AUDIT GUIDELINES

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ASIA INDUSTRIAL GASES ASSOCIATION

No-2 Venture Drive,# 22-28 Vision Exchange, Singapore 608526
Tel: +65 67055642 Fax: +65 68633307
Internet: http://www.asiaiga.org

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Acknowledgement

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1 Introduction

Auditing is a long-established tool, commonly used to evaluate and monitor performance and compliance against regulations, standards or other company or industry documents that define requirements. Auditing also serves as one element of the check step of a plan-do-check-act cycle of a management system [1][1].

Auditing is a proactive management tool for use by an organisation or activity as a part of its management responsibilities. It is used to proactively confirm compliance, detect potential issues and facilitate future improvement

This publication and associated checklists provide a practical guide to audit and self-assessment processes focusing on safety, health and environment, management systems and technical practices within the industrial gas industry.

AIGA member companies may wish to demonstrate to a wide range of interested parties that good management practices are in force, measured and verified and that they are committed to continuously improve their performance. Audit and self-assessment processes as described in this publication can help make that demonstration.

Auditing systems are also required by international standards such as OHSAS 18001, *Occupational Health and Safety Management Systems—Requirements* [2], ISO 14001, *Environmental management systems -- Requirements with guidance for use* [3], and energy auditing to ISO 50001, *Energy management* [4].

2 Scope and purpose

2.1 Scope

This publication provides an overview of audit and self-assessment processes, identifies different types of audits and lists the key points for ensuring success.

This publication does not incorporate all the requirements of local or national legislation. These should be taken into consideration when planning any audit or developing audit checklists.

Specific checklists are not included in this publication and can be found in AIGA's future audit tools publication series.

The following are within the scope of this publication:

- internal audits such as management system audits or technical audits;
- supplier audits; and
- self-assessments.

There are a range of activities that may be referred to as "audits" which may also include simple inspections.

The following are not within the scope of this publication:

- External audits conducted by external organisations such as certification bodies or by customers. External audits can be management system audits or technical audits;
- Authority inspections; and

[1] References are shown by bracketed numbers and are listed in order of appearance in the reference section.

- Internal workplace inspections, safety walks and visits.

2.2 Purpose

This publication provides guidance to the industrial gas industry on how to implement a comprehensive auditing system, for occupational health, safety and environment. In principle it can be used for review of any other management systems and practices, for example ISO 9001 - *Quality management systems – Requirements* [6].

This publication is intended for use or reference by senior management, facility managers, internal auditors, safety, health and environmental specialists and technical managers.

3 Terminology and definitions

3.1 Publication terminology

3.1.1 Shall

Indicates that the procedure is mandatory. It is used wherever the criterion for conformance to specific recommendations allows no deviation.

3.1.2 Should

Indicates that a procedure is recommended.

3.1.3 May and need not

Indicates that the procedure is optional.

3.1.4 Will

Used only to indicate the future, not a degree of requirement.

3.1.5 Can

Indicates a possibility or ability.

3.2 Definitions

3.2.1 Audit

Management process consisting of a systematic, documented, and objective evaluation of an organisation's compliance with management systems, technical standards and industry guidelines on a periodic basis.

Audits may also be used in order to demonstrate compliance with obligations under some specific aspects of country safety, health or environmental regulation.

In this publication, the term audit is used to refer to occupational health, safety or environment audits unless otherwise stated.

3.2.2 Audit criteria

Set of policies, procedures or requirements used as a reference against which objective audit evidence is compared.

3.2.3 Audit finding

Result of the evaluation of audit evidence against an audit criteria that either:

- Demonstrates that the unit is in compliance with the requirement which was audited (positive finding); or

- Shows that the unit is not completely in compliance with the requirement which was audited (negative finding or non-conformity).

3.2.4 Incident

Event that gave rise to an accident or had the potential to lead to an accident.

3.2.5 Internal audit

Audit conducted on an organisation or location by people from within the same company as the audited organisation or location that have a degree of independence from the activity being audited, or by people contracted to audit on behalf of that organisation or location.

3.2.6 Location

Operating or administrative site with activities belonging to an AIGA member company under its control and where the employees are non-office workers as well as office workers. In this publication it may be used to refer to a discrete part of the site.

