COMMISSION FOR A
SUSTAINABLE LONDON 2012

Reporting Review

A measure of performance

WHO WHAT
WHERE
WHY WHEN
& HOW

1. Context

The Commission for a Sustainable London 2012 (CSL[1]) was established in January 2007. Its aim is to provide independent assurance and commentary in order to enable the sustainability objectives of the London 2012 programme to be achieved and to support a sustainable legacy. It reports directly to the Olympic Board and provides assurance over the 2012 Key Stakeholders including LOCOG, the Olympic Delivery Authority, the Government Olympic Executive (GOE, part of DCMS) and the GLA Group. In November 2007, CSL published its first report, the 2007 Governance Review, "On Track for a Sustainable Legacy"[2] which set out CSL's programme of thematic reviews, the first of which covers reporting.

The purpose of the Reporting review was threefold:

- To understand and evaluate the effectiveness of programme-wide sustainability reporting
- To understand and evaluate sustainability reporting within each Key Stakeholder[3] and
- To identify CSL's ongoing information requirements, i.e. the reporting information that CSL would expect to receive on a regular basis.

CSL sought assurance that sufficient and appropriate information was being reported and used to manage the programme-wide sustainability objectives outlined in the London 2012 Sustainability Plan and within each Key Stakeholder and that appropriate corrective action is being taken when problems are identified. Where processes were new, CSL investigated accountability for objectives and sought assurance that corrective action would be taken in the event that problems were identified in the future.

The review also enabled CSL to identify key sources of information which will help to inform future reviews.

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[1] A number of acronyms are used in this report. A full list can be found at www.cslondon.org
[2] http://www.cslondon.org/programme/report.aspx
[3] Key Stakeholders are defined by the 2012 Programme as: BOA, the GLA Group, LOCOG, ODA and DCMS

2. Recommendations

1. GOE to urgently finalise and implement a sustainability reporting system across the programme by October 2008, the principal elements of which will be key milestones, KPIs, programme and risk management. This will enable the programme and agenda for the London 2012 Sustainability Group to be proposed by GOE and the Chair and facilitate more effective and collective management of the sustainability agenda.

2. CSL to review the programme-wide reporting process in October/November 2008, as part of the 2008 Governance Review.

3. CSL to review LOCOG reporting processes and sustainability management system in October/ November 2008, as part of the 2008 Governance Review.

4. CSL to review how the GLA delivery plan reporting process is used to manage delivery in October/November 2008, as part of the 2008 Governance Review.

5. CSL to review how the LDA reporting process is used to manage delivery in October/ November 2008, as part of the 2008 Governance Review.

6. GOE to ensure completion of the Delivery Plans that implement the sustainability aspects of the Legacy Action Plan and PSA as soon as possible. The Delivery Plans need to be integrated with each other and demonstrate their linkages with related plans from other Key Stakeholders. They also need to form part of clear and effective reporting processes.

7. CSL to review the GOE internal reporting processes on sustainability in October/November 2008, as part of the 2008 Governance Review

3. Findings and recommendations: Programme-wide reporting

RAG Rating Amber

Recommendation 9 of the commission's 2007 Governance Review was for the London 2012 Sustainability Group 'to develop appropriate SD reporting processes to cover all aspects of the London 2012 programme' and the programme of work from the Governance Review recommended that CSL carry out an immediate review of reporting. This review intended to test the reporting processes to ensure that they were able to provide appropriate reporting information for a selection of the achievements, challenges and commitments contained in the London 2012 Sustainability Plan. This was not possible at the time of writing this report due to delays in developing the programme-wide sustainability reporting process.

On 14 November 2007, the Chair of the London 2012 Sustainability Group required the Key Stakeholders to meet within the next month to make progress on the development of a programme-wide sustainability reporting system and that a consolidated paper drawing together each organisation's proposed monitoring against the plan would be presented for final discussion at the January 2008 meeting. GOE were specifically tasked with taking this forward as they provide the secretariat to the London 2012 Sustainability Group and also contain the Olympic Programme, Programme Office, which co-ordinates reporting to the Olympic Board Steering Group and Olympic Board.

