

# Monitoring of Recognised Organisations

## Audit of ROs

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Department B: Ship safety

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## Definitions –RO Code Part 3

- Audit means a systematic, independent, and documented process for obtaining audit evidence and evaluating it objectively to determine the extent to which the audit criteria are fulfilled.

## Principles

- Ethical conduct;
- Fair presentation;
- Due professional care;
- Independence
- Evidence-based approach

## Types of audit

- ☐ Product audit
- ☐ Process audit
- ☐ System audit

## Types of audit

### ❑ “Vertical Contract Audit (VCA)”:

- ❑ A contract/order specific audit of production processes, including witnessing work during attendance at a survey, audit or plan approval in progress...;
- ❑ Carried out at a survey station/ approval office to verify the correct application of the requirements in service realization;
- ❑ Vertical Contract Audit is a combination of ‘process audit’ and ‘product audit’ with the main purpose of assessing the effectiveness of the service delivery process in ensuring product quality

## Roles and Responsibilities

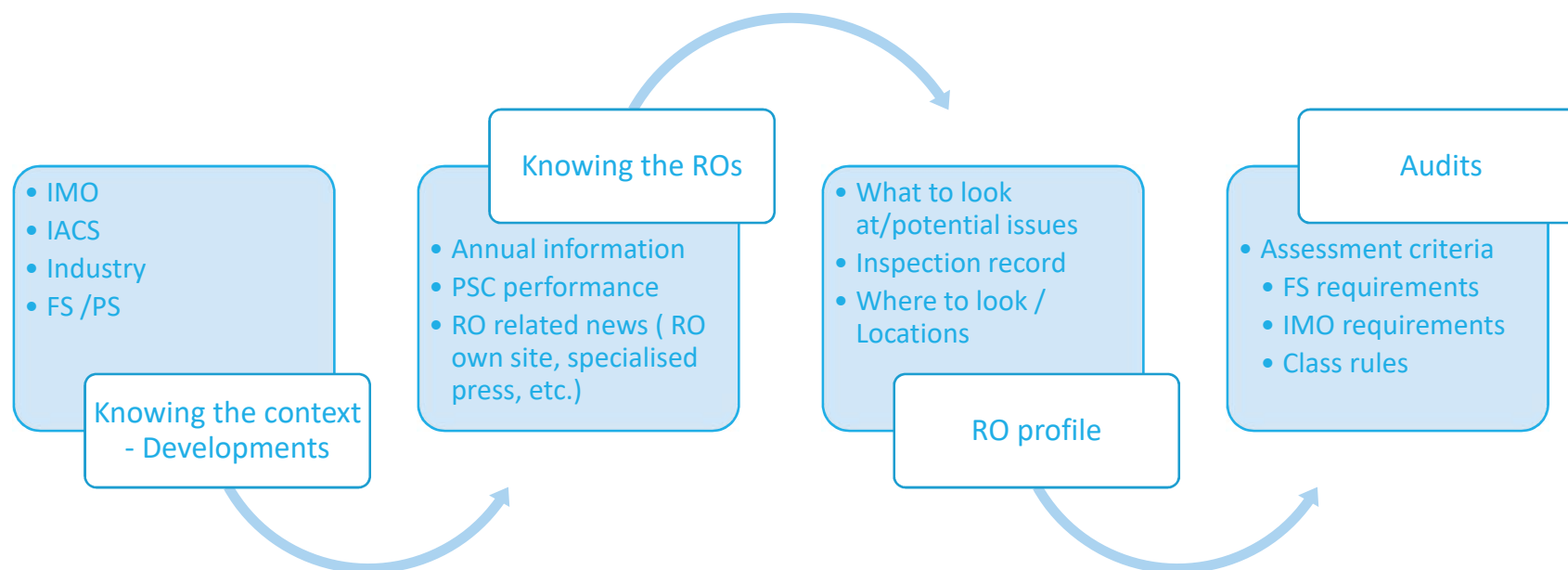
### ☐ Lead Auditor

- ☐ Responsible for communication with the auditee
- ☐ Communicates audit plan and requirements to auditee
- ☐ Plans the audit and direct the audit team
- ☐ Conducts audit process meetings
- ☐ Prepares audit report
- ☐ Manages the audit process

