

Adjudicator role extension review to be postponed

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Christine Tacon

Government plans to extend the role of the Groceries Code Adjudicator Christine Tacon look set to be put back by months or even years, sources have told The Grocer.

Last week, business minister Margot James answered a written question in the House of Commons by saying the government would publish its statutory review of the Adjudicator's role "in the spring".

However, there was no timescale mentioned for a separate report by the Department for Business, Energy and Industrial Strategy (BEIS) following a call for evidence into a possible extension of Tacon's powers, which ran alongside the statutory review.

The call for evidence, following promises first made by former PM David Cameron that he would look to extend the Adjudicator's remit, met with many calls from groups for Tacon's brief to be widened.

In its response, the NFU said Tacon had "changed the culture and behaviour" of the top 10 retailers and should be allowed to use her "teeth" to tackle more retailers and suppliers.

The union also called for the Adjudicator to be given extra powers to police primary producers.

However, the idea of expanding the GCA remit to cover thousands of suppliers met with a hugely mixed response elsewhere. There was opposition from organisations including the BRC, which told BEIS trying to "bolt on" extra powers would be a departure from the principles of the GCA, which it said was set up to protect consumers, not suppliers.

The BRC also warned supermarkets, who finance the Adjudicator's role via a yearly levy, would not be prepared to extend their funding to cover thousands of further suppliers.

Other organisations, including the PFF, also opposed the move, warning of huge complications.

This week, a source close to the consultation said plans for a widespread overhaul of the role were now not likely to take place for months, if not years. Even if the government did decide to go ahead, the extended powers were likely to have to be preceded by a new Competition & Markets Authority investigation and/or primary legislation.

"There is a recognition privately, even from those bodies which have been calling for the Adjudicator to cover producers, that this is not going to happen any time soon," said the source. "In fact they realise any change, if it happens, is going to be years away."

Some organisations called for the GCA to cover wholesale giants such as Booker - subject of merger talks with Tesco - and other retailers with turnover of less than the current cut-off of £1bn.

Responding to the question from Ian Murray, Labour MP for Edinburgh South, James said: "The public consultation for the Statutory Review of the Groceries Code Adjudicator (GCA) ran from 18 October 2016 to 10 January 2017, alongside a public call for evidence on the GCA's remit.

"The government is now considering the responses received. The government response on the Statutory Review element is expected to be published in spring 2017."