Information and Communications Technology: call in Stoke-on-Trent and Staffordshire (OC32R19P 0989)

Call to run a project enhancing access to, and use and quality of, Information and Communications Technology in Stoke-on-Trent and Staffordshire.

Information and Communications Technology: call in Leeds City Region (OC20R19P 0926)

Call to run a project enhancing access to, and use and quality of, Information and Communications Technology in Leeds City Region.

Research and Innovation: call in the South East (OC30R19P 1022)

Call to run a project providing research and innovation support in the South East

Chancellor urges global action to tackle antimicrobial resistance crisis

The health and economic prosperity of future generations is at risk unless we act urgently to address antimicrobial resistance, the Chancellor of the Exchequer, Philip Hammond will say today during the first ever joint meeting of G20 Finance and Health Ministers in Osaka, Japan (28 June).

It is estimated that drug-resistant bugs are to blame for 700,000 deaths worldwide each year, and this figure is predicted to rise to 10 million by 2050 if urgent action is not taken. It is also predicted that by 2050 antimicrobial resistance will cause a loss of between 1.1% and 3.8% from annual global (GDP).

During the meeting the Chancellor will stress that this issue is not only a matter for health ministers, but finance ministers too, and that world leaders need to work together to improve incentives for businesses to develop new antibiotics. He will also say that the World Bank and other multilateral development banks need to better understand the risks and impacts of antimicrobial resistance, and take these into account when making investments.

Chancellor of the Exchequer, Philip Hammond said:

This week's G20 is unique in that it brings together Finance and Health Ministers from around the world for the first time to discuss global health security and action on collectively tackling antimicrobial resistance.

G20 countries have hugely benefited from advanced medicines and have a responsibility to act urgently on an issue that could kill more people than cancer by 2050.

The UK will continue to lead the fight against antimicrobial resistance and will argue in the G20 for additional funding for research and innovative financing models to incentivise businesses to produce new drugs.

Established drugs are showing increasing resistance to infection, but developing new antibiotics is a long and expensive process. New drugs must compete with much cheaper generic ones already in use, and any new antibiotic must be used in accordance with strong guidance to preserve their effectiveness, meaning there is often little financial incentive for businesses to produce them. The Chancellor will go on to say that because of these conditions, the market is failing to develop the new and essential antibiotics we need.

Although world leaders have repeatedly recognised the need to address the problem, progress has been limited.

The UK has been leading the fight against antibiotic resistance. In January this year the government launched a 20-year vision and 5-year national action plan for how the UK will contribute to containing and controlling antimicrobial resistance by 2040. The plan includes the trial of a new way of paying companies for their drugs based on how valuable their medicines are to the NHS rather than on the quantity of antibiotics used, to better incentivise the development of new drugs. Last year, the government also committed £32 million funding for research centres to explore new ways to inform prescribing and identify patterns of resistance.

Last week the Department of Health and Social Care also announced that it would be retaining the world-leading expertise of outgoing Chief Medical Officer Professor Dame Sally Davies, as the UK's Special Envoy on Antimicrobial Resistance.

In the margins of the G20 Summit, the Chancellor will also meet with several other Finance Ministers, including his US, French, and German counterparts, to discuss trade and investment.

Further Information

AMR 5-year action plan

In January the government published a 20-year vision and 5-year national action plan for how the UK will contribute to containing and controlling antimicrobial resistance by 2040. The plans include targets, such as:

- 1. cutting the number of drug-resistant infections by 10% (5,000 infections) by 2025
- 2. reducing the use of antibiotics in humans by a further 15% by 2024
- 3. preventing at least 15,000 patients from contracting infections as a result of their healthcare each year by 2024

A major focus of the plan is to make sure current antibiotics stay effective by reducing the number of resistant infections and supporting clinicians to prescribe appropriately.

As part of the plan the pharmaceutical industry is also expected to take more responsibility for tackling antibiotic resistance. NICE and NHS England are testing an innovative new reimbursement model that will pay pharmaceutical companies based on a NICE-led health technology assessment of how valuable their medicines are to the NHS, rather than on the quantity of antibiotics used. The value is estimated by NICE through an adapted 'Health Technology Assessment' with information from health economic modelling and expert opinion.

Since 2014, the UK has cut the amount of antibiotics it uses in humans by more than 7% and sales of antibiotics for use in food-producing animals have dropped by 40%. But the number of drug-resistant bloodstream infections have increased by 35% from 2013 to 2017. Without effective antibiotics, straightforward, everyday operations like caesarean sections or hip replacements could become too dangerous to perform.

Research & Development

The government continues to deliver a record increase to Research and Development funding with an additional £7 billion by 2022 through the

Edition 19: News from the Adjudicator

I am delighted to be able to report back to you all so soon after my sixth annual conference which was a day of high points. I welcomed two additional designated retailers — Ocado and B&M — to their first conference, YouGov reported on the largest ever response to my survey and the conference audience was larger than at any of the previous five. My <u>Annual Report and Accounts</u> and the <u>conference presentations</u> are now available. Please take the time to read them. <u>I am also hosting a short webinar</u> for those that could not attend.

