

# SFC – complaints procedure successfully put to test

Five years on from its launch, New Zealand’s Steel Fabrication Certification (SFC) scheme has been a great success. Approximately 88% of structural steel is fabricated by SFC certified fabricators, with several more businesses well on their way to certification.

Meeting SFC’s prescribed international best-practice standards presents challenges in terms of the procedural and personnel qualification requirements. For some companies, especially those that have been running serious QA regimes such as to the ISO/NZS 9000 series of standards, meeting the requirements is very workable, but for some the demands present a steep learning curve.

SFC, which was jointly developed by HERA and SCNZ, relies on a strict audit regime provided by independent, not-for-profit HERA Certification. The auditing process requires that companies demonstrate compliance with the requirements of the scheme, including having the correct procedures and suitably qualified personnel in place. A company’s certification is only provided if all requirements have been met. HERA Certification is, in turn, audited by its provider, the International Institute of Welding (IIW).

Central to the scheme is its focus on continuous improvement. To ensure the integrity of SFC, there is a robust complaints process whereby certified fabricators are held to account when things don’t go as they should.

*“External Complaints are defined as any expression of dissatisfaction related to the quality of the steelwork fabricated by the Certified Fabricator and other related matters made in writing by an external individual or organisation.”* – SFC complaints procedure

## Case study – SFC complaints procedure

The first complaint was lodged in 2017 by an inspection services provider (complainant) contracted to inspect the work of an SFC-qualified company.

While complaints are made to the SFC scheme manager, whose role it is to inform the certified fabricator (the respondent) the complaint has been made against them, the actual complaints process is handled independently by the HERA Certification Ltd.’s Certification Panel under the guidance of its Chair.

Following the formal complaint, the process provides time for the respondent to provide a response. All details are recorded and captured in a report for the Certification Panel.

In this instance, the complainant provided a detailed inspection report highlighting where contractually agreed specifications were not met and voiced their concerns that the work did not comply with SFC requirements.

The root cause of the non-conformity was narrowed down to four factors:

1. Lack of welding supervision and time pressure to get the work out the door on time on the day
2. In-house inspections (visual scanning of welds) were not performed and documented
3. Failure of welders to fabricate welds in accordance with the welding procedures and underlying quality requirements of AS/NZS 1554.1
4. Third-party inspection detailed in the engineer’s specification was not performed before despatching items.

It pointed to the fabricator's failure to comply with the SFC scheme and the underlying welding quality management standard AS/NZS ISO 3834.2. Weld quality is at the centre of SFC, and the International Institute of Welding's Manufacturer Certification Scheme IIW MCS ISO 3834 is a key certification plank. The non-conformity could have been avoided if the system had been maintained properly.

## Resolution

Depending on the scenario, the complaint procedure may lead to action ranging from the fabricator working with the complainant to make good on the issue to immediate suspension of the certification.

In this case, the Certification Panel acknowledged the open and cooperative letter from the respondent, which included their full acceptance of the complaint, described the root cause and their proposed approach to remedying the shortcomings in their QA process. It also required evidence that the non-compliant steelwork was repaired in compliance with the standard and approved to the satisfaction of the complainant.

As a result, the Panel agreed that this situation didn't warrant suspension, opting instead for a formal warning and a series of corrective actions.

Actions included being put on the auditor's watchlist for a period of one year from the respondent accepting the ruling. During this period HERA Certifications indicated that it would perform at least one and, if any non-conformances were found, up to three unannounced audits at the respondent's cost in addition to the scheduled ones. The respondent was also required to provide full QA documentation for selected completed projects, including third-party inspection reports for review.

As personnel had changed within the organisation, the respondent also agreed to implement a training programme for the welding coordination team and welders to address the root cause.

The auditor's final report confirmed that all proposed actions were implemented satisfactorily.

*"I am happy with the professional handling and response taken by the HERA Certification Panel in respect to my complaint. I have been constantly advised and updated on how this was being addressed. As a result of this experience I believe the HERA/SCNZ complaints procedure has proven to be open and cooperative and, as such, this has helped allay my concerns around the accountability of its members under the SFC scheme." – Complainant*

## Proactive industry engagement

SFC's aim is to deliver compliant steelwork every time and, as the scheme is not a continuous product quality verification process, constructive industry feedback is an important part of successfully maintaining SFC.

This approach is good for our whole industry – helping to ensure compliant and reliable product is delivered to customers, and boosting confidence in and credibility of New Zealand's structural steel sector.