## Roles and Responsibilities

### ☐ Auditor

- ☐ Prepares for the audit
- ☐ Performs the audit to collect evidence
- ☐ Reports findings to the lead Auditor and cooperates with him
- ☐ Provides input for the audited report





## Audit preparation and planning

### REQUEST FOR RO INFORMATION

- UPDATED PROCEDURES
- DETAILED INFORMATION ABOUT LOCATION ACTIVITIES

### ANALYSIS OF INFORMATION

- FOCUS AREAS
- SCOPE OF INSPECTION
- SELECTED FILES

WORK PLAN,  
CHECKLISTS,  
'AIDE-MEMOIRE'

## Audit preparation and planning

### ☐ Audit related information and documents

- ☐ RO rules, manuals and procedures
- ☐ Information on RO organisation and activities
- ☐ RO performance records (e.g. PSC, marine casualties)
- ☐ Information from monitoring activities by FS
- ☐ Reports from previous audits

## Audit preparation and planning

### ☐ Audit plan

- ☐ Purpose and scope of the audit
- ☐ The auditee and the organisational units to be audited
- ☐ The audit team members
- ☐ The criteria being audited
- ☐ Audit date, place and duration, interviews and meetings schedule

AUDIT PLAN			
recognised organisation			
Dates	Start:	End:	
Location			
Audit team			
Purpose	To assess conformance with the terms of the RO agreement and effectiveness in performance in delegated statutory duties		
Scope	All activities within the scope of the agreement and all related departments.		
Audit criteria	- RO agreement dated dd/mm/yyyy	- FS instructions	- RO quality manual - Rules and procedures

Time	Activity	Auditor	RO Area/personnel
0900-0930	Opening meeting	Audit Team	Director and heads of department.
0930-1100	General requirements of the Agreement	Audit Team	- Legal compliance - Statutory services
1100-1200	Follow up from previous audit: status of NCs and observations	Audit Team	- Quality Department - Statutory services
1200-1300	Clarification of issues from monitoring (PSC detentions, complaints)	Audit Team	- Quality Department - Statutory services
1300-1330	Lunch break	Audit Team	

Time	Activity	Auditor	RO Area/personnel
1330-1400	Clarification of issues from monitoring (PSC detentions, complaints,	Audit Team	- Quality Department - Statutory services
1400-1600	Sampling of survey files	Audit Team	- Statutory services
1600-1630	Audit team review of audit findings	Audit Team	-----
1630-1700	Closing meeting	Audit Team	Director and heads of department.

## WORKSHOP – Audit plan

### Task:

- Working in pairs to produce an audit plan
- Consider:
  - Number of auditors, competences/experience required, audit duration, RO activities

