

REGULATORY AUDITS

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Background

This information bulletin explains regulatory audits as an inspection practice at Technical Safety BC, including who can be audited, the audit process, and the potential consequences of non-compliance with legislative requirements.

This bulletin applies to the following technologies: amusement devices, boilers, pressure vessels and refrigeration, electrical, elevating devices, gas, and passenger ropeways.

For the purposes of this document, the term “duty holder” refers to any person (individual or company) who advertises, performs, and/or authorizes the performance of regulated work in British Columbia. Regulated work includes the installation, operation, maintenance, decommissioning, and/or disposing of regulated products and equipment.

What is a Regulatory Audit?

A regulatory audit is a type of inspection. It is an in-depth examination of a duty holder’s records, processes, and practices to determine their level of compliance with the Safety Standards Act (“The Act”), associated regulations, and Technical Safety BC’s safety orders and directives.

During a regulatory audit, compliance can be assessed in relation to **one or more** legislative requirements, which may include, but are not limited to the following:

- Licensing: e.g., does the duty holder have a valid licence in all technologies they manage or perform regulated work? Is the licensed contractor fulfilling their [legal responsibilities](#)?
- Certification: e.g., does the duty holder have a valid certificate of qualification for the type of regulated work performed?
- Permitting: e.g., are the appropriate permits being obtained before regulated work is performed and/or before the use of a regulated product?
- Reporting: e.g., are incidents being reported as required? Do compliance declarations accurately reflect the status of work performed?
- Payment of fees: e.g., are all invoices paid by the due date?

- Offering and advertising regulated work: e.g., do all advertisements comply with Technical Safety BC's Advertising Guidelines?
- Installation, operation, maintenance, and decommissioning of technical systems and equipment: e.g., does the regulated work performed meet safety standards? Are non-compliances corrected within the timeframe prescribed by the safety officer?

Who Can Be Audited?

Any duty holder (individual or company) who advertises, performs, and/or authorizes the performance of regulated work in British Columbia may be audited.

While any duty holder may be randomly selected for an audit, at any time, there are some factors that Technical Safety BC considers when determining audit candidates:

- An investigation or event warrants an in-depth examination of records, processes, and practices to determine compliance with safety standards.
- A non-compliance(s) has been identified after an enforcement action was taken (e.g., compliance order, discipline order, or monetary penalty).
- When technical safety risks are known or suspected to exist.
- To gain a better understanding of a duty holder's participation and connection to the safety system. This includes the suspected performance of unlicensed and/or unpermitted work.

Duty holders who have been selected for an audit must cooperate with the safety officer or safety manager throughout the audit process and provide them with any assistance necessary. This legal obligation is outlined in section 19(1) of the Safety Standards Act. Failure to cooperate or provide the necessary assistance may result in the issuance of a compliance order under section 38 of the Safety Standards Act.

What Does the Audit Process Look Like?

Technical Safety BC will contact the duty holder in advance to schedule the audit and provide them with information regarding the process. The process may include, but is not limited to:

- collecting and reviewing relevant records (e.g., invoices, employee records, etc.);
- reviewing business and/or administrative processes;
- conducting interviews with the duty holder and/or their employees; and
- conducting field evaluations (e.g., site or equipment inspections).

Once the regulatory audit has been conducted, Technical Safety BC will present their preliminary findings to the duty holder. The duty holder will be provided with an opportunity to respond to the preliminary findings, including the submission of any

information/evidence they would like Technical Safety BC to consider before issuing the final audit report.

Possible outcomes

A final audit report, outlining the evidence considered and findings established, will be issued to the duty holder at the conclusion of the audit. Possible outcomes include:

- No significant non-compliance findings were identified: the audit is concluded with no further action taken.
- A non-compliance was identified:
 - The duty holder will be fully informed of the non-compliances identified and provided with an opportunity to submit a plan to correct them, including any steps they plan to take to maintain compliance moving forward (i.e., compliance management plan).
 - Technical Safety BC will assess the duty holder's plan for appropriateness (e.g., reasonable, sustainable) and, if accepted, may monitor the duty holder's conformance with their plan.
 - Enforcement actions, proportionate to the non-compliances identified, may be taken (e.g., discipline order, compliance order, monetary penalty, and/or the suspension or revocation of the contractor's licence). If the duty holder disagrees with the action, they may dispute the action through the safety manager review or appeal process.

Regulatory Audit Fees

Regulatory audits are subject to an administrative fee which is applied on a per hour basis. In the event the audit does not identify any significant findings of non-compliance, this fee may be waived. For more information, please visit our website at:

<https://www.technicalsaftybc.ca/>

Legislative Authority to Perform Audits

Under section 1 of the Safety Standards Act the term "inspect" includes audit. This means that wherever the term "inspect" or "inspection" is used in the legislation, the authority to conduct an audit exists.

Section 18 of the Safety Standards Act provides safety officers and safety managers with the authority to conduct audits, including the ability to:

- Enter any premises to inspect regulated work, regulated products, and records respecting regulated work or regulated products.
- Require a person to provide evidence that they are complying with the Safety Standards Act and associated regulations.
- Require a person to provide evidence that they are complying with any

enforcement actions taken by Technical Safety BC and/or any decision made by the Safety Standards Appeal Board.

- Require a person to produce any record for inspection and to temporarily remove a record from site to copy it.

References

[Safety Standards Act](#)

[Safety Standards General Regulation](#)