



## LOCOG Sustainable Sourcing Code: Complaint and Dispute Resolution Process

LOCOG has a commitment to operating a sustainable Olympic Games and has established sustainability policies that its commercial partners, suppliers, licensees and contractors are expected to follow. These policies are set out primarily in the [LOCOG Sustainable Sourcing Code](#).

The Complaint and Dispute Resolution Process is designed to assist LOCOG in fulfilling its commitments and to provide a means by which individuals and organisations can bring to LOCOG's attention serious non-compliance with LOCOG's Sustainable Sourcing Code. The process aims to ensure that such complaints are investigated and resolved in a manner which is transparent and fair.

### What is covered by the Sustainable Sourcing Code?

The [LOCOG Sustainable Sourcing Code](#) (the Code) contains various environmental and social standards for products and services procured and licensed by LOCOG for the 2012 Olympic and Paralympic Games. Suppliers and contractors must ensure that the goods and services they supply or produce under licence are delivered in line with the elements of the Code that apply to them. The key components of the Code are:

- **Labour practices:** all workplaces used for the manufacture or supply of products and services should comply with the standards set out in the [Ethical Trade Initiative \(ETI\) Base Code](#). Additionally, all production sites should be disclosed to LOCOG and all production sites (final finishing and assembly) should be registered on the Supplier Ethical Data Exchange (Sedex).
- **Health & Safety:** Suppliers and licensees must comply with health and safety legislation, industry standards and LOCOG policies
- **In addition,** LOCOG has policies that promote the use of certified goods such as Forest Stewardship Council (FSC) timber and Fairtrade goods (where available), and also other standards relating to packaging, waste, animal welfare, food sustainability and diversity and inclusion. Full details are included in the Sustainable Sourcing Code

The Code applies to suppliers, licensees, sponsors, commercial partners and contractors that have a contract with LOCOG, in relation to the goods and services they are directly supplying to LOCOG or producing under licence. For example, workers employed by a catering contractor on the Olympic site are covered by the Code. However, workers employed by the same catering contractor that are producing food for a different client are not covered. The following table may be used as a guide for the labour-related aspects of the Code. It is not an exhaustive list.

Covered by Dispute Resolution Process	Not covered by Dispute Resolution Process
Workers employed on Olympic sites by LOCOG, its contractors or suppliers	
Agency workers working on LOCOG-related contracts	Workers in supply chain producing goods for national Olympic teams, but not contracted by LOCOG
Workers in supply chain producing goods for supply to LOCOG or London 2012 licensed products	Workers employed by LOCOG supplier or contractor but not engaged in producing goods for supply to LOCOG
Products being supplied to LOCOG under contract	Products made by a LOCOG supplier, but which are not being supplied to LOCOG

### What will constitute a complaint under the process?

A complaint is a report of a violation by a LOCOG supplier, licensee or contractor of an element of the Code relevant to that supplier or contractor.

The complaint should be evidence-based. This means that the complainant should be able to produce sufficient information to demonstrate the relevance and seriousness of the complaint – there is specific guidance on this, see below.

### Who can complain?

Any individual or organisation can make a complaint so long as either they are directly affected by the issue or are representative organisations that have a mandate to represent individuals or communities who are directly affected and have access to first-hand knowledge of the circumstances giving rise to the complaint.

### How can a complaint be made?

We encourage use of the Complaint form – this can also be [downloaded](#) and emailed, faxed or posted. This contains all the basic information required and so filling in the form will speed up the process of dealing with the complaint.

You can also phone LOCOG on +44 (0) 845 267 2012.