### Material:

- ICS profile

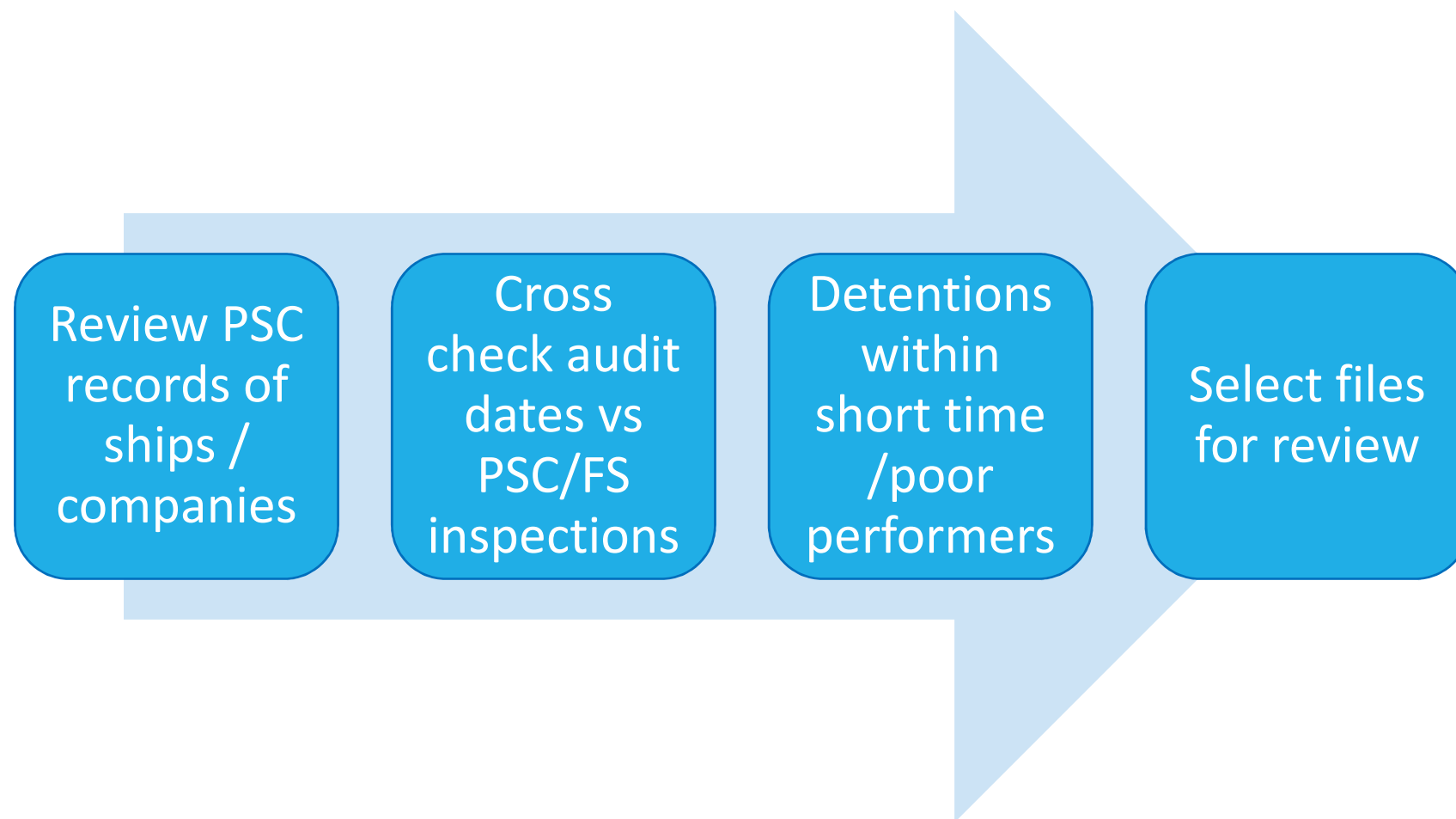
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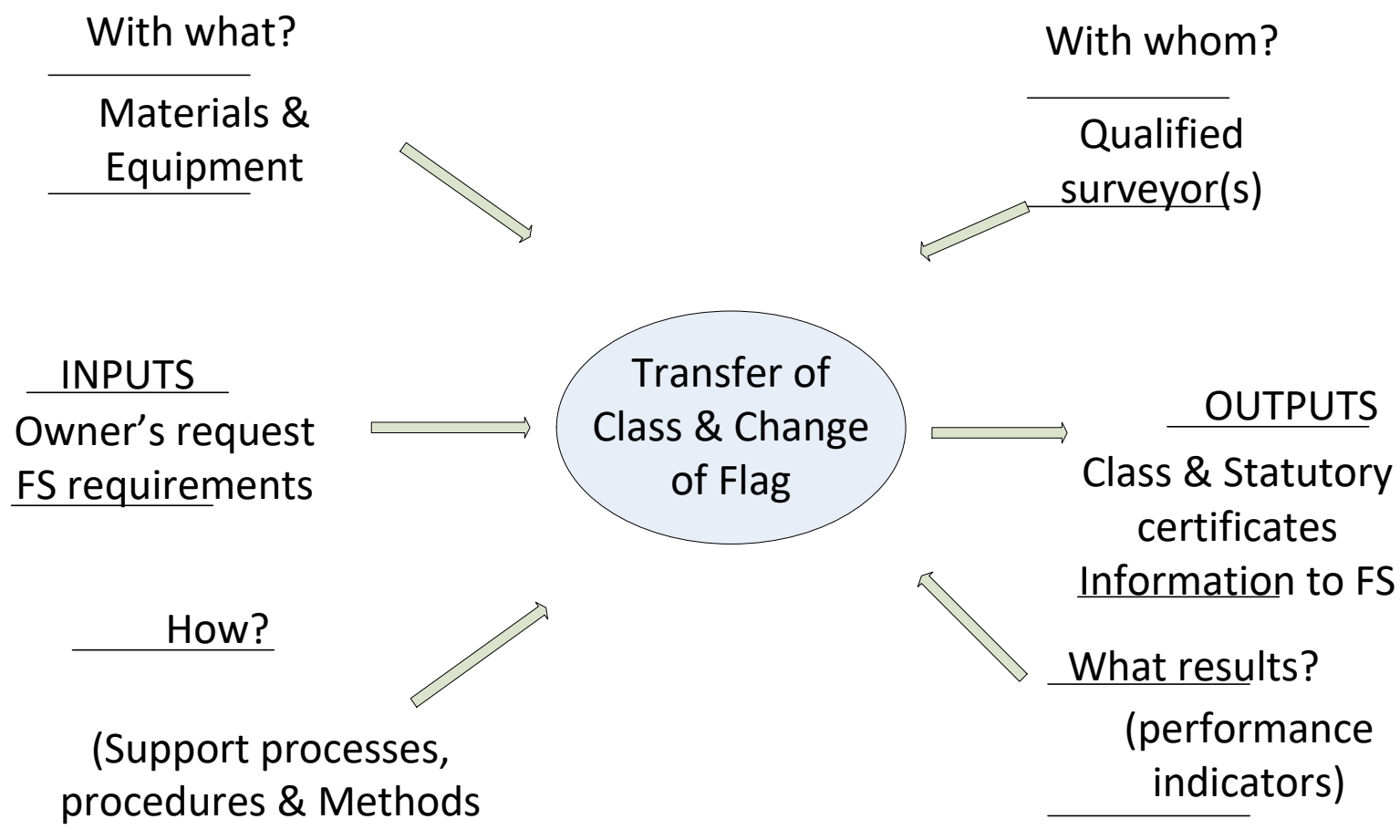
### ☐ Auditing tools and working papers

