

Process for managing Collaborative Action Required (CAR) finding non compliances

What is a Collaborative Action Required finding?

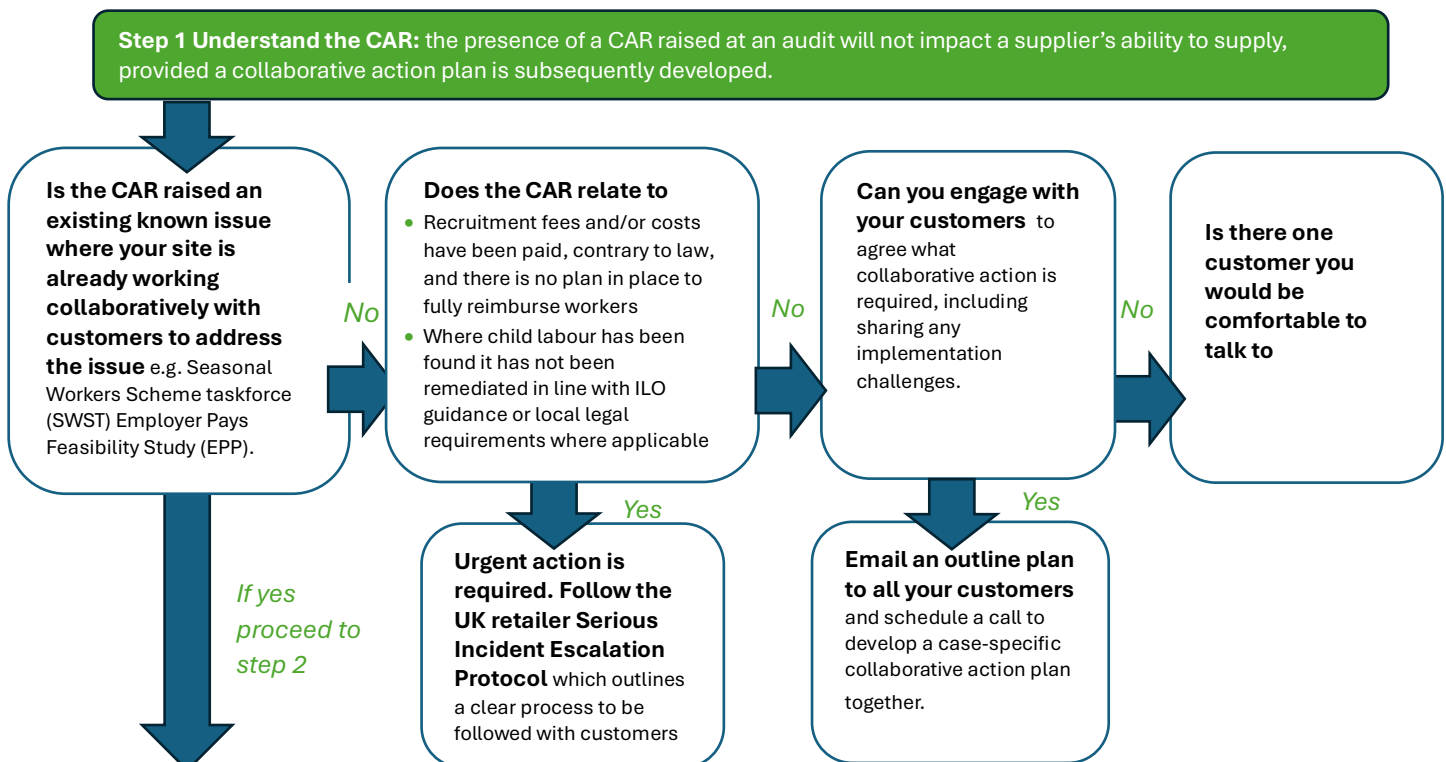
A collaborative action required is a type of non compliance audit finding. They are recorded against fixed Workplace Requirements, where a site practice does not meet the Base Code, but the responsibility and ability to enact closure may reside with more stakeholders than just the audited site.