3.2.7 Management system audit

Audit that focuses on the organisation's or location's management system(s) in whole or in part. A management system audit focusses on policy, processes and procedures including the organisational structure, roles and responsibilities.

3.2.8 Organisation

Organisation can mean the whole company or any regional, functional or other subgroup.

3.2.9 Process

Set of interrelated or interacting activities which transforms inputs into outputs.

3.2.10 Self-assessment

Assessment conducted by someone on their own organisation or location. It is a management process which complements the formal audit process.

Self-assessments are formal systematic, documented and subjective evaluations of an organisation's compliance with management systems, technical standards or industry guidelines.

Self-assessments can also help to check compliance with obligations under some specific aspects of EU or country safety, health or environmental regulation.

3.2.11 Supplier audit

Audit of a company's supplier of equipment, raw material, product or services that is conducted by the company or by people contracted to audit on behalf of that company.

3.2.12 Technical audit

Checks the compliance of the operation, inspection and maintenance of equipment or installation to technical standards and guidelines.

3.2.13 Unit

Used to indicate either an organisation and/or location that is being audited.

3.2.14 Validation

Confirmation, through the provision of objective evidence, that the requirements of a specific intended use or application have been consistently fulfilled.

3.2.15 Verification

Confirmation, through the provision of objective evidence, that specified audit criteria have been fulfilled.

4 Types of audit and assessments

The type of audit or assessment shall be chosen based upon the audit objectives.

4.1 Internal

4.1.1 Management systems audit

These audits are used to verify that a management system complies with a reference standard and/or that operational activities are in compliance with that management system.

4.1.2 Technical audit

A technical audit may be used to verify that the design and operation of the facility or equipment complies with reference standards and that changes to the design or operating procedures have not been made without going through a documented management of change process.

4.2 Supplier audit

A supplier audit may be used to verify that the supplier complies with the company requirements or specifications for supply of services, products or equipment and that their management system is in compliance with contractual requirements and allow the company to ensure that there is consistency and reliability in supply of those services, products or equipment.

4.3 Inspections and assessments (out of scope)

The following inspections and assessments are outside the scope of audits as defined in this publication. They are described here to highlight how they differ from audits. Information gained from these inspections and assessments may be used as part of the information gathered in an audit.

4.3.1 Self-assessments

A self-assessment is usually completed by local management of the operating unit, site or department. It is used as an aid to understand whether requirements, as defined in a company checklist, for example, are being met.

Self-assessments may be focussed on management system or technical requirements. The scope of the assessment can be determined by local management or determined at a central or corporate level.

The results of the self-assessments may be reviewed and validated during an internal audit.

4.3.2 Workplace inspections

A workplace inspection is a scheduled and structured inspection of a site area which can be conducted by a supervisor, a management member, one of the site employees and / or a safety or environmental officer. It is usually of a short duration compared with an audit (hours rather than days).

Workplace inspections can be carried out with a frequency determined by risk assessment or other criteria.

Workplace inspections may cover the following subjects, as examples:

- housekeeping;
- unsafe acts or conditions;
- safety and environmental equipment;
- spill prevention or firefighting equipment;
- personal protective equipment (PPE);
- waste segregation and disposal;
- records of required inspections, for example safety showers and fork lift truck daily checks.

They can use specific checklists for specialised equipment, procedures or activities.

The results of the workplace inspection shall be handed over to the person who will be responsible for managing the resultant actions and follow-up.

4.3.3 Safety walks / behavioural safety

Safety walks or visits to work areas are conducted by local personnel, or by a management member accompanied by one of the site workers and may be scheduled or non-scheduled. As distinct from workplace inspections, safety walks are more focused on safety conversations and safe behaviours.

A minimum frequency or number of safety walks to be conducted should be agreed. They can cover subjects such as safe and unsafe acts, as well as housekeeping as an indicator of safety focus.

Those conducting the safety walk should have received adequate training in observing unsafe acts and conditions. The use of simple aide memoire or simplified checklists can be of assistance in reminding those involved of the objectives.