2018 survey results

Starting with a short recap of the survey results, a record 1,417 direct suppliers completed the survey out of a total of 1,556 responses. I am extremely grateful for such a high number of responses as it provides me with valuable information and allows me and the retailers to focus our attention on some very specific issues. Overall, the survey showed continuing improvement in retailer behaviour. For the second year running only four out of 10 suppliers reported having experienced an issue at any point during the year — a significant result in a year when two new retailers were added to those I regulate. This is very much down to the positive work and engagement by retailers and their Code Compliance Officers — my thanks to them.

Last year's top concern for suppliers — delay in payments — fell from 19% to 13% of suppliers having experienced a delay at any point in the year, in a period when the retailers' response to the issue was under formal GCA monitoring. Forecasting is now the issue most reported by suppliers — and that, too, has continued to decline. In addition, Co-operative Group Limited topped the table as the biggest improver after significant GCA scrutiny during a year-long investigation in which I found that the retailer had breached the Code. Co-op should be really pleased that the steps it has been taking to improve things are already being noticed by suppliers.

Driving effective compliance risk management

The theme of the conference was Driving Effective Compliance Risk Management, reflecting my priority for my final year as GCA. I will be working with each of the 12 regulated retailers to ensure all their practices, systems and behaviours are designed and structured to meet their obligations under the Groceries Supply Code of Practice.

I want them to build for themselves a whole-organisation approach to Code compliance. This puts their compliance management thinking into their overall

governance structures, their legal and audit functions as well as their internal systems and processes, into their training and their communication with suppliers. This is the best way to make sure that breaches of the Code don't happen and if they do, that they are quickly picked up and put right. It means retailers doing the right thing not only because that is what is required of them, but because it makes good business sense.

Forensic audits

When I took on the role of GCA, the biggest issue was forensic auditing with 45% of suppliers reporting concern in my 2014 survey. I tackled it by agreeing a voluntary commitment with eight out of the 10 retailers to limit forensic audits on a reciprocal basis to the current year plus two. This year only 7% of suppliers reported forensic audits as an issue of concern. I am delighted that Ocado and Waitrose have both now agreed to make this voluntary commitment, too.

Christine Tacon

Statutory Review of the GCA

On 20 June the Government launched the statutory review of the GCA covering the period from 1 April 2016 to 31 March 2019. The GCA encourages suppliers and other interested parties to respond to the review that will consider how the GCA has used its powers and how effective it has been. The review is open until 12 September 2019 and you can respond online.

At last year's conference Christine Tacon announced that she would be formally monitoring the progress the original 10 retailers were making on delay in payments, forecasting and promotions.

She asked the retailers to provide her with detailed information in March, including the number and value of invoices in dispute, how retailers identified the root causes of issues, and the average length of time it took to resolve queries about invoices. Retailers also had to describe how they were following the <u>GCA best practice statement on forecasting and promotions</u>.

The retailers reported having learned a lot from this exercise and most have decided to change one or more of their existing processes or to monitor new information to ensure compliance. They all agreed there is more they could do and the GCA has discussed with each of them specific areas in which they may fall short. Two retailers' practices will continue to be monitored by the GCA under business as usual. Christine Tacon has stressed that retailers must sort out any disputes over payments quickly and tackle the root causes of any payment issues.

In the area of forecasting the Adjudicator reports that all retailers are working on improving communications with suppliers and improving systems to achieve better forecasts.

She is also working with the additional designated retailers — Ocado and B&M — on all the Top Issues, prioritising delay in payments and forecasting.

Meet the CCO

Jo West, CCO for Ocado Group Limited, has answered News from the Adjudicator's questions about her role at the retailer. She is keen that all the retailer's suppliers and employees know who to contact to get the help they need on Code matters.

Contact Jo at GSCOP@ocado.com

Read about how Ocado has embraced the Code and is making changes and what she hopes to achieve over the next 12 months.

Save the Date

- 3 July 2019 GCA Webinar Join Christine Tacon as she provides an update on her work and answers suppliers' questions about the Code. The webinar will take place between 11am and 11:30am, with time for questions afterwards. Register your interest.
- 17 July 2019 Fruit Focus
 Christine will be speaking at this major event for the fruit industry held at the East Malling Research Centre in Kent. Her speaking slot is at 1pm and she will be talking on supplier rights and understanding the Code. See www.fruitfocus.co.uk for more information.
- 30 July 2019 International Cheese & Dairy Awards
 Christine will be judging an award and speaking to suppliers during the trade day of this Nantwich event for the dairy industry. She will tour the Cheese marquee and is available to meet suppliers. More details at International Cheese & Dairy Awards.

Inviting the GCA to supplier events

Christine Tacon is keen to attend as many supplier events as her diary allows. If you would like to invite her to explain her work and priorities and speak to suppliers please email enquiries@groceriescode.gov.uk.