

# WHS INTERNAL AUDIT PROCEDURE

Version No	2.0
Issued	22 <sup>nd</sup> May 2014
Next Review	May 2017
GDS	12.63.1.1

## 1. OVERVIEW

The Flinders Ranges Council is committed to conducting WHS Internal Audits which assess how effectively the WHS system elements combine together to manage the risks associated with the Council business and its suitability in achieving the requirements of the Council WHS policy and objectives.

This procedure aims to facilitate:

- Compliance with LGAWCS and PSSSI requirements for audit.
- The performance of programmed internal audits by objective and competent personnel.
- Continuous improvement of the WHS management system.

SIGNED .....

Chief Executive Officer

.....

Chairperson, WHS Committee

Date: 22 / 5 / 2014

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## 2. CORE COMPONENTS

The core components of our WHS audit procedure require:

- The implementation of an Internal Audit Schedule.
- Nominated workers are competent through training to audit to the appropriate level.
- Internal audit findings demonstrate the effectiveness of the WHS Management System.
- Internal audit findings are recorded and communicated to the workgroup and management.
- Records demonstrate that corrective actions are recorded and closed out through effective WHS Management System improvements.

## 3. DEFINITIONS

Audit	A systematic examination against defined criteria to determine whether activities and related results conform to planned arrangements and whether these arrangements are implemented effectively and are suitable to achieve the organisation's policy and objectives.
Audit Criteria	Policies, procedures or requirements which are used as a reference against which audit evidence is compared.
Audit Evidence	Records, statement of fact or other information, which are relevant to the audit criteria and are verifiable.
Audit Plan	Description of the activities and arrangements for an audit.
Conformance	Activities undertaken and results achieved fulfil the specified requirements of the elements.
Corrective Action	Action taken after the event to correct any problem and make sure that a repetition does not occur.
HSR	Health and Safety Representative.
Non-Conformance	Activities undertaken and the results achieved do not fulfil the specified requirements of the elements. This may be due to the absence or inadequate implementation of a system or documented systems or procedures not being followed.
Observation	Activities undertaken and results achieved fulfil the specified requirements of the elements however an opportunity for improvement exists due to minor deficiencies identified.
Performance Indicator	A means to measure conformance with arrangements detailed in WHS Procedures.
Preventative Action	Involves taking steps before problems occur.

# WHS INTERNAL AUDIT PROCEDURE

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PSSI	Performance Standards for Self Insurers.
Register (Hazard /Risk /Corrective Action)	A record of hazards identified throughout an organisation, the level of risk associated with each one and the control measures in place to eliminate or manage the risks they present. Where gaps in control measures have been identified, the register records the corrective actions needed and the person responsible for implementing them. It also records the residual risk rating for each hazard on the register. This register may be a hazard register, a risk register, a corrective and preventative action register (CAPA) or a combination of all three.
WHS Committee	Work Health and Safety Committee is established to facilitate co-operation between the person conducting a business or undertaking and workers in instigating, developing and carrying out measures designed to ensure the workers' health and safety at work.
WHS System	Includes its structure, policies, planning activities, resourcing, operating procedures and work practices

## 4. PROCEDURE

### 4.1. Audit schedule

- 4.1.1. The WHS Coordinator shall publish an annual audit schedule, which will reflect:
  - a. The frequency of internal audits to be conducted.
  - b. The scope of each internal audit.
  - c. The WHS Auditor selected and assigned to each audit.
- 4.1.2. Audit frequency and scope will be determined by:
  - a. The level of risk associated with the particular activity, process or WHS policy/ procedure to be audited.
  - b. The results of previous audits.
  - c. The management team or LGAWCS direction.
- 4.1.3. Audits conducted by external agencies or certification bodies should be reflected in the audit schedule.
- 4.1.4. Injury management audits should be included on the schedule.
- 4.1.5. The WHS Committee and Senior Leadership Team will be consulted on the content of the audit schedule prior to its implementation.
- 4.1.6. The audit schedule will be available on the Council intranet or otherwise made available to internal auditors, management and workers and other relevant stakeholders.

### 4.2. Unscheduled Audits

- 4.2.1. Unscheduled audits may be conducted at any time based on:
  - a. The findings of inspections, reports or outcomes of accident/incident investigations.
  - b. Operational changes.
  - c. External advice.
  - d. As a result of management team or LGAWCS direction.
  - e. As a result of any other activity that may identify non-conformance.
- 4.2.2. Unscheduled audits should be recorded on the audit schedule as soon as they are planned.