The result of the safety walk should be recorded and reported to the site manager who will decide on the follow-up to be taken. The benefit of a safety walk is in the interactions and conversations between the people conducting the safety walk and other workers.

There can be other similar behavioural or leadership safety activities with similar objectives.

5 Functions and benefits of an audit process

As well as meeting any mandatory requirements, an audit process can provide valuable information to help a company to become and stay compliant with the requirements of company standards, industry standards and/or legislative requirements, as well as ensuring that the level of compliance is in accordance with the performance levels defined by the company.

Depending on the type and scope of the audit, the audit process can deliver some of the following benefits:

5.1 Management

For management this can include:

- Collection of evidence before and during an audit, to support an organisation’s or activity's compliance with defined audit criteria at the time of the audit.

- Ongoing measurement and improvement of an organisation's or activity's compliance against its own safety and environmental procedures.

- Demonstration of a visible commitment (through the presence of audit teams) to continually improving the organisation's safety or environmental performance.

- Provision of a basis for the development of safety or environmental management policies or efforts to improve existing plans.

- Proactive identification of safety or environmental risks or impacts, enabling implementation of effective mitigating measures.

- Validation of "management review and control" with respect to specific safety or environmental procedures. Note that this "management control" completes the 'act' step of a 'plan-do-check-act' cycle of a management system by implementing effective improvement actions [1].

- Identification of environmental liabilities and risks from past and present activities of the site or surroundings.

- Preparation for changes in operational and/or management processes or for changes in regulations, based on the review of the unit's current processes.

- Highlighting areas where actions need to be undertaken by the management of a unit in order to meet safety and environmental goals such as zero injuries, recycling and efficient use of resources, sustainable development or Responsible Care®.

- Increasing the awareness of the management and workers of an organisation regarding policies and responsibilities.

- Sharing of best safety, health or environmental practices.

5.2 Legal

Collection of evidence before and during an audit, to support a unit's compliance - at the time of the audit - with defined safety and environmental legislation, regulations and guidance.

5.3 Training

Assessment of training, knowledge and awareness of workers.

5.4 Information

Providing a source of information which may contribute to reports for insurance companies, financial institutions, shareholders or other stakeholders.

5.5 Financial

Prevention of financial losses resulting from serious accidents or incidents. These losses might arise from authorities' restrictions; formally required safety or environmental improvements; the need for environmental remediation; the closure of a location, organisation or activity; and/or negative publicity.

Assessment of financial implications of safety, health or environmental issues, liabilities and impact of changes in regulations.

Highlighting where costs can be reduced, for example through energy conservation, improved use of raw materials, process changes, waste reduction, reuse and recycling.

NOTE: Any audit is based on evidence seen at a particular point in time and for a specific unit. Audit findings are based on evidence samples and the process does not guarantee that the outcome reflects 100% of the unit's compliance to standards and laws. There is no inference or guarantee of future performance from audit results.

An audit process or report is not intended to replace a full investigation into a deficiency, although the evidence collected during an audit can be useful.

6 Audit frequency

The need to conduct an audit, and the timing and frequency of such an audit, should be determined by considering the relevant factors below and should be established in a company or organisation's audit programme.

- type of management systems in place;
- management system requirements;
- legal requirements;
- system reference source or standards being used;
- hazard and risk ranking or level;
- history of past incidents;
- past performance against standards (results of previous audits, non-conformances identified);
- environmental impacts and associated costs (e.g. energy, insurance, waste disposal);
- review before acquisition or sale of sites;
- changes in process, organisation or activity; and
- 3rd party certification requirements.

For certification audits, the timeframe may be specified in the relevant external standard or food safety every year

Company operating procedures or standards may require that each unit shall be audited on a defined topic within a specified timeframe.

The minimum elapsed time between similar audits of the same organisation or at the same location needs to ensure that identified improvements can reasonably be implemented. If there are multiple similar units covered by the same management systems, management audits may be considered at a representative sample of similar units.

7 General requirements for audits

7.1 Management commitment

Obtaining visible, senior management commitment is an essential step in implementing an audit process and continuous improvement culture. Sustainable implementation of the audit process will be ineffective without the strong support of management at all stages, including completion of the actions that result from the audit report.

