

# Procuring a legacy

A review of the Olympic Delivery Authority's procurement specification, management and contract administration: delivery of sustainability objectives

## Shopping List



Olympic stadium
Aquatics Centre
Handball Arena
Eton Manor
Velopark
Media Centre
Hockey Centre
Energy Centre
Parklands and Public Realm
BREEAM "excellent" rating

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# Introduction

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## 1. Aim of the review

- 1.1 The Commission published its first governance review in November 2007<sup>1</sup>. This includes a programme of thematic reviews that we will carry out as part of our assurance of the Games. One of these scheduled reviews was to review the procurement processes for the Games and a review was conducted with these aims:
- To ensure that SD objectives are being translated appropriately to contractual arrangements;
  - To ensure effective controls are in place to assure performance; and
  - To advise stakeholders with respect to ethical standards and approach.

## 2. Commitment to achieving Sustainable Development through procurement

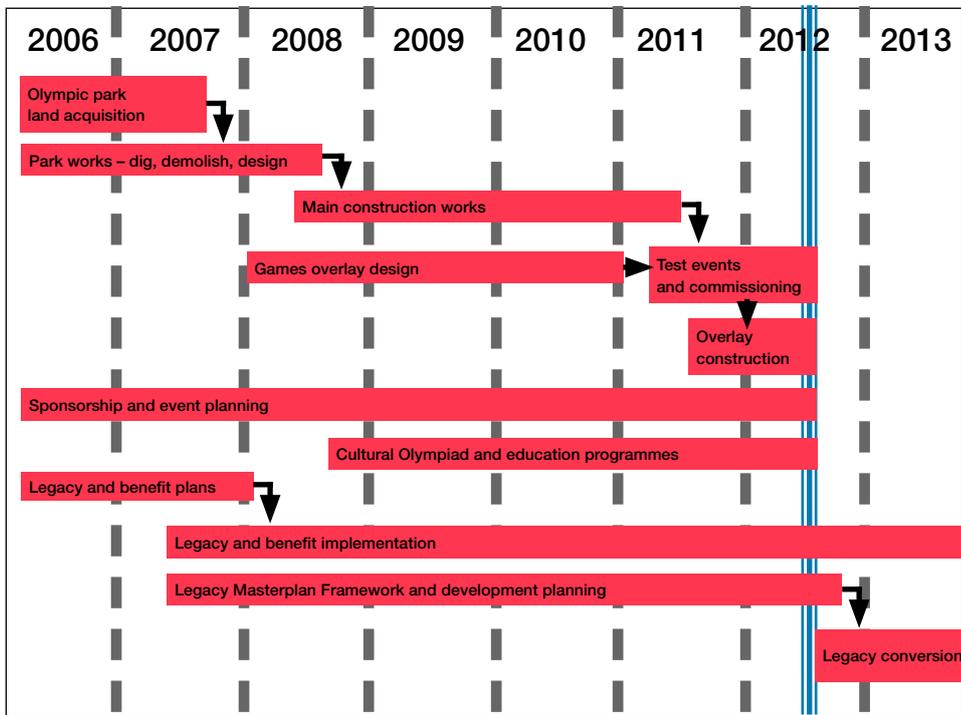
- 2.1 The London 2012 Sustainability Plan<sup>2</sup>, published in November 2007, sets out how London put sustainability at the heart of its bid for the 2012 Games and that it remains central to the vision for 2012. The plan has a programme-wide commitment to sustainability across all venues and Games-related activities and identifies procurement as an area that requires action that cuts across all five of the key sustainability themes that form the basis of the plan.
- 2.2 Procurement actions in the London 2012 Sustainability Plan include:
- Sourcing materials with low embodied carbon;
  - Minimising waste at source, promoting use of secondary materials;
  - Policies on ecologically sensitive materials: e.g. timber, food;
  - Ethical procurement and fair employment; and
  - Sourcing healthy materials and ensuring health and safety on site.
- 2.3 The London 2012 Sustainability Plan also states that “London 2012’s commercial partners will play a major role in helping to deliver this sustainability plan. This will be achieved in part through the supply of products and services which improve environmental performance, but also through actively engaging with London 2012 sustainability projects and using their employees, customers and supply chains to promote behavioural change.”