### 4.3. Selection of auditors

- 4.3.1. The WHS Coordinator will select and authorise an internal WHS auditor for each scheduled internal audit. Minimum standards for WHS internal auditor selection include:
  - a. Successful completion of recognised auditor training from a registered training organisation, and/or
  - b. Knowledge and experience of the WHS requirements of the process or activity being audited, and

# WHS INTERNAL AUDIT PROCEDURE

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- c. Training in The Flinders Ranges Council WHS Internal Audit Procedure, and
  - d. Independence from the activity or process being audited.
- 4.3.2. If an internal auditor is unable to demonstrate completion of auditor training from a registered training organisation, the audit will be conducted under the supervision of an auditor who has fulfilled these training requirements.
- 4.3.3. Any external auditor engaged by The Flinders Ranges Council must demonstrate a relevant audit qualification from a registered training organisation prior to engagement.
- 4.4. Pre-audit activities
  - 4.4.1. The WHS Coordinator will notify the internal auditor of scheduled audits in advance of audit commencement date.
  - 4.4.2. When more than one auditor is involved in an internal audit, the WHS Coordinator should appoint a lead auditor.
  - 4.4.3. The WHS Coordinator, in consultation with the internal auditor(s), should develop an audit checklist relevant to the scope of the selected audit. The audit checklist should include measures of compliance and should fully test the adequacy and effectiveness of the procedure being audited.
  - 4.4.4. Prior to the audit commencing, the internal auditor should:
    - a. Collate and review information pertinent to the audit which may include policies, procedures, work instructions, legislative requirements relevant to the particular audit topic, previous audit findings or reports, external information such as regulator fact sheets, manufacturer information, and industry statistics.
    - b. Prepare an audit timetable.
    - c. Determine audit methodology having regard to the scope of the audit.
    - d. Identify workers to be interviewed during the audit.
    - e. Confirm the audit scope, timetable and selected auditees with the relevant department manager or supervisor.
- 4.5. Conduct the audit
  - 4.5.1. An opening meeting should be held by the auditor to reinforce the scope of the audit. The meeting may be conducted with the manager or supervisor of the area, the relevant HSR (if any) and workers.
  - 4.5.2. Using the audit checklist, collect information by appropriate sampling to determine whether requirements have been met. Methods to collect information include conducting interviews, observation of activities and the review of documents and records. Only information that is verifiable may be recorded as audit evidence.
  - 4.5.3. Using the audit checklist:
    - a. Record information and evidence that demonstrates findings for each element on the audit checklist.
    - b. Determine the conformance level for each element by indicating either conformance, non-conformance or identify an opportunity for improvement.
  - 4.5.4. A finding of non-applicable (N/A) can be entered where, in the opinion of the auditor, it is not possible to assess the audit element or it is not relevant. Where the element is applicable but cannot be assessed, reasons for this should be noted on the checklist.
  - 4.5.5. If audit evidence exists but has not or cannot be made available at the time of the audit, a non-conformance rating should be applied.
  - 4.5.6. When the audit has been completed, a closing meeting of the audit team should be held to present audit findings. Non-conformances and recommendations should be discussed and diverging opinions resolved.

# WHS INTERNAL AUDIT PROCEDURE

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<b>GDS</b>	12.63.1.1

## 4.6. Audit report

- 4.6.1. The auditor should document the findings and recommendations from the audit on an internal audit report as soon as is reasonably practicable.
- 4.6.2. The audit report should be forwarded to the WHS Coordinator for review, incorporation of further information if required, and approval.
- 4.6.3. The WHS Coordinator should release the approved report to the department manager of the area as soon as is reasonably practicable.
- 4.6.4. The WHS Coordinator should retain completed audit checklists and reports.

## 4.7. Corrective or preventative action

- 4.7.1. On receipt of the audit report, the department manager should review the audit findings and the recommendations during department meetings and or with the HSR or other relevant stakeholders.
- 4.7.2. The department manager, in consultation with the HSR, workers or other relevant stakeholders (in accordance with Council Consultation Procedure), should identify proposed corrective or preventative actions required when an audit report has identified non-conformances or opportunities for improvement.
- 4.7.3. The WHS Coordinator in consultation with the department manager, should forward the audit findings and proposed corrective or preventative actions to the WHS Committee and Senior Leadership Team for review, feedback and approval.
- 4.7.4. Once approved, the WHS Coordinator should log the actions onto the Corrective & Preventative Actions (CAPA) register.
- 4.7.5. Corrective and preventative actions should be prioritised, have an agreed time for them to be completed based on their risk profile and be monitored for completion in department meetings.
- 4.7.6. Corrective or preventative actions may require a subsequent audit or specific follow up to make sure actions have been effective. The WHS Coordinator should manage this process.
- 4.7.7. If strategic changes are required as a result of WHS audit findings, consultation will occur in accordance with the Consultation and Communication processes.
- 4.7.8. Approved actions are to be included in the WHS Plan.

## 4.8. Review of corrective or preventative actions

- 4.8.1. The WHS Coordinator should monitor the Corrective & Preventative Action (CAPA) register and provide a quarterly report to the WHS Committee and Senior Leadership Team that includes the status of corrective and preventative actions, trends in audit findings and other relevant information.
- 4.8.2. The Senior Leadership Team should direct action when corrective or preventative actions have not been completed within timeframes allocated or when issues with implementation of actions occur.
- 4.8.3. Results of internal audit reviews may result in preventative and/or corrective actions being implemented which may include revision of this document.
- 4.8.4. The WHS Coordinator should report on the outcomes of such reviews to the WHS Committee and Senior Leadership Team.