### What information is required by LOCOG?

The complaint should contain the following basic information:

- **Name of the LOCOG supplier/contractor and employer:** the normal trading name of the company providing products or services to LOCOG and the name of the workers’ employer (if different) or any sub-contractor

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- **Name of work site:** including information to allow identification of specific location of factory, warehouse or unit
- **Link with LOCOG product or service:** description of product or service being supplied, with as much detail as possible, for example blue child's T-shirt with 2012 logo, rather than T-shirt.
- **Alleged Code breach:** the element of the Sustainable Sourcing Code being breached, a short description of the nature of the breach, any supporting evidence, and date or period when the alleged breach occurred.
- **Contact point:** name and full contact details of individual or organisation making the complaint. If the complaint is being handled on behalf of others, provide the contact details for the originators of the complaint and who they can be contacted by LOCOG.
- **Confidentiality:** whether the complainant or a party to the complaint must remain anonymous and the reasons (see below).

Ideally, also the following additional information should be included. If it is not provided initially, LOCOG will contact the complainant to gather this information in order to assess whether the complaint should be taken forward.

- **The scale of the alleged problem:** how many workers or products are involved? How has the community been impacted? Is there immediate physical danger? How serious is the Code breach?
- **Supporting information:** detail of where corroborating information can be found.
- **Is the grievance being pursued by other means?** For example has a formal grievance with the employer been lodged, or a court case been filed?
- **Has the issue been raised before?** For example, has the issue been the subject of previous complaints to the commercial third party company or via another complaints mechanism?
- **What is the preferred solution:** what do the complainants want to happen to remedy the situation?
- **Other relevant organisations:** any other organisations that might have useful information directly relevant to the complaint together with their contact details.
- **Local complexities:** for example ethnic, cultural or political issues that will have a bearing on the alleged violation and how it can be investigated

### Is the complaint confidential?

One of LOCOG's objectives is that the process of dealing with complaints is transparent so that all parties have confidence in it. Unless a good case is made otherwise, all information received from each party (the complainant and the subject of the complaint) will be provided to all other parties to the complaint. If there is sensitive information, the preferred course is to agree with all parties on how to deal with this.

In principle, details of individual employees or complainants should be provided. However, LOCOG recognises the danger that workers making complaints about their conditions may be victimised. Where this is the case, this should be made clear to LOCOG at the earliest stage and appropriate steps will be

taken to protect the identity of individuals. In these circumstances LOCOG will not disclose the identities of workers to employers in such a way that could open them to intimidation or victimisation.

However, LOCOG must be able to contact the complainant to verify the details of any allegation so it will not be possible to address anonymous complaints.

### **What will happen when a complaint is made?**

LOCOG's preferred general approach to all complaints is based on an initial assessment of the evidence, followed by mediation or conciliation between the parties to arrive at a mutually-agreed resolution of the complaint in the quickest possible timeframe. Finding solutions that improve working conditions, environmental impact or product safety is the paramount aim. This involves several stages:

- Initial assessment of the complaint
- Information gathering from parties
- Consultation and mediation on the basis of information supplied
- Independent investigation if no agreement is reached

### **How quickly will complaints be handled?**

It is important that complaints are submitted to LOCOG as early as they are known about, and that they are dealt with quickly so that breaches of LOCOG's standards can be rectified and workers and others can benefit from the application of the code as soon as possible. LOCOG will therefore seek to assess complaints, and bring parties together within a short timescale. Deadlines for parties to respond to information requests and to attend meetings will be agreed, but it is not possible to set a predetermined fixed timetable as complaints will vary in scale, complexity and geographical origin. It is hoped that most can be dealt with in a matter of weeks rather than months. LOCOG reserves the right to take appropriate steps if it believes that one party or the other is delaying the process unnecessarily.

### **What will LOCOG do when it receives a complaint?**

LOCOG will acknowledge receipt of the complaint. , LOCOG will then assess whether it can be accepted as a legitimate complaint. To be accepted, the complaint must:

- relate to a LOCOG contractor, supplier or licensee and involve the production or supply of products or services to LOCOG, or licensed products, for use during the 2012 Games
- relate to a product and tier of the supply chain that is traceable directly to LOCOG
- relate to a standard or clause referenced in the Sustainable Sourcing Code
- contain sufficient information to enable LOCOG to assess the substance of the complaint

If there is insufficient information provided by the complainant initially, LOCOG will ask for additional information or clarification about the precise nature of the complaint.