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<sup>1</sup> [http://www.cslondon.org/documents/2007\\_Governance\\_Review.pdf](http://www.cslondon.org/documents/2007_Governance_Review.pdf)

<sup>2</sup> <http://www.london2012.com/documents/locog-publications/london-2012-sustainability-plan.pdf>

### 3. Timeline<sup>3</sup>



### 4. Structure of the review

4.1 This review has focussed on the procurement process in the ODA. The ODA was reviewed in spring/summer 2008 to allow for elements of joint information gathering with the National Audit Office, who published their report “Preparations for the London 2012 Olympic and Paralympic Games: Progress report” in June 2008<sup>4</sup>. A similar review of LOCOG will commence in the autumn.

<sup>3</sup> From “Towards a One Planet 2012” the London 2012 Sustainability Plan

<sup>4</sup> [http://www.nao.org.uk/publications/0708/preparations\\_for\\_london\\_2012.aspx](http://www.nao.org.uk/publications/0708/preparations_for_london_2012.aspx)

**RAG: Amber**

## 5. Introduction

5.1 The ODA is responsible for the construction of all permanent venues, both in the Olympic Park and in other parts of the country (Broxbourne, Weymouth and Eton Dorney). These are to be delivered to meet Games time requirements and to provide a legacy. It is also responsible for the construction of two temporary venues, which will be constructed for the Games and then relocated afterwards.

### 5.2 Permanent

- Olympic Stadium
- Aquatics Centre
- Handball Arena
- Eton Manor
- Velopark (Velodrome and BMX)
- Broxbourne White Water Canoe Centre
- Weymouth and Portland Harbour (improving existing venue)
- Eton Dorney (improving existing venue)
- International Broadcast Centre/Main Press Centre
- Hockey Centre
- Energy Centre
- Parklands and Public Realm

### 5.3 Temporary

- Basketball Arena
- Royal Artillery Barracks
- North Greenwich Arena 2

5.4 This review has not covered the Olympic Village as it forms part of the wider Stratford City development. This is scrutinised by an Environmental Review Panel, which CSL links into as appropriate.

## 6. Key documents

- External
  - March 2007 ODA Procurement Policy
  - Jan 2007 ODA Sustainable Development Strategy
  - November 2007 London Sustainability Plan
- Internal
  - Venue contracts
  - Sitewide contracts
  - Contract monitoring tables
  - Site audit information

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## 7. Procurement process

- 7.1 The prequalification stage assesses the suitability of companies who are interested in supplying the work package or commodity being procured. This will determine if they are able to supply as required and that they fit the relevant criteria for supplying the ODA.
- 7.2 Successful companies are then invited to tender for the work. At this stage a tender specification is sent out, for venues this will come from the current design brief. The design process was subject to a separate review by CSL<sup>5</sup>. Examples of Invitation To Tender (ITT) that CSL has seen have included a range of sustainability criteria covering issues such as carbon, waste, materials, access, employment, equalities and diversity.
- 7.3 Tenders are evaluated using a balanced scorecard approach. Sustainability is incorporated in the following ways, depending on the nature of the contract and its sustainability impact:
- Sustainability standards and objectives included in specifications and evaluated for compliance;
  - Sustainability impacts evaluated as part of the competitive process;
  - A sustainability section in the balanced scorecard which recognises other features in the suppliers tender.
- 7.4 When the successful company has been chosen a detailed contract is drawn up. In some cases we have observed the company has submitted a tender that goes well beyond the sustainability criteria set out in the ITT. In these cases, the ODA has then included these commitments in the contract to ensure that they will then be delivered.
- 7.5 For the main engineering works, including venues, structures, bridges and highways, the ODA's Delivery Partner run the contract management process. This has been in operation since May 2008, with a risk-based assurance programme to ensure compliance with contract deliverables. Sustainability staff in the ODA's Delivery Partner have commenced onsite audits to monitor compliance at the site level.
- 7.6 The ODA manage other areas of procurement, primarily around ODA staff-related areas such as financial advice, audit and occupational health. The ODA also manage the transport related projects. The ODA are currently putting their contract management processes into place, with this being managed by the Head of Procurement.