## 5. Training

- 5.1. Managers, supervisors and the WHS Committee should be trained in the requirements of the WHS Audit Procedure.
- 5.2. The WHS Coordinator and WHS internal auditors should fulfil the training requirements for auditors as outlined in section 4.3 above.

# WHS INTERNAL AUDIT PROCEDURE

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Next Review	May 2017
GDS	12.63.1.1

## 6. RECORDS

- 6.1. Audit schedule.
- 6.2. Auditor training / qualifications.
- 6.3. Audit reports / checklists.
- 6.4. Corrective & Preventative Actions (CAPA) Register.
- 6.5. Minutes of meetings (departmental, management etc) where audits have been discussed.
- 6.6. Consultation records.

All records must be retained in line with the current version of GDS20.

## 7. RESPONSIBILITIES

- 7.1. The Flinders Ranges Council *Senior Leadership Team* is accountable for:
  - 7.1.1. Budgetary expenditure for the development, implementation, review and continuous improvement of the WHS and IM audit process (if applicable).
  - 7.1.2. Analysing and evaluating audit findings and approving preventative and corrective actions.
  - 7.1.3. Checking that preventative and corrective actions have been closed out and their effectiveness monitored.
  - 7.1.4. Monitoring the maintenance of the WHS plan, including that changes to the WHS plan are made (if required) to incorporate audit findings.
  - 7.1.5. Reviewing WHS audit findings during management review and planning processes.
  - 7.1.6. Giving direction for the WHS management system action.
  - 7.1.7. Checking that the requirements of the Performance Standards for Self Insurers are met.
- 7.2. *Managers and supervisors* are accountable for:
  - 7.2.1. Participating in WHS and IM audits as required.
  - 7.2.2. Communicating and consulting on audit findings and recommendations with their workers.
  - 7.2.3. Checking that corrective and or preventative actions are prioritised and implemented within the defined timeframes and are closed out when completed.
  - 7.2.4. Monitoring the effectiveness of corrective and or preventative actions.
  - 7.2.5. Providing data related to department WHS performance as required.
- 7.3. The *WHS Coordinator* is accountable for:
  - 7.3.1. Developing and communicating the audit schedule.
  - 7.3.2. Selecting auditors to conduct audits.
  - 7.3.3. Forwarding audit findings and proposed corrective or preventative actions to the WHS Committee and Senior Leadership Team for review and approval.
  - 7.3.4. Maintaining the corrective action register.
  - 7.3.5. Scheduling subsequent audits or specific follow up to monitor effectiveness of planned actions.
  - 7.3.6. Providing quarterly reports to the WHS Committee and Senior Leadership Team that include the status of corrective and preventative actions, trends in audit findings and other relevant information.
  - 7.3.7. Report on the outcomes of WHS audits to the WHS Committee and Senior Leadership Team.
  - 7.3.8. Undertaking any action as directed by the management team.

# WHS INTERNAL AUDIT PROCEDURE

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<b>Next Review</b>	May 2017
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- 7.4. *Workers* are accountable for:
- 7.4.1. Participating in audit activities as required.
  - 7.4.2. Participating in consultation activities related to audit findings and the identification of corrective or preventative actions.
  - 7.4.3. Undertaking actions within the scope of their responsibility to make sure corrective or preventative actions are implemented.
- 7.5. The *WHS Committee* is accountable for:
- 7.5.1. Facilitating co-operation between parties in matters relating to WHS and IM audits.
  - 7.5.2. Reviewing audit findings and providing feedback to department managers and the management team, as required.
  - 7.5.3. Assisting in monitoring the effectiveness of corrective and preventative actions.

## 8. REVIEW

- 8.1. This WHS Audit Procedure should be reviewed by The Flinders Ranges Council WHS Committee in consultation with workers or their representatives every three (3) years or on significant change to legislation or aspects included in this procedure that could affect the WHS of workers.
- 8.2. Results of internal audit reviews may result in preventative and/or corrective actions being implemented which may include revision of this document.
- 8.3. The WHS Coordinator should report on the outcomes of such reviews to the WHS Committee and Senior Leadership team.
- 8.4. The outcomes of the review process may identify the objectives, targets and performance indicators for the WHS internal audit process for the next period (if applicable).

## 9. REFERENCES

Work Health and Safety Act 2012.  
 Work Health and Safety Regulations 2012.  
 General Disposal Schedule 20 for Local Government.  
 WorkCoverSA Performance Standards for Self-Insurers.

## 10. RELATED DOCUMENTS

Corrective & Preventative Action Procedure  
 Consultation Procedure  
 Hazard Management Procedure  
 Corrective & Preventative Action (CAPA) Register  
 Internal Audit Checklists

## 11. DOCUMENT HISTORY:

Version No:	Issue Date:	Description of Change:
1.0	July 2010	New Document
2.0	22 <sup>nd</sup> May 2014	Terminology changes to reflect 2012 WHS Act, Regulations and Codes of Practice. Examples of changes include; OHS to WHS and employee to worker where appropriate