Typical reasons for CAR's findings could be

- The audited party does not have the capacity/ responsibility to close the issue without support from other relevant stakeholders, such as commercial partners/buyers.
- Remediation of the issue requires an indeterminate and possibly extended timeframe, rather than a predetermined deadline as set within the Sedex platform. CARs may need long-term closure plans, potentially spanning multiple years.
- There is a risk of adverse consequences if closure of a particular issue is not approached with due consideration and time provided for adequate risk assessment.
- Evidencing effective remediation is complex and it is outside the capacity of existing SMETA methodology to validate through evidence provided during an onsite assessment alone.

To facilitate a longer-term approach and to reduce the likelihood of undue pressure on suppliers to close issues that may be out of their control, Sedex **does not prescribe a closure date, criticality, nor a verification methodology for these findings.**

What does this mean for sites that receive a CAR?



Step 2: Create and upload an action plan on Sedex: Following the audit publication, create and upload an action plan for the CAR. This will change the status in Sedex platform from “open” to “in progress.”

Step 3: Update the CAR as the action plan progresses. Agree with your customer the frequency of updates required. The auditor will not assess the action plans submitted on the Sedex platform, as the viability of the action plan would take a broader landscape mapping of additional stakeholders, which sits outside of the remit of a social audit. CAR findings will be superseded and closed in periodic audits. The auditor will assess the Workplace Requirement (WR) anew and raise a CAR in following audits until there is no longer a finding to raise.

Annex: Collaborative Action Required (CAR) action plan template

The purpose of the template (below) is to support a concise sharing of the Collaborative Action Required (CAR) finding and the site's proposed action plan. Given the number of customers a site may have and the different types of trading relationships, it is not envisaged that all customers would be involved in every Collaborative Action Required plan. We also recognise that some sites may be more advanced than their customers in addressing particular CAR issues and therefore may use this template to inform of collaborative action that is already underway.

| | | |
|---|--|--------|
| Date | | |
| Name of Site | | |
| Person completing CAR action plan | | |
| CAR Issue number and Issue title | e.g., 5.A.B <i>There is no dedicated equity approach regarding recruitment, training, development and promotion processes</i> | |
| Details of CAR non-compliance | The CAR should be described clearly and concisely. It is important that the information is consistent with the audit report and makes clear which CAR the action refers to. | |
| Root cause | As with other non compliances try, to identify the root causes of Collaborative Action Required as far as is practical to do so. This is best achieved by repeatedly asking "why" to develop a deeper understanding of underlying causes and their relationship to the non-compliance identified. Finding and removing a root cause will often prevent a re-occurrence of that non-compliance occurring. With CAR's, it is likely that several systemic issues will need to be tackled, so we expect the list may be longer and the issues more challenging than a non-compliance. | |
| Which stakeholders need to be involved | With CAR's we recognise responsibility and ability to enact closure may reside with more stakeholders than just the audited site. List which customers and other supply chain actors that would need to be involved, along with any other stakeholders (e.g. NGO's, Trade Unions, Trade Associations, multi-stakeholder organisations) that might already be working on this issue in the sector and geography concerned. | |
| What investigation has the site done already | Record any steps taken already to investigate the CAR and any outcomes reached. Are there any collaborative initiatives in the sector/geography already working on this issue? If yes, reach out to understand what support they could provide and if this would be suitable. Please provide website links to collaborative initiative proposed. | |
| Preventative and Corrective Actions | Give detail on the actions the site is proposing to take to address the CAR and enable the system changes required to prevent re-occurrence i.e. longer-term actions. Suggest timescales and highlight what support is required from other stakeholders to enable these to be enacted. | |
| What action are you looking for as a result of this completed template? | No action - we are progressing this with are major customers. This is for information only. The action has already moved to 'In progress' on Sedex. | Yes/No |
| | Confirmation that action proposed meets customer requirements so we can upload the action plan on Sedex. | Yes/No |
| | Schedule a call to discuss further the approach, check the proposed approach is the right one, and agree what the responsibilities of each party are (i.e. Customer, site actions etc.). | Yes/No |
| | Schedule a call to agree next steps to further investigate the root cause and escalate the issue we are unsure what to do. | Yes/No |