LOCOG will identify the parties to the complaint. Depending on the nature of the complaint, these parties could include the complainant, the subject of the complaint, workers directly affected by the

issues raised, groups representing or advocating on behalf of those directly affected, and other actors in the supply chain.

LOCOG will take a view on whether the complaint is accepted. Acceptance does not imply that LOCOG considers the complaint has merit, merely that it falls within the scope of the Code and the complaints process and warrants further examination.

The complainant will be informed about whether the complaint has been accepted. If the complaint is not accepted, the reasons will be given to the complainant.

### **What happens if a complaint is accepted for examination?**

If the complaint is accepted for further examination, all parties will be contacted and the process to be pursued will be explained. The substance of the complaint and all relevant documents will be communicated to the subject of the complaint for their response. They will be given a defined period of time to respond.

### **How should the subject of the complaint respond**

The subject of the complaint will usually be the company licensed by LOCOG or supplying LOCOG with goods or services. The nature of the complaint may relate to them directly or to one of their own suppliers.

LOCOG will gather information about the supplier or contractor's worksite or the practices of the employer of workers providing services. This information will come from the supplier, employer or contractor's own records. However, this may not be sufficient to allow resolution of the complaint. Therefore, the subject will be asked to provide specific information about the complaint. The subject of the complaint may use various means to gather information according to the nature of the complaint.

The subject may choose to implement an internal investigation using its own staff. Equally, it could choose to commission an external investigation from an independent third party. Whatever method is chosen, the key factor is to ensure that the process used produces information that enables a fully-informed further discussion of the complaint based on the full facts of the case. In order for this to be the case, the subject of the complaint is expected to share its information-gathering methodology with LOCOG and the complainants, prior to undertaking the investigation, so that the credibility of the proposed methodology can be assessed.

It is important that any investigation should gather information from a variety of sources, including from workers and their representatives. Where relevant, adequate numbers of workers should be interviewed using methodologies that enable them to speak freely. Site management and other interested parties should also be asked for their views.

All information gathered by the subject of the complaint, including any formal investigation reports, will be shared with all parties, unless there is a strong case for confidentiality.

## Resolution at an early stage

At this stage, it may be possible that the complaint goes no further. For example, there may be a formal or legal process that can be pursued e.g. an internal grievance procedure, or Employment Tribunal or other legal procedure. LOCOG will encourage these avenues to be taken where they are practicable and are likely to lead to a result, rather than setting up a parallel process.

The subject of the complaint may, on the basis of its own investigations, suggest a remedy which is agreeable to the complainants or the affected parties. Equally the complainants may, on the basis of the information provided by the subject, agree that there is no merit in pursuing the complaint.

## How will mediation be used?

It is a fundamental principle behind LOCOG's process that the parties should be encouraged to reach agreement on the resolution of the complaint. Therefore, complaints brought under this process will be addressed using a conciliated and mediated process.

The conciliator or mediator's role will be neutral and will provide an opportunity for each party to discuss the issues raised. Mediation may be offered by a third party agreed by both parties to the complaint.

For mediation to succeed, both parties should understand what the process of mediation entails and should be committed to pursuing the issue via mediation. LOCOG will provide draft Terms of Reference for the mediator though these will be subject to agreement by the parties.

## What will mediation consist of?

The mediation role can operate at different stages:

- as soon as a complaint is received and accepted, in terms of seeking common ground between the parties, identifying the key areas of disagreement and agreeing on the on-going process;
- facilitating mediated discussion on the basis of information provided by each party. This could involve further clarification of the issues, exploring potential remedies and mapping the next steps;
- providing a formal mediator after an external investigation has been undertaken

Mediation may also occur at different locations. Some mediation may be possible by phone or email, certainly at the start of the process. However, mediated meetings may well be necessary. These will be convened at the most appropriate location for all parties. For complaints relating to the UK, these will be in London.