Senior managers should:

- Make a visible commitment to both the process and the follow up of audits;

- Ensure that auditors are given clear and written authority to conduct audits;
- Provide adequate resources for developing company audit criteria and audit tools;
- Review, approve and endorse the company audit programme;
- Provide adequate resources for the audit team and the unit team to conduct effective audits;
- Provide adequate training to ensure the audit team has the required competence(s);
- Expect and require a high level of cooperation and liaison between the audit team and the unit being audited;
- Demand high standards of auditing, reporting and transparency;
- Require reports on the status and progress of action plans;
- Provide adequate resources to implement the post audit action plan including corrective actions;
- When required, ensure root cause analysis for corrective actions is implemented to prevent reoccurrence at the unit audited;
- Ensure best practices and corrective actions are shared across the organisation;
- Ensure that the actions taken to address issues raised in audits provide long term sustainable solutions that can be shared elsewhere in the company; and
- Take every opportunity to personally follow up the results of an audit.

7.2 Defined audit process

The audit process shall be clearly defined in the company management system in order to maintain coherence between all audits conducted.

7.3 Auditor independence and objectivity

The audit team should be independent of the organisation or location being audited.

It is important to ensure that all auditors are free from influences that may adversely affect the quality of the audit. Without this, the objectivity and the credibility of the audit could be compromised.

Independence does not necessarily mean external to the organisation. In many cases, particularly in smaller organisations, independence can be demonstrated by the freedom from responsibility for the unit being audited.

7.4 Competence of the auditors

Audits shall be conducted in a reputable and professional manner ensuring accuracy, consistency and objectivity. Therefore, auditors should have suitable education, training and experience to carry out their duties.

The skills and knowledge needed by auditors should be relevant to the scope of the audit or their role in an audit team and may include:

- auditing techniques and process (including communication skills, data analysis and findings and audit report writing);

- company management system including safety or environmental company policies, processes and procedures;
- laws, permit requirements and regulations on safety or environment; and
- national and /or international standards where applicable, such as ISO and OSHAS.

It is also a significant advantage to have relevant knowledge in:

- operation of type of facilities to be audited;
- potential environmental and major hazard impacts; and
- worker health and safety risks.

7.5 Confidentiality

Internal audit reports are the confidential property of the organisation or activity that has been audited and often contain a disclaimer to this effect. Confidentiality also applies to audits of suppliers. This confidentiality policy should not be interpreted as in any way limiting the rights of safety or environmental authorities to verify the audit results or to conduct any of their regulatory duties.

8 Audit process

8.1 Planning and preparation

8.1.1 Determining scope of audit

The reason for the audit to be carried out will, as previously described, be determined by the company 'audit programme' or, alternatively, it may be an ad-hoc response to a specific event or need, e.g. incident or new supplier.

This reason will in turn determine the scope of the audit, for example:

- A full compliance audit will look at compliance with a standard or regulation. It will evaluate if the management system describes processes that cover the requirements and verify compliance by sampling activities as defined by these processes, for example, records related to reporting, investigation and follow up of incidents or customer complaints; setting and periodic review of objectives and targets by management.
- A specific process compliance audit will take a defined management process and verify compliance and evaluate effectiveness of the process from end to end as well as interactions with other processes, for example, management of change process, where the audit can look at change review, documentation update and control, planning, risk management, training.
- A specific task compliance audit will take a defined task and verify compliance (normally defined by a procedure) and evaluate effectiveness of the task, for example, the issue and management of work using a permit to work where the audit will look at several permits; how they are filled in; the control measures that have been defined; the discussion between issuer and receiver; checking and understanding of risk assessments and method statements; workplace evaluation and follow up checks; return, sign-off and closure of the permit.
- A legal compliance audit will look at compliance with a specific piece of legislation. It will evaluate if the management system describes processes that cover the requirements and verify compliance by sampling activities as defined by these processes, for example, EU REACH[10] legislation where the audit will look at how the business ensures it only uses registered substances; that the substances the unit sells are all registered; that up to date safety data sheets are available both for substances used and sold; that for hazardous substances the requirements of exposure scenarios are understood and applied.