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<sup>5</sup> See [www.cslondon.org](http://www.cslondon.org)

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## **8. Resources**

- 8.1 The ODA has a central procurement team and has an identified procurement lead for each main contract. These procurement leads liaise with the venue project managers and with relevant sustainability staff.
- 8.2 When the balanced scorecard assessments are carried out as part of the procurement process, this is done by professionals from each area of assessment, e.g. sustainability, supported by procurement staff.

## **9. Findings**

- 9.1 The processes used by the ODA appear to have been largely successful in ensuring that the relevant sustainability issues from the design briefs and the ODA Sustainable Development Strategy are being brought forward into the ITT and subsequent contracts. However, we have significant concerns over the incorporation of the BREEAM standards into contracts as set out in paragraphs 9.8 and 9.9.
- 9.2 We are pleased to see that where a successful company has submitted a tender that goes above and beyond the sustainability requirements set out in the ITT, the sustainability criteria they have indicated they will achieve have then been included in the final contract.
- 9.3 An example of this is found in the sitewide aggregates contract. Here the supplier offered to deliver 99% of the materials by rail or water (against a requirement of 50%) and 70% recycled content by weight (against a requirement of 25%) and specified where the materials would be sourced from. This information was then put into the contract to ensure that this would be delivered.
- 9.4 We recognise this good practice in sustainable procurement and expect this to continue throughout the project life alongside monitoring of delivery of the sustainability objectives.
- 9.5 The ODA has been successful in its approach to forward commitment through working with industry in order to ensure that their requirements can be delivered. They have held industry days addressing some of their key requirements and have sent clear early signals to the marketplace on their sustainability requirements. This has led to sections of the industry being ready to respond to the requirements when the ITT were issued. The aggregates and concrete contracts provide good examples of this, with the industry now exceeding the ODA's original sustainability requirements.

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- 9.6 This good practice in giving early signals to the marketplace, to enable it to be ready to supply the requirements when they are needed should be taken up throughout the London 2012 programme. For example, LOCOG will be requiring a wide range of goods and services from the event management marketplace and have the opportunity to indicate their sustainability requirements now, to allow the marketplace to be ready to meet them when required. We will address this as part of the review of LOCOG's procurement and commercial partnerships.
- 9.7 The venue contracts that we have observed have shown how the majority of relevant sustainability issues from the design briefs and the ODA Sustainable Development Strategy are being turned into contractual requirements. However, we have some significant concerns as detailed in the following paragraphs.
- 9.8 BREEAM excellent requirements have not been incorporated into all venue tenders and contracts. For example, the Aquatic Centre contract currently only requires that it achieve a BREEAM "Very Good" rating in legacy mode. The ODA and Delivery Partner Sustainable Development and Regeneration teams are currently working with the design teams to ensure that it can achieve an "Excellent" rating. Once this has been achieved we are advised that the contract will be amended to require that it achieve the "Excellent" rating. The Velopark contract does not include a reference to BREEAM, which we are informed was due to the time in the design stage that the contract was prepared. We also found evidence of a lack of clarity from some parts of the ODA about the BREEAM standard that venues should be built to.
- 9.9 The London 2012 Sustainability Plan states that "permanent venues will achieve 15% carbon dioxide reductions beyond 2006 Building Regulations and will achieve a BREEAM rating of excellent". We have seen the 15% carbon reduction in the contracts we viewed but not the BREEAM excellent rating as outlined above.

### **Recommendation 1**

That the achievement of a BREEAM excellent rating be specified in all permanent venue contracts.

- 9.10 The contract for the Velopark requires that key sitewide commodities contracts (e.g. for aggregates and concrete) that the ODA have negotiated are required to be used by the contractors delivering the venue, unless they have an agreed alternative that meets the same standards. We believe this is an effective approach to achieving key sustainability targets provided that it is adopted and maintained in practice.