As of May 2008, there had been three meetings of Key Stakeholders to try to draw together the programme-wide sustainability reporting system. These were attended by approximately 20 different people, with only 2 people attending all the meetings. While there was continuity in terms of organisations represented, the wide variety of individuals attending meant that a consensus was not achieved. A way forward was agreed at the meeting on 10 April, but on 23 April, CSL wrote to GOE expressing concerns that Key Stakeholders were still seeking to change the process and the agreed targets. There were also a series of bilateral meetings and discussions involving GOE and individual Key Stakeholders. This approach led to a continual discussion on the best approach to be taken and in early May GOE appointed expert support to take this forward.

As of June 2008, the additional resource has delivered an effective route forward for agreement with Key Stakeholders. This contains milestones with target dates for the completion of the programme wide sustainability reporting. CSL has reviewed a draft of the reporting framework, which appears to be an effective process, subject to testing and implementation. Since January 2008, CSL has expressed concerns about programme slippages. Whilst the completion of the reporting framework has provided greater confidence, we would recommend that Key Stakeholders continue to work collaboratively to test and implement this process promptly.

CSL was concerned that the approach being taken may not deliver a reporting process that sufficiently covers the full sustainability picture with exceptions reporting against the programme-wide London 2012 Sustainability Plan but is pleased to see that recommendations provided to Key Stakeholders in this area have been incorporated in the proposed reporting framework.

CSL expects the resultant programme-wide sustainability reporting process to facilitate management of key issues and cross cutting themes by the Chair of the London 2012 Sustainability Group, as highlighted in recommendation 3 of the 2007 Governance Review. CSL will review the effectiveness of this process in October 2008, as part of the 2008 Governance Review. However, given that this process was unduly delayed, we remain concerned that the implementation and subsequent operation could be further delayed if the additional resource funded by GOE is no longer available to drive the process forward. We understand that there are plans within GOE to recruit additional resource to ensure continuity, however the role of this resource in programme-wide sustainability reporting has yet to be clarified.

Recommendation 1: GOE to urgently finalise and implement a sustainability reporting system across the programme by October 2008, the principle elements of which will be key milestones, KPIs, programme and risk management. This will enable the programme and agenda for the London 2012 Sustainability Group to be proposed by GOE and the Chair. This will facilitate more effective and collective management of the sustainability agenda.

Recommendation 2: CSL to review the programme-wide reporting process in October/ November 2008, as part of the 2008 Governance Review.

4. Findings and recommendations: Key Stakeholders

While the programme-wide sustainability reporting processes are still in the development stage, there are reporting processes for sustainability issues within each Key Stakeholder. CSL reviewed each of these, so as to be able to identify what processes are in place to address the main sustainability issues for each Key Stakeholder and how the issues are managed, reported on and acted upon. The BOA were not reviewed as part of this, as there are not any key issues arising from the 2007 Governance Review that they will need to have reporting processes in place for and this will be covered in the 2008 Governance Review.

4.1 ODA
RAG Rating Green

The ODA and CLM, their delivery partner, have comprehensive internal reporting systems addressing a wide range of issues, including the 12 sustainability objectives identified in their sustainable development strategy. Six of these objectives are covered by the sustainability reports produced by the Environment and Sustainability Team, with the others covered by reports on areas such as equality & inclusion and employment & skills. There is a reporting process covering all priority themes (which cover all the 12 sustainability objectives), which includes a suite of performance indicators and progress reports for each theme.

These reports form part of the Monthly Progress Report prepared by CLM and distributed to the senior management of the ODA and CLM. A monthly Programme Performance Report is also produced, containing a summary of the performance, progress highlights, key risks, issues and mitigation and upcoming events for each area. This is circulated to the Executive Management Board, ODA Board and GOE.

CLM also prepare weekly site update reports on environment and sustainability issues, which cover the progress made on site on the main projects that are currently underway.