8.1.2 Making the scope of the audit specific to location or organisation

The scope of a specific audit and audit criteria should be developed from pre-determined factors in the audit programme. However, in order that the audit criteria are appropriate for the specific activities of that unit, and that the audit team can be fully prepared with checklists, information etc., the scope will need to be made specific by considering, for example:

- The specific processes and operations that are carried out at the location, in particular those identified as higher risk in the location specific risk analysis;
- The handling and storage of chemicals, hazardous and toxic materials and any potential safety or environmental hazards;
- Waste management control systems, transportation routes for hazardous waste materials and waste disposal, including facilities to minimise waste disposal impacts and incidents.
- Measure of the effectiveness of control equipment as indicated in inspection reports, maintenance logs, test results and routine analytical reports;
- Records required for compliance with laws, licenses, permits, regulations and quality standards;
- Practices and use of contractors and sub-contractors; and
- Quality of work carried out by a skilled functional team, at customer or company locations.

8.1.3 Selection of auditor or audit team

The auditor or audit team members are usually selected from employees of the organisation (See 3.2.2), respecting the principles of independence and competence described in Sections 7.3 and 7.4. If the audit is to be conducted by a team, a leader of the team shall be appointed and is often referred to as the lead auditor.

8.1.4 Responsibilities of lead auditor

The responsibilities of the lead auditor include:

- Focal point of contact between audit team members and auditees;
- Preparation of audit;
- Work with senior managers to ensure that the skills and expertise required to cover the scope of the audit are covered by the members of the audit team;
- Allocate responsibilities / scope / areas of focus for each member of the audit team;
- Communication of audit plan and scope to unit team. Ensure steps in audit process are performed effectively and according to plan;
- Maintain timing and set priorities to ensure scope is addressed within the time allocated;
- Watch over the audit team; make sure they remain within scope and in line with the standards being audited;
- Minimise distraction of the audit team by unit team, avoid long discussions on fixing problems or finding data;
- Align the findings of individual audit team members to ensure consistency of audit;

- Lead the preliminary and closing meetings;
- Ensure that the audit report is completed in a timely manner and addresses the findings of the audit team; and
- Verify that the action plan addresses the findings in the audit report.

8.1.5 Selection of team at/of unit to be audited

A successful audit requires the commitment and cooperation of all members of the organisation or location to be audited, since the assessment of safety or environmental performance will cover many aspects of a wide variety of activities. To enable this commitment and cooperation, a specific unit team should be assembled by the manager responsible for the unit to be audited, often in collaboration with the lead auditor, to work with the auditors.

The members of this unit team should be selected for their responsibility, knowledge and experience of the aspects of the organisation or location that are being audited. This can include knowledge of general management, plant management, or subjects which could need experts based at the location or elsewhere in the organisation.

For example, at plant level, the location team should typically include:

- site manager;
- site plant or area supervisor; and
- safety or environmental specialist.

Depending on the scope of the audit, can include:

- representatives of operation or maintenance workers; and
- representatives of central functions.

8.1.6 Audit preparation by auditor or audit team

Careful preparation by the auditor or audit team before they arrive on site will help to ensure success of the audit. At this stage the purpose and scope of the audit should have been agreed.

Information required at this stage includes:

- detailed information regarding activities carried out at the site;
- the legal status of the facility including requirement for permits and monitoring data; and
- management and / or organisational structure.

Sources of this information can include:

- listing of operational permits;
- operational permits;
- relevant regulations;
- maps of the site and surroundings;
- past and present activities of the site and surroundings;

- plant layout and processes;
- hazardous substance inventory (current and recent history);
- incidents on the site and surroundings;
- previous audit reports;
- site safety requirements and emergency plans;
- risk analyses;
- environmental or quality sampling evidence, monitoring data and/or reports; and
- customer complaints, such as those relating to quality, condition or delivery of product from the site.

A briefing meeting should be held of the members of the audit team to share and discuss this information, to communicate objectives and agree the audit plan. Where this is a common audit by auditors familiar with the scope, this communication may be by completed by other methods such as net meeting or phone call.

The auditor or audit team will identify whether they will be working with protocols or checklists and whether these are existing or if there is a need to develop specific materials.