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- 9.11 The Aquatic Centre contract only indicates that the sitewide commodities contracts are made available for use by the contractor. We understand that the contractor is generally using the sitewide contracts where they deem them to be advantageous to them, for ease of supply and to help meet the targets for recycled content and delivery by rail/water; however they are not being used consistently. It is fortuitous that the contractor is planning to make use of some of these contracts. As the Main Stadium was procured in the early phases of the programme, like the Aquatic Centre, we expect that it will be in the same position. Whilst the contractors are likely to continue to utilise the sitewide contracts, this cannot be guaranteed, particularly if the economic downturn renders alternatives more economically advantageous. Therefore, in order to ensure that the sustainability standards in the sitewide contracts are achieved, the ODA needs to be confident that contractors will demonstrate that they are delivering the sustainability standards that are expected of them.
- 9.12 If there are situations where the sitewide contracts are not being used, the reasons why contractors are procuring alternatives should be understood. In order that the ODA and delivery partner learn from these exceptions, we believe that they should request the contractor to set out their reasons for procuring an alternative.
- 9.13 Both the venue contracts that we have reviewed have only included recycled material targets as employer's aims, not expressed as "the contractor will". This means that the targets in the ODA Sustainable Development Strategy for at least 20% (by value) of materials used in permanent venues to be secondary materials and at least 25% of aggregates (by weight) to be recycled materials may not be interpreted as contractually binding targets for the venues, with contractors only being obliged to support them as the employer's aims. The targets are, however, being monitored by the ODA's Delivery Partner as part of the contract delivery and again, the ODA needs to be confident that contractors will demonstrate that they are delivering the sustainability standards that are expected of them.

### **Recommendation 2**

That the ODA ensures that the risk of not achieving its sustainability standards is mitigated where the contractual arrangements do not mandate specific targets, such as recycled content, or compliance with sitewide contracts or delivery of an equivalent level of sustainability that these enable.

- 9.14 In this review we have focussed on the processes in the ODA and their Delivery Partner to procure and manage contractual relationships in tier one contractors, in order that sustainability objectives are delivered. We have observed contractual clauses that require sustainability measures to extend down the supply chain. We expect the ODA and their Delivery Partner to ensure that they have a system to manage procurement risk and delivery of the sustainability objectives and standards throughout their supply chain.

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### Recommendation 3

That the ODA has a system to manage procurement risk and delivery of the sustainability objectives and standards throughout their supply chain.

- 9.15 Construction waste is to be managed by a single sitewide waste management contract. This was signed in August 2008. We welcome the 90% reuse and recycling that has been committed to for construction waste as this represents best practice for the industry.
- 9.16 Whilst we understand the ODA's desire to commence construction early we are concerned that it could lead to a reduction in sustainability achievements. For example, the sitewide waste management contractor was not in place at the commencement of construction, with each main contractor needing to put interim measures in place until the newly appointed contractor commences operations.
- 9.17 The Velopark contract includes requirements for using the London Climate Change Partnership checklist for adapting to climate change. There are also requirements for provision of cycle parking for staff and visitors in legacy mode. We welcome these requirements as part of future-proofing the venue.
- 9.18 The Aquatic Centre and Velopark contracts both require that major building elements achieve A or B in the current (3rd) edition of the BRE Green Guide (being superseded by achieving A+ to C in the Olympic Green Guide, which represent equivalent standards). Performance is tracked by the venue/project status reports and issues raised through this process are currently being addressed.
- 9.19 The tier one contractors are required to support CompeteFor<sup>6</sup> to provide supply chain opportunities for businesses that otherwise might not be able to access them.
- 9.20 CompeteFor is being used to deliver social and economic benefits but is not being utilised to drive environmental improvements in businesses registering with it, other than checking on whether they have an environmental policy. We believe that there are other environmental measures that could be encouraged and promoted to potential suppliers through CompeteFor. This could then be linked to the provision of business support services to enable potential suppliers to get assistance to meet the environmental requirements. This would ensure that business performance is improved and environmental requirements are met without restricting the opportunities for businesses to compete for contracts. The improvements in business performance from this will give a clear benefit in legacy through increased competitiveness and ability to adapt to an evolving marketplace where environmental requirements are increasingly included in contracts.