- ☐ Audit checklist
- ☐ Guidelines
- ☐ Log sheets

### ☐ Sampling







## Conducting the Audit

### ☐ Opening meeting

- ☐ Confirm the agreement of all parties to the audit plan
- ☐ Introduce the audit team
- ☐ Ensure that all planned audit activities can be performed

### ☐ Collecting and verifying information

- ☐ Interviews
- ☐ Documents and records
- ☐ Observation of activities

### ☐ Communication during the audit

- ☐ With the auditee
- ☐ Within the audit team

## Audit review

- ☐ Audit review meeting
- ☐ Audit findings
- ☐ Finding statement

## Audit review

- ☐ Audit review meeting(s)
- ☐ Team leader must conduct a review of the findings with all the auditors
  - ☐ Interim or end-of-day reviews
  - ☐ Final review
- ☐ The review will include:
  - ☐ Comparison of notes;
  - ☐ Review of checklists
  - ☐ Discussion/ decision on nonconformities
  - ☐ Writing can classification of nonconformities

## Audit review

### ☐ Audit findings

- ☐ Nonconformity: the non-fulfilment of a requirement.
- ☐ Nonconformities should be recorded and supported by audit evidence.
- ☐ Nonconformities should be reviewed with an appropriate auditee representative to obtain acknowledgement of the audit evidence.

## Audit review

### ☐ Finding statement

- ☐ Overview of finding
- ☐ Description of the deficiency
- ☐ Audit evidence
- ☐ Requirement

### Example:

*“National requirements are not always implemented during shipboard audits. Records of ISM audit jobs No. 20187895, 20177618 and 20185612 do not contain evidence that a fire drill was witnessed during the shipboard audit, as required by FS Instruction ISM-025-2012”*

## Closing meeting

- ☐ Presentation of the audit results to the organisation
  - ☐ Findings
  - ☐ Conclusions
  - ☐ Explain all findings and evidence carefully and precisely
  - ☐ Be prepared to support and justify findings
  - ☐ Avoid being drawn into an argument
- ☐ Keep record of who attended, records of what was discussed/agreed
- ☐ Explain/agree next steps
  - ☐ Report
  - ☐ Corrective action
  - ☐ Follow-up and closure
- ☐ Thank the auditee



## Audit report

- ☐ The Team Leader is responsible for the preparation, accuracy and completeness of the report.
- ☐ The audit report should provide an accurate record of the audit and should contain:
  - ☐ Statements pertaining the nonconformities and findings
  - ☐ The audit team's judgement on the extent of compliance with the requirements
  - ☐ The system's ability to achieve defined objectives