In order to track the progress and risks across all the issues underway, the Environment and Sustainability Team use a Dashboard Report, prepared for the weekly team meetings. This covers the main projects underway and the input provided to them by the E+S Team. There are similar reports covering the other sustainability objectives.

An Environment and Sustainability Management System (ESMS) is being developed by CLM, with the intention that it will be certified to ISO 14001. We have reviewed a gap analysis prepared by LRQA for CLM and are confident that a system that will meet the requirements of ISO 14001 is being prepared. Other systems are in place to cover the other sustainability objectives.

With all the above measures in place and functioning, we believe that the necessary reporting processes are in place within the ODA/CLM to ensure that key sustainability issues can be reported against and managed. There are people in key positions who are taking responsibility for recommending and implementing corrective action where necessary. The recent identification of additional resources to be able to meet the commitment to 20% of energy demands in legacy mode being delivered by new onsite renewables, is an example of a potential issue with a key sustainability target being reported upon and action taken to address it. We have found no evidence to date of issues arising where action has not been taken and are confident that if the process is maintained this will continue to be the case.

4.2 LOCOG
RAG Rating Green

LOCOG have just completed the design and implementation of an integrated sustainability management system. As this has only just been completed we have not yet been able to review it fully and see it in operation. However, the initial indications from the outline we have seen suggest that it will be an effective management system covering the key sustainability issues for LOCOG. The monthly reporting processes within it have recently begun, with quarterly reporting processes commencing shortly. CSL will review the operation of this system in the autumn.

Recommendation 3: CSL to review LOCOG reporting processes and sustainability management system in October/November 2008, as part of the 2008 Governance Review.

LOCOG also co-ordinate the Olympic Games Impact study, known as OGI. This is an official IOC project to study the environmental, socio-cultural and economic impacts of the Games on host city, region and country. LOCOG have appointed an independent research partner, ESRC, to collate data covering a wide ranging set of indicators and to prepare reports in 2008, 2010, 2013 and 2015. This study will primarily provide information retrospectively on the impact that hosting the Games has had on London and the UK. As such it is a different kind of reporting to that which this review has focussed on, which are the systems that provide timely information for managing performance.

4.3 GLA
RAG Rating Green

The GLA co-ordinate 10 Delivery Plans, each of which describes the process of implementing one of the sub-objectives of the Olympic and Paralympic Games Programme Objectives that are allocated to the Mayor of London. The projects in these Delivery Plans are implemented by a number of partner organisations as well as parts of the GLA Group. Nine of them are overseen by the GLA/LDA Programme Group, which held its first meeting in Jan 2008, with the other one being managed through the Sports Venue Legacy Group. The detailed management of each plan is expected to be done by the responsible agencies. The individual Delivery Plans are owned by the programme leads but as these are senior people in the respective organisations, day to day management is delegated to the Delivery Plan author.

The initial Delivery Plans are updated annually through the production of action plans for the forthcoming year. In January 2008, the GLA produced a Legacy Action Plan "five legacy commitments[4]" which aims to communicate these plans to the people of London. It contains a number of commitments, which are all taken from the delivery plans and their action plans.

Reporting is done quarterly, with monthly reporting by exception. The GLA relationship managers receive updates from the authors and compile a series of updates in the same format as the LDA monthly reports, as several are from the LDA and are already in that format. These updates are sent to the Olympic Programme, Programme Office (OPPO) at GOE for the main milestones and risks to be included in the programme-wide reporting to OBSG.

The GLA/LDA Programme Group meets quarterly and receives reports from the responsible agencies on progress, issues to be resolved and to facilitate joint working.

This is a relatively new process, which builds upon the previous reporting against delivery plans that CSL observed as part of the Governance Review in summer 2007 and is a significant improvement on the situation at that time. CSL has seen examples of the reports for individual delivery plans and an example of the summary reporting. These are comprehensive reports covering a range of issues but we will need to see how the corrective actions identified to deal with slippages are implemented to see the complete system functioning.