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<sup>6</sup> [www.competefor.com](http://www.competefor.com)

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## Recommendation 4

That, as part of the longer term evolution of CompeteFor, it is utilised to encourage and promote additional environmental criteria to drive improvements in businesses registering with it.

### 10. Review of procurement against the five key themes

#### ■ Climate Change

The ODA has committed to a 50% reduction in carbon emissions from the built environment by 2013. This is reflected in the procurement process by requiring each venue to be 15% more energy efficient than required by the 2006 building regulations. The contracts also require an assessment of the amount of renewable energy that it can contribute (in addition to the amount being supplied by the sitewide provision).

The energy centre will contain biomass boilers and a CCHP plant to supply heat, coolth and electricity across the site. A wind turbine is also to be installed to the north of the site to supply electricity.

We understand that the Olympic Village is to be developed to level 4 of the Code for Sustainable Homes but the Olympic Village is not included in this review as it is covered by a separate panel, which CSL engages with.

A carbon management strategy for the whole London 2012 programme is being developed. This will enable action to be targeted on the most significant areas to reduce carbon emissions. It will need to inform the procurement process, particularly when targets are being developed that need to be reflected in contractual requirements. Although the carbon strategy is not yet complete, a decision to incorporate embodied energy into the design and procurement process was taken by the ODA at an early stage. This has been successfully applied to sitewide contracts such as concrete and is a requirement in venue contracts.

The ODA is requiring the contractor developing each venue to provide information on how the design of the works allows adaptation to a changing climate by using the London Climate Change Partnership adaptation checklist.

#### ■ Waste

There has been action taken during the site preparation works, which has ensured that over 90% of demolition waste has been separated for reuse or recycling. A sitewide waste management contractor was appointed in August 2008 and has committed to achieving 90% reuse or recycling of construction waste. This represents best practice.

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The target for the use of secondary materials has been set at 20% of materials by value. We believe this represents best practice. This is covered further in paragraph 9.13.

A secondary materials target of 25% of high grade aggregates by volume has been set. The sitewide contract for aggregates will deliver significantly in excess of this target and where it is utilised by venue contractors (as required in the Velopark contract and as is being done for the Aquatic Centre) will support the overall target being achieved or exceeded.

#### ■ Biodiversity

The ODA have produced plans for the Parklands and Public Realm and submitted a Biodiversity Action Plan to Planning that takes into account these plans. They are also including requirements to address a number of biodiversity issues in the procurement specifications, with measures including:

- Design and construction to support protection and enhancement of key species, habitats and ecology of the Lower Lea Valley;
- Integrate and support the BAP;
- Lighting with legacy in mind, dimming and timing controls to reduce light pollution, minimise light falling on waterways and controlled on other sensitive habitats;
- Translate site specific ecological management plans and BAP into programme specific actions;
- Retain trees where practical;
- Feasibility study on brown/green roof; and
- Reuse timber from felling as log walls, otherwise chip and reuse.

#### ■ Inclusion

The ODA has put a series of measures in place to ensure that the issues of inclusive design are addressed. These include the Built Environment Access Panel (BEAP), an Access and Inclusion Forum and requiring all design teams to have an inclusive design expert. This is currently proving to be effective and we have seen how requirements have followed through into contract specifications where (to the extent that the contractor is responsible for the design of the works) they are required to:

- Meet the high standards and principles of the employer's inclusive design standards; and
- Write a venue specific access strategy.

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They are also required to:

- Facilitate audits and testing of each stage of design and build;
- Work with the BEAP as required;
- Consult the ODA regarding their inclusion strategy; and
- Participate with ODA's consultation.

CompeteFor is being utilised to open up supply chain opportunities to a range of businesses that might otherwise have not been able to access them. BAME, women, disabled owned businesses are tracked at expression of interest, prequalification, submission of tender, short listing and tender award. The proportion of contracts awarded that are to SMEs is also tracked along with the postcodes of them.

Contractors are required to monitor their workforce and report on ethnicity, gender, disabilities and post code to enable the ODA to monitor performance against their targets. Contractors and sub contractors are also required to work proactively to open up their recruitment process and work with the employment and training schemes supported by the ODA.