8.2 Conducting audits

8.2.1 Audit kick-off meeting (preliminary meeting)

The first step in the audit shall be a meeting between the audit team, the unit team and the management of the organisation, location or activity to remind all parties of the scope and the purpose of the audit, the methodology to be followed and the time schedule.

As well as a location safety briefing, the unit team should present an overview of the organisation and/or the operations at the location.

The audit team should then ensure that the areas or processes that are relevant to the scope of the audit and the responsibilities of the unit team members are identified and understood.

The preliminary meeting may be used to explain what documentation or evidence the unit team may need to provide to the audit team to demonstrate compliance.

8.2.2 Location familiarisation tour

There can be advantages for the audit team and the location team to jointly carry out a short familiarisation tour of the location as part of the preliminary meeting. In carrying out this initial tour, the audit team can discover additional matters which are relevant to the audit and can have the benefit of enabling the audit team to put subsequent discussions into context.

8.2.3 Conducting the audit

During the audit, the auditor evaluates the unit's compliance to the audit criteria, i.e. the legal requirements, established local procedures, industry guidelines and company standards etc. previously identified (See 8.1.1 and 8.1.2).

This is achieved by examination of objective evidence for validation and/or verification of requirements that lead to identification of findings.

A competent auditor will achieve this effectively with a combination of, for example:

- Visual inspection of equipment and systems and maintenance standards;
- Inspection of housekeeping and observation of the behaviours seen during the audit;
- Inspection and check of records and documents;
- Asking questions based on auditor experience, incidents and findings elsewhere; and the answers given; and
- Engaging unit team and workers in discussion and conversation on their knowledge and experience.

It is good practice to seek consensus with the unit team on findings and on corrective actions as the audit progresses.

NOTE The steps to be followed by the auditor in conducting audits may be described in the company audit procedure. This can facilitate consistency in audit execution and the reporting and classification of findings or observations.

There are a wide variety of tools that can be used to assist the auditor to conduct the audit.

8.2.4 Audit tools

The tool or combination of tools used can depend upon the type of audit and the organisation, location or site characteristics.

Some tools that can be used by an auditor include:

- **Fill-in forms** requiring simply yes / no answers or other specific response are the simplest type of audit tool and may be used for specific topics (e.g. equipment design features) to complement other tools.
- **Check list (aide memoire)** provide a detailed listing of all issues to be covered.
- **Questionnaires** are frequently used as an auditing tool. The questionnaire(s) to be used are identified during preparation for the audit. The questionnaire(s) are usually prepared in a standardized format that facilitates the compilation of the audit report.
- **Audit guidelines** provide broad guidance and instructions to be used by the auditor and identify aspects that should be investigated.

8.2.5 Verification of findings and evidence collection

The findings identified by the audit team shall be specific, factual and supported by evidence verified under the direct supervision of the audit team.

Evidence and information collected during the audit should be directly related to the audit criteria.

It can consist of copies of documentation provided by the unit team; auditor's notes and observations; sampling and monitoring results; photographs; screen shots or screen prints; plans, maps, diagrams, working papers and other related items.

The prime purpose of collecting such evidence is to support the audit findings and provide the basis for verification. All evidence used by the auditor should be recorded and clearly referenced to the audit criteria.

The audit team shall establish that all evidence and documents seen are credible and relevant.

The level of formality required should be proportionate to the importance of the audit requirement. The required level of formality may be specified by the audit team or in the company audit standard.

The audit team will view a lot of evidence and information during the audit and may collect copies of some items.

8.2.5.1 Photographs

Photographs may be used to support findings and to highlight good practices. Auditors shall obtain the permission of the site management and shall respect any safety requirements (e.g. use of appropriate equipment in classified areas etc.).

Auditors may need to obtain the permission of individuals before photographing them. Additional formal permissions may be required if any photos are to be published in a report.

8.2.6 Initial evaluation of the findings

Towards the end of the audit, the audit findings shall be reviewed by the audit team and evaluated against the audit criteria.

The audit team should review the evidence, classify and rank the findings as follows.

Findings are commonly classified as:

- positive findings of conformity to requirements, or
- negative findings.

Negative findings which are non-conformities or deficiencies to be addressed by corrective action(s) and tracked to completion should be ranked according to potential risk (critical, high priority, low priority, etc.) to identify priority for follow up.

