

# LCA Requirements for an Internal Audit Clarification & Guidelines

**Assessors are finding a wide variation in the content of internal audits completed by service providers in assessing how they match up to the nine Service Provider Commitments to which they have committed themselves through their Statement of Compliance.**

**This document is to guide you in what the LCA Assessor is looking for when he assesses your compliance with the internal audit section (Commitment No.7) of the Code of Conduct. You may find it useful to work to this format.**

The first point, which has been emphasised many times in previous LCA guidance notes and on Training Days and Open Days, is that the internal audit is an audit of your management system and procedures to assess how you measure up to the nine Service Provider Commitments of the Code of Conduct. It is NOT an internal audit of the standard of service that you provide to your customers, though, in assessing how you measure up to the Code, you will, on assessing some of the commitments, refer to some of your customer records.

There are certain key points that the LCA Assessor will be looking for when conducting his assessment of your compliance with the internal audit section of the Code. These are summarised below.

**Your internal audit should ask the following questions about each of the **first eight** Service Provider Commitments:**

- Is there a procedure in place to cover this section?
- What is the procedure called or numbered?
- Is it referenced correctly in the Statement of Compliance?
- Does the procedure correctly describe the actions that are taken?
- Is the procedure still relevant or does it need updating due to change in work practices?
- What evidence is there to show that procedures are being followed?

**For the **ninth** Service Provider Commitment (Distribution of the Code), your internal audit should ask:**

- Is there a mechanism in place to cover this section?
- Is it detailed in the Statement of Compliance?
- Does it ensure that all clients have access to current copies of the Code and your Certificate?

**There are other key factors that the Assessor will be expecting. These relate to the way in which you conduct your internal audit:**

- Internal audits should be conducted at least annually.
- The internal audit document should be dated and contain the name and position of the person conducting the audit.
- A clear reference should be given to each of the documents audited and the evidence gathered so that the audit can be traced back.
- Where the audit reveals a non-conformance, the audit document should:
  - indicate what action will be taken to correct the non-conformance,
  - who will be responsible for completing this action,
  - the date by which completion is planned, and
  - who will then verify that the action has been completed.
- The date by which the next internal audit is to be conducted should also be indicated on the document.
- The document should be signed by the internal auditor and by the person who verifies the audit.

## **An important final note:**

If you are an existing member of the LCA re-registering, then the LCA Secretariat requires you to submit an example of your last completed internal audit, in the format you currently use. You should be working towards ensuring that your internal audit follows the standard outlined in this clarification note before your next internal audit takes place or before your next company audit (whichever comes first).

If you are not yet a full member of the LCA and you are submitting your documents in application for registration for the first time, then the Assessor in checking your documents will be expecting to see an internal audit procedure written to the standard described in this clarification note, and evidence that you have carried out a dry-run on your internal audit procedure.