#### ■ Healthy Living

ODA design briefs include a requirement to demonstrate that the health and well-being of construction workforces and future users of the park are at minimal risk, both through the specification of materials used and the prohibition of substances that could cause damage to humans or the environment.

Procurement specifications require that contractors specify materials that are free from substances harmful to health during and post construction, e.g. VOC (e.g. formaldehyde), asbestos. They also reference the ODA Design and Construction Health Safety and Environment Standard.

Supply of food to construction workers has been raised as an issue recently. The ODA has now produced a draft catering requirement brief. This sets out minimum standards for the provision of catering services during the construction of the Olympic Park. It states that catering services “must (in accordance with all other aspects of the Games) incorporate the management of sustainability and ensure that negative environmental, social and economic issues are either eliminated or minimised wherever reasonably practicable”. Caterers must also demonstrate that they understand and operate in accordance with the priority objectives of Defra's Public Sector Procurement Food Initiative.

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# Appendix 1 – Method

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## 1. Methodology of review

### Interviews

We carried out a series of interviews with staff involved in procurement and/or the delivery of sustainability objectives in procurement in the ODA.

These interviews covered:

- The organisation's procurement processes
- How sustainability fits into them

We interviewed the following people:

ODA/Delivery Partner: Dan Epstein, Stephanie Applegate, Morag Stuart, Peter Sell, Paul Darlington, Jon Wagstaff, Ray Hooper, Neil Van Den Bergh, Susie Kelsall, Kirsten Henson, Ken Owen, John Fernau

The interviews were followed up with further communication where necessary to clarify matters.

## 2. Documents reviewed

The following documents were reviewed as part of this review:

- Procurement Policy
- ODA Sustainable Development Strategy
- Aquatic Centre contract
- Velopark contract
- Velopark ITT
- Sitewide concrete contract
- Sitewide aggregate contract
- Project Design Briefs (Velopark, Handball, Parklands and Public Realm)
- Contract monitoring tables
- Site audit information

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### 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.

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# Appendix 2 – Glossary and list of organisations

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## Glossary of common acronyms used in relation to the London 2012 Olympics

BAP	Biodiversity Action Plan
BRE	Building Research Establishment
BREEAM	Building Research Establishment Environmental Assessment Method
BOA	British Olympic Association
BPA	British Paralympic Association
BSI	British Standards Institute
CSL	Commission for a Sustainable London 2012
CSR	Corporate Social Responsibility
DEFRA	Department for the Environment, Food and Rural Affairs
DCMS	Department for Culture, Media and Sport
E&D	Equalities and Diversity
5 Boroughs Partnership Board	Representatives of the five Host Boroughs; Greenwich, Hackney, Newham, Tower Hamlets, Waltham Forest
GFP	Games Foundation Plan
GLA	Greater London Authority
GOE	Government Olympic Executive
IOC	International Olympic Committee
IPC	International Paralympic Committee
LDA	London Development Agency
LEST	London Employment and Skills Taskforce
LETF	Local Employment and Training Framework
LLV	Lower Lea Valley
LOCOG	London Organising Committee of the Olympic Games and Paralympic Games
LSDC	London Sustainable Development Commission
NRG	Nations and Regions Group; 12 senior representatives from UK business and sport, ensures the whole of the UK is involved in and benefits from the 2012 Games
OB	Olympic Board
OBSG	Olympic Board Steering Group
ODA	Olympic Delivery Authority
OPSU	Olympic Programme Support Unit
PSA	Public Service Agreement
RAG	Red, Amber, Green
SD	Sustainable Development