Recommendation 4: CSL to review how the GLA delivery plan reporting process is used to manage delivery in October/November 2008, as part of the 2008 Governance Review.

4.4 LDA
RAG Rating Green

The LDA have recently merged their Olympic divisions to create a new Olympic Legacy Directorate, which is responsible for land assembly, delivering socio-economic opportunities and leading the Olympic Park legacy. It contains a programme management office to coordinate their reporting processes. This programme management office produces monthly reports on all the LDA level 1 sub programme projects – which contribute to the delivery of the relevant Olympic and Paralympic Games Programme sub objectives.

Each project in these reports has an identified Programme Director and a Programme Manager. The reports summarise the key issues, milestones, new and highest priority risks and allocates a RAG status to each of these. These monthly reports are taken to the LDA/ODA Programme Board. There is also a report prepared on a 6 weekly basis for the LDA Olympic Delivery Committee (which has been set up by the LDA Board and has the delegated responsibility from it to manage the delivery of LDA Olympic issues).

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[4] http://www.london.gov.uk/mayor/olympics/docs/5-legacy-commitments.pdf

This reporting process has been set up during early 2008 and CSL will need to see how the process runs over the coming year to get a full picture and see how it deals with problems and corrective actions but it appears to be comprehensive and capable of effectively managing sustainability issues within it.

Recommendation 5: CSL to review how the LDA reporting process is used to manage delivery in October/November 2008, as part of the 2008 Governance Review.

4.5 GOE / HMG
RAG Rating Amber

GOE has produced a national Legacy Action Plan (LAP), "Before, During and After: making the most of the London 2012 Games[5]", which has a number of targets and indicators. It was expected to be published in late 2007 but was published on 6 June 2008. This sets out the detail behind the promises made in "Our Promise for 2012", published by DCMS in mid-2007, and provides a framework for businesses and individuals across the UK to play a part in making the most of the Games. GOE is responsible for the management process to support the LAP, various government departments have responsibility for the Delivery Plans for the commitments outlined in the LAP. The LAP and Delivery Plans will need to be supported by an appropriate reporting system.

GOE are also co-ordinating the reporting against PSA 22, the Public Service Agreement for the delivery of the Olympic Games, which is due to report in October 2008. This includes an indicator on sustainability by assigning a RAG status against the delivery of the ODA sustainable development strategy. CSL is providing a level of assurance against this indicator, as part of our assurance of the ODA. GOE are seeking to use the same data and information to support this indicator as is being utilised for the LAP but, mid-June, it is not possible to verify if this is being done as they are both still in the final phases of development.

Each Delivery Plan sets out how the relevant Government Department is leading or co-ordinating the implementation of a part of the Legacy Action Plan. These effectively replace the Delivery Plans that were set up to implement the relevant Olympic and Paralympic Games Programme sub-objectives that were allocated to Central Government, with the more strategic parts of them being brought into the new Delivery Plans. This process is highly dependent on other government departments to make a contribution. We understand that draft Delivery Plans are due to be available for approval in July by the Programme Board that will oversee the LAP and PSA. We also understand that final Delivery Plans will be taken to the Programme Board in October 2008.

The Programme Board reports to the Economic Development (Olympic and Paralympic Games) (ED(OPG)) Sub-committee – the Cabinet Committee with responsibility for Government Policy on the Olympics. It meets on an ad hoc basis using a process of clearance to sign off documents. There is therefore a governance structure in place at Ministerial level.

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[5] http://www.culture.gov.uk/images/publications/2012LegacyActionPlan.pdf

In the 2007 Governance Review, published in November 2007, CSL made recommendations on the delivery and reporting of the Legacy Action Plan and PSA objectives. CSL has reviewed a briefing document that sets out responsibilities for each Delivery Plan. We have seen one draft Delivery Plan and met with the individuals with responsibility for drafting it. We are told that the other Delivery Plans are in varying stages of completion by various government departments and, as of early June 2008, are not available for review.

