

Quality Management System Requirements

For Warrant of Fitness and Certificate of Fitness Inspecting Organisations

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PURPOSE

This paper outlines the NZ Transport Agency (Transport Agency) requirements that an Inspecting Organisation (IO) must meet to assure quality. The requirements are referred to as Quality Management System (QMS) requirements.

All IOs must have an operational QMS to ensure that the Transport Agency's requirements are met, as a condition of appointment. These requirements are contained in the Vehicle Inspection Requirements Manual (VIRM). This will ensure that vehicle inspection and certification outcome standards are maintained or improved.

AIM

The aim of a QMS is to ensure that the IO has suitable management systems in place to provide Vehicle Inspectors (VIs) with the necessary environment to ensure outcomes that consistently meet the Transport Agency's standards.

BACKGROUND

Legislative context

The Vehicle Standards Compliance Rule enables the Transport Agency to:

- Impose requirements and conditions on VIs and IOs
- When making an appointment, give such weight as it thinks appropriate to the applicant's quality assurance (QA) arrangements and performance management systems
- Monitor and review the performance of VIs and IOs
- Charge a fee for the costs of the monitoring and review of a VI's or IO's performance
- Require remedial action and suspend or revoke - in whole or in part - an appointment if it is satisfied that a VI or IO has failed to comply with any conditions of their appointment

The new certificate of fitness (CoF) service delivery regulatory model has identified the need for changes to the Transport Agency's monitoring and performance review requirements to:

- Ensure that the Transport Agency's QA requirements are met
- Mitigate the risk of variations in inspection outcomes
- Make better use of the Transport Agency's resources by improving the efficiency and effectiveness of its audit system

An IO must have systems in place to ensure that a vehicle it certifies meets the requirements set out by the Transport Agency. A vehicle that complies with these requirements is safe to operate.

Quality assurance (QA) - definition

QA refers to administrative and procedural activities implemented in a quality system so that the requirements of and goals for a product, service or activity will be fulfilled. It is the systematic measurement, comparison with a standard, monitoring of processes and an associated feedback loop that confers error prevention.

Industry context

In order for a VI to conduct a vehicle inspection for the purpose of issuing a warrant of fitness (WoF) or CoF, a clear set of criteria must be met.

Both the IO and the VI have to pass an application process; this ensures that both knowledge of requirements and QA and performance management systems are in place. Available equipment and premises must also meet specified standards.

If all requirements are met and maintained, a VI is considered to operate in an environment in which consistent and correct vehicle inspections can be achieved.

QMS REQUIREMENTS FOR WoF/CoF INSPECTION ORGANISATIONS

IOs can choose to use the Transport Agency's Model QMS; alternatively, they can adopt another recognised system that meets the Transport Agency's requirements. The minimum requirements are set out in this paper.

To ensure that the Transport Agency's requirements are being met, an IO must have a methodical approach to providing an environment where the VI has everything they need to both complete the inspection task and to ensure that the IO is meeting its obligations.

IO and VI requirements are conveyed through the VIRM, the Code of Conduct and the Notice of Appointment. An IO will need to consider the following when establishing and operating a QMS in relation to the WoF/CoF inspection process.

Organisational ownership and accountability

IOs are required to ensure that they have clear accountability arrangements in place to ensure the establishment, management and review of their QMS, as well as the avoidance of Conflicts of Interest.

Auditable evidence must be provided that demonstrates that a delegated person is responsible for the establishment, management and review of the QMS for the IO.

Technical performance

IOs and VIs are required to apply the Transport Agency's regulatory requirements correctly to vehicles throughout the inspection process.

Auditable evidence must be provided demonstrating that a system is in place to deliver the following:

- Vehicle inspections have the correct outcomes
- Correct decisions are made throughout the inspection process by authorised VIs
- All staff involved in the inspection process are technically competent - and appropriately authorised - for the roles that they perform

An effective quality system will ensure that each vehicle inspection is undertaken in accordance with the VIRM and any other requirements established by the Transport Agency.

Evidence may be in the form of a paper or electronic record. The record must verify what requirements have been met, by whom, how the requirements have been met and when.