Where meetings are necessary, each party will have the opportunity to explain their views prior to discussion. However, the mediator will be responsible for agreeing with the parties the methods and

processes to be used for mediation. Mediation procedures will be informal and confidential in order to encourage open discussion.

It is important that persons taking part in the mediation have the authority to reach any agreement and to implement any agreement

### **What happens if mediation fails?**

It is hoped that initial conciliation or mediation on the basis of information provided by the complainant and the subject can result in a solution. However, where this is not possible or where progress is unacceptably slow, and if there are considered to be sufficiently serious outstanding issues under the terms of the LOCOG code, the next step will be to commission an independent investigation of the complaint undertaken by the third party.

### **Who will carry out an independent investigation?**

The investigation will be undertaken by an independent body, agreeable to the parties and to LOCOG, which has expertise in the issues raised by the complaint. LOCOG will provide a list of possible organisations and individuals.

### **What will the investigation involve?**

The investigation will be undertaken using a defined Terms of Reference (ToR), disclosed to the parties and will be conducted speedily. The exact content of the Terms of Reference will depend on the nature of the complaint, for example, its location, the type of alleged breach, the size of the facility or service provider involved. However, the investigation will usually involve: a site visit, interviews with management and workers (on –site and off-site where relevant), interviews with relevant community groups and regulators, documentary review as necessary.

It may be the case that further mediation, at a site level, can be undertaken as part of the investigation visit. This would be allowed for in the ToR.

The subject of the complaint is expected to pay for the investigation.

The investigation will result in a report, available to all parties, with findings of fact and recommendations for next steps or potential remediation. However, the investigation will not make final determinations on the complaint.

### **What happens after the investigation?**

The parties to the complaint are expected to use the investigation findings as a further opportunity to reach agreement, assisted by a mediator. Unless it is determined that the complaint has no merit, agreement will usually result in some form or remedial action to address the issue being raised. This could relate to a change in working conditions, or a change in human resource policy or process, or a

change in the process of manufacture or type of good being supplied. The parties will agree on a public statement explaining the outcome of the complaint.

### **How will remedial actions be checked?**

Depending on the type of remedial action agreed, the parties will seek to reach agreement on how this is to be monitored and checked to ensure that it is implemented within the agreed timescale. LOCOG will monitor the implementation of agreed outcomes.

### **What happens if there is no agreement between the parties?**

If there is no agreement forthcoming within a reasonable period of time, LOCOG reserves the right to decide on the outcome of the complaint. It will do this on the basis of the information supplied at all stages of the complaint. LOCOG will communicate its decision and the reasons to all parties. If LOCOG upholds the complaint, it will institute appropriate action within its contractual rights.

While LOCOG will make every effort to facilitate agreed resolutions to legitimate complaints in partnership with suppliers and licensees, this does not affect LOCOG's contractual rights and LOCOG may cease trading with the supplier or licensee in accordance with the terms of the relevant contract or agreement.

### **How will complaints be communicated publicly?**

LOCOG will communicate, via its website, how many complaints it has received, the parties involved, and the status of the complaint (i.e. subject to mediation, being investigated). However, until agreement or determination about the complaint has been achieved, it will not provide any further detail as this could compromise the mediation process. There may be instances whereby this reporting is restricted on the basis of confidentiality agreements between the parties.

The parties to the complaint will be able to communicate that a complaint has been lodged, but should not make public statements while the complaints procedure is underway that could jeopardise the prospects for a solution.

At the conclusion of the complaint, LOCOG either use the public statement agreed by the parties, or will write a short summary of the complaint and the outcome. These will be available publicly.

### **What happens if any party is unhappy with the way the complaint has been handled?**

The party should raise the issue with the LOCOG. LOCOG will review the case and communicate the information to the Stakeholder Oversight Committee. This comprises experts drawn from different constituencies and will meet regularly to review the functioning of the process and make recommendations for improvements.