## Audit follow-up and close-out

- ☐ The auditee is responsible for determining any corrective action needed to deal with a nonconformity
  - ☐ Review the nonconformity
  - ☐ Correct the nonconformity
  - ☐ Determine the cause
  - ☐ Evaluate the need for actions to avoid recurrence
  - ☐ Determine and implement the action needed
  - ☐ Record the results of the action taken
  - ☐ Review its effectiveness

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  - ☐ Review its effectiveness

## Audit follow-up and close-out

- ☐ Corrective action and subsequent follow-up actions should be completed within an agreed time period
- ☐ The auditee should keep the auditor informed of the status of corrective action activities
- ☐ Corrective action should be verified

## Audit follow-up and close-out

- ☐ 'Close-out': verification and acceptance of corrective action
  - ☐ Follow-up audit
  - ☐ Review of evidence of implementation submitted (e.g. revised documentation, records)
  - ☐ Review of corrective action plan

## **Review of actions in response to a Nonconformity**

Management system auditors are responsible for reviewing the response to nonconformity and verifying the effectiveness of actions taken.

There should be three parts to the response of an organization to nonconformity:

- |                                                                                                                             |    |                                                                                                                             |
|-----------------------------------------------------------------------------------------------------------------------------|----|-----------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>• correction,</li><li>• analysis of cause, and</li><li>• corrective action.</li></ul> | or | <ul style="list-style-type: none"><li>• analysis of cause,</li><li>• correction, and</li><li>• corrective action.</li></ul> |
|-----------------------------------------------------------------------------------------------------------------------------|----|-----------------------------------------------------------------------------------------------------------------------------|

Source: ISO 9001 Auditing Practices Group

<https://committee.iso.org/sites/tc176sc2/home/page/iso-9001-auditing-practices-grou.html>

## Workshop - Reviewing corrective actions

- Work in pairs
- Three nonconformity reports are provided. The reports identify the nature of the issue found by the auditor and the corrective action taken by the RO
- Examine the reports and provide your comments:
  - Is the response by the RO satisfactory?
  - What evidence would you request to verify if the corrective action is effective?
  - Would you close out the nonconformity on the basis of the information given?

# Workshop – Review of corrective actions. Example 1



NONCONFORMITY REPORT		
RECOGNISED ORGANISATION	ICS	Report: 20190325/ICS/BRI/01
LOCATION	Head office – Statutory services	Audit date: 25 March 2019
<p>Deficiency:</p> <p>The review of survey reports 2589618, 3657818 and 7842619 showed that the surveys were carried out by surveyors not holding the authorisation required for the type of ship surveyed.</p> <p>Section 4.1 of the Delegation agreement requires that surveys are carried out by surveyors having extensive knowledge of the type of ship as relevant to the survey to be carried out.</p> <p>ICS-P-SUR-01 requires that surveys have to be assigned to surveyors holding the relevant authorisation for the type of ship and survey in accordance with ICS training and qualification system requirements.</p>		
<p>Corrective Action:</p> <p>Station managers will be reminded of the requirement and that they need to pay attention to it when assigning jobs to surveyors.</p>		



# Workshop – Review of corrective actions. Example 2



NONCONFORMITY REPORT		
RECOGNISED ORGANISATION	ICS	Report: 20190325/ICS/BRI/03
LOCATION	Head office – Training department	Audit date: 25 March 2019
<p>Deficiency:</p> <p>In examining training recorded to obtain qualifications the following was noted:</p> <ul style="list-style-type: none"> <li>- One surveyor was credited practical training for the SOLAS Safety Construction Survey qualification in a non-ocean-going ship;</li> <li>- One surveyor was credited trainings for the SOLAS Safety Equipment Survey in an inland waterways ship;</li> </ul> <p>In these cases, the practical training was not relevant to the qualifications obtained as required by procedure ICS-P-TR-01</p>		
<p>Cause analysis:</p> <p>Lack of awareness on the application of ICS-P-TR-01 requirements and practical training recording</p> <p>It is confirmed that the subject surveyors have not carried out SAFCON /SAFEQ surveys since assignment of the qualifications.</p> <p>Corrective actions:</p> <p>A training session will be organised to reinforce correct application of the requirements.</p> <p>The relevant qualifications of the involved surveyors have been cancelled.</p>		