Administrative performance

IOs and VIs are required to apply the Transport Agency's administrative requirements correctly throughout the vehicle inspection process.

Auditable evidence must be provided demonstrating that a system is in place to deliver the following:

- Correct use of certification documents
- Correct entry of certification information to the Transport Agency's systems
- Correct use of other administrative processes and documents that are not directly related to vehicle inspections but are nonetheless part of the overall process
- All staff involved in the administration of the inspection process are competent for the roles they perform

An effective quality system will ensure that all administrative tasks are undertaken in accordance with the VIRM and any other requirements that the Transport Agency imposes.

Evidence may be in the form of a paper or electronic record. The record must verify what requirements have been met, by whom, how the requirements have been met and when.

Resources

IOs are required to provide resources to enable a VI and other staff to apply the Transport Agency's requirements correctly throughout the vehicle inspection process.

Auditable evidence must be provided that the following resources are available:

- Facilities that comply
- Technical equipment for appropriate use in the inspection process
- Administrative equipment for appropriate use in the inspection process
- Technical information
- Certification documents
- Certification staff

An effective quality system will ensure that all resources comply with the requirements of the Transport Agency.

Evidence may be in the form of a paper or electronic record. The record must verify what requirements have been met, by whom, how the requirements have been met and when.

Management

IOs are required to manage properly the parts of their operation that support their certification work. Auditable evidence must be provided that there is a system in place to manage the following:

- VI competence (skill and knowledge)

- Facilities
- Equipment
- Technical information
- Certification documents
- Electronic certification information
- Certification staff
- Certification time

An effective quality system offers management systems that cover all certification tasks, thereby demonstrating that they have been undertaken in accordance with the VIRM and any other requirements the Transport Agency imposes.

Evidence may be in the form of a paper or electronic record. The record must verify what requirements have been met, by whom, how the requirements have been met and when.

Performance improvement

IOs are required to develop and foster a culture of willing compliance, a key aim of which is to ensure that all staff involved in the certification process consistently meet the Transport Agency's requirements.

Auditable evidence must be provided to demonstrate that processes are in place to show:

- Commitment to improvement
- Regular Internal Performance Assessments
- Correct handling of complaints
- Commitment to the Transport Agency's requirements

An effective QMS will ensure that the Transport Agency's requirements are met through willing compliance.

Evidence may be in the form of a paper or electronic record. The record must verify what requirements have been met, by whom, how the requirements have been met and when.

Using performance management to improve performance

IOs will review their own performance and identify any opportunities for improvement.

BENEFITS OF GOOD PERFORMANCE

The performance assessments implemented by Transport Agency representatives are designed to monitor and evaluate performance.

The Transport Agency will reward good performance ratings by reducing the frequency of performance assessment visits. This will reduce any disruption to your business caused by performance assessments and give certifiers confidence that they are meeting set requirements.

PENALTIES FOR POOR PERFORMANCE

Poor performance assessments will reduce the Transport Agency's confidence in you as a certifier. Such ratings will mean more performance assessment visits so that your performance can be more closely monitored. Poor ratings will increase the cost to you in both performance assessment fees and the possible disruptions to your business caused by performance assessments. We hope this will encourage you to use the results of these assessments to improve your performance.

ENFORCEMENT ACTION

We are confident that most certifiers will respond positively to the performance assessment approach and use their QMS to help improve their performance. When certifiers fail to respond positively and continue to breach requirements, this will be identified by performance assessments. In these cases the Transport Agency will focus its enforcement and investigation resources on obtaining evidence of breaches of requirements.

CONTINUED POOR PERFORMANCE

Clear evidence of persistently unacceptable performance will lead to disciplinary action. If certifiers fail to respond to warnings or suspension action, evidence gained during assessments will be used to support the case for withdrawal of their Notices of Appointment.

Working together in partnership

An IO is expected to foster a spirit of willing compliance and develop a culture that enables the organisation to meet the Transport Agency's requirements.

The Transport Agency's aim is to work together with IOs and VIs openly and transparently to achieve our joint goals of high standards of certification, leading to an improvement in road safety.