## Key Organisations delivering the 2012 Games

Organisation/group	Background	Role in relation to the London 2012 Games
British Olympic Association	The National Olympic Committee for Great Britain and Northern Ireland.	Co-signatory to the Host City Contract, signed with the International Olympic Committee. Co-signatory to the joint venture agreement which established LOCOG. The Chairman is a member of the Olympic Board. Represented on LOCOG's Board, the Olympic Board Steering Group and other stakeholder groups.
British Paralympic Association	The National Paralympic Committee for Great Britain and Northern Ireland.	Represented on LOCOG's Board, the Olympic Board Steering Group and other stakeholder groups.
Department for Culture, Media and Sport	Government department.	The lead government department for the Games, with overarching responsibility for managing the Government's interests and responsibilities.
Government Olympic Executive	Dedicated unit within the Department for Culture, Media and Sport, reporting direct to the Minister for the Olympics.	<p>The team responsible for handling Olympic matters within the Department for Culture, Media and Sport. Provide assurance to the Olympic Board and the Minister for the Olympics that activities across the London 2012 programme are being well managed, and provide effective governance and risk and financial management for the Games as a whole.</p> <p>The Minister for the Olympics is a co-signatory to the Host City Contract, signed with the International Olympic Committee.</p>

Organisation/group	Background	Role in relation to the London 2012 Games
Greater London Authority	Strategic governing body for London covering transport, policing, fire and emergency services, economic development, planning, culture and the environment. Comprises the Mayor of London, the executive of the Authority, and the London Assembly which scrutinises the Mayor's activities.	<p>Contributing up to £625 million to the public sector funding package for the Games, to be generated from council tax receipts.</p> <p>The funding package for the Games includes up to a further £300 million which the Mayor of London agreed to make available over the lifetime of the programme.</p> <p>The Mayor of London is a co-signatory to the Host City Contract, signed with the International Olympic Committee.</p> <p>The Mayor of London is a member of the Olympic Board.</p> <p>The Mayor of London is a co-signatory to the joint venture agreement which established LOCOG.</p>
London Development Agency	The Regional Development Agency for London, co-ordinating economic development and regeneration. Accountable to the Mayor of London.	<p>Responsible for acquiring the land on the Olympic Park site, and leading on the development of the Legacy Masterplan Framework.</p> <p>Contributing up to £250 million to the public sector funding package for the Games, in addition to funding the land acquisition. Planning and implementation of a strategic regeneration plan for East London to secure Olympic legacy benefits.</p>
London Organising Committee of the Olympic Games and Paralympic Games (LOCOG)	A company limited by guarantee, established by a joint venture agreement between the Secretary of State for Culture, Media and Sport, the Mayor of London and the British Olympic Association.	<p>Responsible for the operational and staging aspects of the Games.</p> <p>The liaison point for the International Olympic Committee and a party to the Host City Contract, signed with the International Olympic Committee.</p> <p>The Chairman of LOCOG is a member of the Olympic Board.</p>

<b>Organisation/group</b>	<b>Background</b>	<b>Role in relation to the London 2012 Games</b>
London 2012 Sustainability Group	Comprises senior representatives from the Olympic Delivery Authority, LOCOG, British Olympic Association, Government Olympic Executive, Greater London Authority and Defra. Other Government departments and Olympic stakeholders may be invited to attend. The Commission for a Sustainable London 2012 is invited to attend for part of meetings. The group meets every two months.	Responsible for the sustainability agenda, including overseeing, co-ordinating, monitoring and delivering sustainability commitments in the Sustainability Plan. Provides collective advice and assurance on the progress of sustainability commitments across the programme and shares best practice across the programme. Co-ordinates internal and external stakeholder engagement in relation to all sustainability and environmental issues.
Olympic Board	Established by a Memorandum of Understanding between the Secretary of State for Culture, Media and Sport, the Mayor of London and the British Olympic Association. Comprises the Minister for the Olympics, the Mayor of London, and the Chairs of the British Olympic Association and LOCOG. The Chair of the Olympic Delivery Authority and the Commissioner of the Metropolitan Police Service attend Board meetings. Chaired alternately by the Minister for the Olympics and the Mayor of London.	Responsible for resolving and determining issues raised by members of the Olympic Board to ensure the delivery of the Games, and for ensuring that a sustainable legacy is achieved following the staging of the Games. Oversees the Olympic programme, and receives reports and plans from the bodies involved in staging the Games.

