

[Edition 29: News from the Adjudicator](#)

I would like to start by offering a big thank you to all of you who responded to my 2022 survey. I am delighted that we received 2544 responses – a healthy total – including 2293 responses from direct suppliers. I would like to thank all the Retailers for encouraging their suppliers to complete the survey; their efforts play a really important role in making the survey a success.

I am sure that many of you saw the press coverage [of the survey results](#) and I want to use this newsletter to discuss some of the results in more detail.

The most significant finding is that the inflationary pressure being felt by the sector has weakened the relationship between Retailers and suppliers. For the first time we have seen a year-on-year dip in compliance with a fall in the number of suppliers not facing any Code-related issues from 56% in 2021 to 47% in 2022.

At the heart of this issue is how the sector is responding to rising prices and requests for cost price increases (CPIs). Pre-empting the significance of this issue, I introduced new questions on the scale of CPIs and how Retailers were handling these requests.

80% of suppliers participating in the survey confirmed they had asked for at least one CPI in the past 12 months and a quarter (26%) said they had experienced either a refusal by a Retailer to consider such a request or an unreasonable delay from the Retailer in concluding the request. Perhaps unsurprisingly, it is the most experienced issue recorded by the GCA survey in five years.

However, CPIs aren't the only issue concerning suppliers. 18% of suppliers highlighted that they have incurred significant costs because of inaccurate forecasting (an increase of 2%), and that Retailers didn't have adequate processes and procedures in place to enable invoice discrepancies to be resolved promptly (an increase of 4%). These are issues I have spoken to Retailers about before and which I will be discussing with them again in the coming weeks.

We also saw increased concerns around de-listing with around one in seven (16%) of suppliers telling us they had experienced de-listing without reasonable notice (compared to 12% in 2021). There was also a 3-point rise in those experiencing Retailers not meeting their duties in relation to de-listing (from 6% to 9%).

[Our information pack](#) includes a detailed breakdown of the issues raised by suppliers in the 2022 survey.

Against the background of this difficult environment we have seen mixed results in Retailer performance. Five Retailers improved or maintained their previous score, but the other eight Retailers have seen falls. Aldi has returned to the top of the compliance leader board with a 98% score (2021:

3rd 97%), whilst M&S saw the biggest improvement in their score, increasing by 5% from 92% to 97%, lifting them to third in the rankings.

However, other Retailers struggled. Sainsbury's slipped from first to fifth place with 94% (decreasing by 4%). Home Bargains' score dropped by 7% (to 87%) but they remained in tenth whilst Morrisons saw an 8% decrease to 86% which saw them drop three places to twelfth. Finally, Lidl suffered the largest fall and is now ranked bottom of the league, dropping 11 points to 84%.

Over the coming weeks and months, I will be speaking with the Code Compliance Officers (CCOs) and senior leaders at the Retailers about the issues raised in the survey and working with them to improve how they are treating their suppliers.

If you are a supplier and reported a Code issue in the survey that is still ongoing, I urge you to contact the Retailer's CCO. All CCOs have made a commitment to treating supplier issues confidentially. You can also contact me. I also treat all supplier information confidentially, or you can contact me anonymously at www.tellthegca.co.uk.

The next steps are for YouGov to carry out a series of deep dive interviews with suppliers on behalf of the GCA, to provide greater depth of understanding about the issues that suppliers are facing. The results will be shared at the GCA's annual conference in late September. Details of the annual conference will be published on the GCA website soon.

Please introduce yourself to readers of News from the Adjudicator, including telling them something about yourself as a person. Why did you want to become a Code Compliance Officer and what experience do you bring to the role?

Having joined ALDI in 2013, I have worked in many different roles across the business and within various departments including Store Operations, Project Management and Finance. In January 2022, I was appointed as National Compliance Officer for ALDI, where I work as the Director responsible for Risk, Compliance and Data Protection across the UK and Irish business. Part of my responsibilities include the important role of Code Compliance Officer (CCO).

How do you work with suppliers and how should they contact you if they have an issue to raise?

The most efficient and effective way to clarify or resolve Code-related issues is for suppliers to engage with their buying teams directly. ALDI's buying teams will always try to resolve any issues where they can, in line with Code provisions and in the spirit of the mutually beneficial partnerships that ALDI values.

If for any reason suppliers feel unable to talk directly with their buying contacts, my role as ALDI's Code Compliance Officer (CCO) will continue to provide an independent channel for suppliers to seek Code guidance or explanation. In the unlikely event that a resolution is required, it can be

helpful for me as CCO to broker direct discussions between the supplier and the relevant buying teams. In these rare instances, supplier details will always be treated in the strictest confidence unless the supplier provides me with explicit consent to discuss the matter with anyone else at ALDI.

I can be contacted via email at CCO@aldi.co.uk or via telephone on 01827 710859.

When you look back at how your company works with suppliers what are you most proud of?

At ALDI we are committed to doing the right thing and we place great value in being a supportive and sustainable partner; it is this approach to how we work with our suppliers that I am most proud of. This has been evidenced in our consistently high performance in the GCA survey, with ALDI having been top for 'Overall Assessment of Compliance with the Code' in eight out of the nine years that the survey has been running, which is certainly an achievement to be proud of!

Where has the Groceries Supply Code of Practice had its greatest impact? What contribution do you believe the Groceries Code Adjudicator has made? How do you work with the GCA?

The Code and the GCA, have been fundamental in levelling the playing field in what suppliers can expect from their relationships with retailers. The Code has provided a clear framework in which regulated retailers can be confident that they are working fairly and appropriately with their suppliers. When looking at the GCA survey results over the past eight years, the impact that the Code has had is evident in the year-on-year improvements made. My regular progress meetings with the GCA allows us to work collaboratively and understand the GCA priorities for us to focus on, as well as learn of any best practice that we can implement to make further improvements to our way of working with suppliers.

Where would you like to see further improvements in the relationship with suppliers?

Last year ALDI was the fastest growing bricks and mortar retailer (according to Kantar data) and the business continues to invest in its expansion and partnerships. I would like to see the mutually beneficial relationships between ALDI and our trusted suppliers grow even stronger in the future.

Looking ahead, I hope that suppliers continue to resolve Code-related concerns or issues by speaking with their Buying teams directly – as this indicates that ALDI is getting things right! However, as ALDI CCO, I continue to provide an independent channel for suppliers to seek further Code guidance and welcome suppliers to contact me directly when required.

Lizzie Collins has produced a new video introducing herself and describing how Aldi work with suppliers. This is now available on the [GCA YouTube channel](#), alongside additional videos from the CCOs of other the designated retailers.

If you would like to get in touch with Mark and his team to tell Mark about your experiences, please email Enquiries@GroceriesCode.gov.uk or call 020 7215 6537. You can also report issues 24/7, 365 days a year, via the completely confidential platform www.telltheGCA.co.uk