CSL is concerned that recommendation 2.20 in the 2007 Governance Review "to describe how the accountability for Olympic objectives will be disseminated and reported" has yet to be fully implemented.

As the Delivery Plans are still in development, CSL has not seen the reporting system deal with problems and lead to the necessary corrective actions.

Recommendation 6: GOE to ensure completion of the Delivery Plans that implement the sustainability aspects of the Legacy Action Plan and PSA as soon as possible. The Delivery Plans need to be integrated with each other and demonstrate their linkages with related plans from other Key Stakeholders. They also need to form part of clear and effective reporting processes.

Recommendation 7: CSL to review the GOE internal reporting processes in October/ November 2008, as part of the 2008 Governance Review

Appendix 1

1. Methodology of review

Interviews

We carried out a series of interviews with staff involved in programme management and the delivery of sustainability objectives in GOE, the GLA, the LDA, LOCOG and the ODA.

These interviews covered:
- The organisation's programme reporting processes
- How sustainability reporting fits into them
- How issues are reported and escalated
- How corrective actions are determined and implemented
- Who is accountable for each relevant area
- How data is collected and validated
- How they feed would into the programme-wide reporting processes

These were followed up with further communication to clarify these matters.

We also have had a series of discussions with GOE and others about the development of programme-wide reporting processes and attended meetings of the Key Stakeholders where these were being discussed.

2. Documents reviewed

The following documents were reviewed as part of this review:
- ODA Monthly Programme Performance Report
- ODA/CLM Monthly Progress Report
- ODA sustainability reporting
- GLA/LDA delivery plan update report to OBSG
- GLA/LDA London Delivery Plan Programme Group TOR
- GLA Delivery Plan progress report
- LDA progress report to the LDA/ODA Programme Board
- LDA Olympic Legacy Directorate Draft Programme Execution Plan
- LOCOG Sustainability Management System - Strategic Framework and Implementation Plan
- Draft documents relating to the development of programme wide sustainability reporting

3. RAG Status definitions

The following criteria were used to assign a RAG status to each area:

Red
- Significant concerns about performance and little evidence of recovery plan.
- Significant threats exist which may impact successful achievement of the Sustainable Development objectives and projected targets for the issue if not addressed in the short term.

Amber
- Evidence not currently available in response to recommendation or some significant concerns about performance but evidence that they are being addressed is available.
- Threats exist which may impact successful achievement of the Sustainable Development objectives and projected targets for the issue if not addressed in the medium term.

Green
- No significant threats to achievement of the target performance for the issue were identified.

4. Documents required by CSL on a regular basis

In order to carry out our assurance role, CSL will require a range of reports to be received on a regular basis. These will be reports already produced as part of the Key Stakeholders reporting systems, in order to minimise the reporting requirements.

The following documents are required by CSL on a monthly basis:
- ODA monthly Programme Performance Report
- ODA/CLM Monthly Progress Report
- ODA sustainability dashboard report
- LDA progress report to the LDA/ODA Programme Board
- LOCOG monthly sustainability reports
- GOE sustainability report to OBSG
- Sustainability and "Capitalise" sections of GOE's Performance Dashboard
- Sustainability and "Capitalise" sections of GOE's Summary Performance Report for OB / OBSG

The following documents are required by CSL on a quarterly basis:
- GLA delivery plan progress updates sent to OPPO
- LOCOG quarterly sustainability reports
- GOE delivery plan progress reports

The following documents are required by CSL on a 6 monthly basis:
- LOCOG Sustainability Programme Review Report or Sustainability Management Review Report as appropriate

The following documents are required by CSL on an annual basis:
- GOE PSA performance report (for assurance)

The following reports are required by CSL when they are produced:
- Independent certification / monitoring audits of the ODA/CLM EMS
- ODA internal audits of sustainability issues / priority themes
- LOCOG internal audits of sustainability issues
- LDA Olympic Legacy Directorate Programme Execution Plan
- GOE London 2012 Programme Brief

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