Organisation/group	Background	Role in relation to the London 2012 Games
Olympic Board Steering Group	Comprises senior officials from the Government Olympic Executive, the Greater London Authority, the British Olympic Association, LOCOG, the Olympic Delivery Authority, the Olympic Lottery Distributor, the Department for Communities and Local Government, and the British Paralympic Association. Chaired by the Director General of the Government Olympic Executive.	Supports the Olympic Board at official level. Takes a strategic overview of the work of the stakeholders in relation to the Olympic programme as a whole. Responsible for ensuring that the Olympic Board is kept informed and regularly briefed on all relevant matters.
Olympic Delivery Authority	Established by the London Olympic and Paralympic Games Act 2006. Non-departmental public body, sponsored by the Department for Culture, Media and Sport.	Will prepare the Olympic Park site, build the new venues and provide for their legacy use, and deliver the Olympic Village, media facilities, certain off Park venues, and infrastructure for the Games. The planning authority for the Olympic Park area – any application relating to land within the area is considered by the Olympic Delivery Authority’s Planning Committee rather than the local borough. Responsible for developing an Olympic transport plan and for delivering certain Olympic transport projects.

## Appendix 3 – Status of recommendations from the 2007 Governance Review relating to procurement

Number	Responsibility	Recommendation	Status
Recommendation 17	ODA LOCOG	ODA and LOCOG should develop a clear plan to collect information about labour standards in the supply chains of commercial partners and suppliers and, more importantly, make it clear how this information will be used to make procurement and contract management decisions.	ODA contractors are required to agree their equalities policies and processes and pass the requirements onto subcontractors and down the supply chain. <b>Complete.</b> LOCOG has developed a sustainable sourcing code, which will be covered by our subsequent review. <b>Progress made.</b>
Recommendation 19	CSL	The commission should undertake a further review of commercial arrangements as part of its ongoing work plan.	This review was conducted to address this recommendation. <b>Progress made.</b>
Recommendation 2.11	ODA	Ensure that the recommendations highlighted in this report and in the emerging Legacy Masterplan Framework are taken into account in procurement specifications and design briefs currently being developed. Create a mechanism to ensure that emerging issues can be accommodated where reasonable and practicable during the course of the project.	The Main Stadium and Aquatic Centre designs have evolved to incorporate sustainability criteria that were not in the original design briefs, this has followed through into the procurement process. The Aquatic Centre contract is to be updated when the design process ensures that it can achieve BREEAM excellent. Draft catering requirements have been produced and incorporated into the procurement process. The LMF will not be available in time to be considered in ODA procurement but needs to be considered by LOCOG with regard to provision for legacy. <b>Progress made.</b>

Number	Responsibility	Recommendation	Status
Recommendation 2.12	ODA	Ensure that shortage of information on legacy use of facilities does not preclude the business case for sustainable options by working with a range of options and scenarios for whole life cost to enable value judgements to be made when faced with shortage of information. Ensure that the value engineering process does not compromise the SD standards established for the project.	Whole life costing has not fully been applied to ODA procurement, due to the lack of knowledge of legacy use. We have not yet seen evidence of value engineering removing sustainability features that would jeopardise the achievement of the ODA's sustainable development targets. <b>Progress made.</b>
Recommendation 2.17	LOCOG	Demonstrate how SD is being embedded into contractual commitments and into the process for measuring results in relation to sponsorship arrangements generally and in relation to the category of "Sustainability Sponsorship".	To be covered by subsequent review of LOCOG.

Number	Responsibility	Recommendation	Status
Recommendation 3.2	ODA LOCOG	Continue to develop a strategy for dealing with environmentally sensitive materials through the design and supply chain process.	ODA design briefs and contracts address timber, embodied impacts, “avoiding” substances with a Global Warming Potential greater than 5 and substances harmful to health. There is no reference to PVC and we understand there are potential challenges with refrigerants. LOCOG has developed a Sustainable Sourcing Code, although concerns remain about how it will be used when leasing materials. The materials in the proposed wraps and the use of PVC still need to be resolved. <b>Progress made.</b>
Recommendation 3.8	LOCOG/ODA	Develop a proactive approach to linking the carbon strategy to the procurement process.	A decision to incorporate embodied energy into the design and procurement process was taken by the ODA at an early stage. This has been successfully applied to sitewide contracts such as concrete and is a requirement in venue contracts. LOCOG makes specific reference to greenhouse gas emissions in its Sustainable Sourcing Code. <b>Progress made.</b>

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