Where an opportunity for improvement beyond the minimum requirements is identified, the auditor or audit team may make a recommendation for improvement, but this may not be formally tracked within the audit process.

For an audit that is conducted over several days it can be beneficial for the audit team to meet and review findings at the end of each day and provide a summary for the unit team.

8.2.7 Closing meeting

On completion of the audit, the audit team shall present their preliminary positive and negative findings to the unit team in a formal meeting. It is important to ensure that all of the audit findings are understood and acknowledged by the unit team.

It is normally the responsibility of the unit team or senior management to define corrective actions to address the findings, See 8.). During the closing meeting the audit team should try to ensure that the unit team understands where to find support to define and implement corrective actions.

If any corrective actions have been defined by the audit team during the audit, the audit team shall provide a review of these corrective actions to ensure that they are understood, acknowledged and agreed by the unit team. It should be noted that it is not normally the audit team’s responsibility to identify corrective actions for findings.

The audit team should indicate when the final report will be completed if not done before the audit team leaves.

This meeting will also be used to discuss any matters which have not been resolved or for which information is unavailable and to agree on any actions.

8.3 Compiling audit report

8.3.1 Issue draft audit report

The audit team should prepare a comprehensive written report on the results of the audit. The audit report should include a clear outline of the scope of the report and highlight any exclusions or changes from the original scope of the audit. The level of detail of this report will depend upon the complexity of the audit.

The report should state factual findings, particularly compliance with standards, policy and legal requirements where relevant.

The report should include positive findings and confirmation of conformities as well as negative findings or non-conformities.

Where good practices are found, these should be described in the report to facilitate sharing of good practices throughout the organisation.

Observations, deficiencies, recommendations for remedial actions or improvement opportunities found by the audit team but outside the scope of the audit should be discussed with the unit team and may be included in the report as remarks or comments or reported separately.

8.3.2 Revise and issue final report

It is important that an opportunity is given for the unit team to review and comment upon the draft audit report before it is finalised to clarify points and correct inaccuracies. The final report is then issued to a wider audience and a follow up meeting may be conducted if necessary.

Company audit policy should define the maximum time frames to make the draft report available and to revise and then issue the final report (if this cannot be completed at the closing meeting).

8.4 Action plan and follow up

An action plan should be developed by the responsible management of the unit being audited to address the findings identified in the report.

For actions relating to safety, regulatory or environmental critical findings or those that can be completed quickly, the unit management should not wait for the action plan to be fully documented before implementing those actions.

It may be possible to complete many actions quickly and with unit resources. There may be some actions that require additional resources and it is essential to obtain the necessary senior management commitment to progress these actions. This should be considered when determining distribution of the final audit report. The action plan should also be sent to the lead auditor, see 8.1.4.

The action plan should identify target dates for corrective actions to be completed and person(s) responsible for executing the action. Company policy may define maximum implementation times depending on the criticality of findings.

There shall also be a process or system to track and follow up on actions and to verify that the actions are effectively solving the findings identified in the audit report.

Progress on actions should be reviewed and reported on a regular basis.

8.5 Management review and follow-up

As stated in 7.1, management are responsible for monitoring progress of the audit programme; following up on the status and progress of action plans; and ensuring that the actions taken to address issues raised in audits provide long term sustainable solutions that can be shared elsewhere in the company.

This should be a part of the company management review process.

9 References

Unless otherwise stated the latest revisions shall apply.

[1] *The Process Approach in ISO 9001*. International Organization for Standardization. www.iso.org/iso/iso9001_2015_process_approach.pdf

[2] OHSAS 18001, *Occupational Health and Safety Management Systems—Requirements*. http://www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety

[3] ISO 14001, *Environmental management systems -- Requirements with guidance for use*. International Organization for Standardization. www.iso.org .

[4] ISO 50001: *Energy management.* International Organization for Standardization. www.iso.org

[5] ISO 9001 *Quality management systems – Requirements*. International Organization for Standardization. www.iso.org.

10 Additional references

ISO 19011: *Guidelines for auditing management systems.* International Organization for Standardization. www.iso.org.

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