out of the ten retailers made a voluntary commitment to restrict forensic audits from the legal limit of six years to two.

Change for the better

I do hear from suppliers that things are changing for the better and that their commercial negotiations improve when they mention the Code and the GCA. But to do more depends on action from suppliers. A key part of my evidence base must come from them and I am disappointed that more suppliers have chosen not to provide me with hard evidence of areas where they feel retailers could be breaking the Code.

I am encouraged to hear that some suppliers now feel able to challenge the retailers on certain requests but individual action does not ensure that underlying practices have been stopped. And so I have made my points over again that if suppliers do not give me the evidence of where they believe there are breaches of the Code then I will not be able to act to make a positive change in the behaviour of retailers.

I am working hard to help suppliers understand that I am legally bound to protect their anonymity and bringing information to me will not result in retailers knowing their identities.

Evidence is needed to get reform

Without reliable information I cannot launch an investigation or prove a Code breach has taken place. The legislation establishing the GCA makes it very clear that I can only deal with issues relating to the 15 specific practices which are set out in the Code and which affect direct suppliers to the retailers. If suppliers want me to use my powers they have a responsibility to act. As I travel around the country meeting suppliers I am offering private meetings to receive their evidence. I would encourage suppliers to sign up to the newsletter for information on the locations and arrange to meet me when I am in their area. Full details of the Code and newsletter sign-up can be found on the GCA website (www.gov.uk/gca).

A world leading supply chain

The UK has a world-leading groceries supply chain and my role can help maintain that. I believe that the GCA can help strengthen the supply chain and bring further innovation to the groceries sector, benefiting suppliers, retailers and customers.

Go to www.gov.uk/gca

