

Audit report

Butuan City Water District

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Audit report

Client		Audit team	
Name of organisation: Butuan City Water District		Name:	Role:
Address: Gov. Jose A. Rosales Avenue, Butuan City, Philippines			
Client representative (name and role): ENGR. ANSELMO L. SANG TIAN – General Manager		Kim Winston Pajares Estrella Buenaventura Dr. Ryan Liba	Lead Auditor Auditor Auditor

Audit		
Standard(s)	In case of multi standards, indicate whether the audit is:	Type of audit:
1. ISO 9001:2015 2. 3.	Combined <input type="checkbox"/> Joined <input type="checkbox"/>	<input type="checkbox"/> Initial stage 1 <input type="checkbox"/> Initial stage 2, <input type="checkbox"/> Recertification <input type="checkbox"/> Surveillance 1 <input checked="" type="checkbox"/> Surveillance 2 <input type="checkbox"/> Special audit (specify):
Audit Locations:		Audit dates:
Address: Gov. Jose A. Rosales Avenue, Butuan City, Philippines Pump Station # 17 Location Brgy. Taguibo, Butuan City	Type of site Government building Pumping station	12 Jan 2021
Recommended scope: Provision of Water Supply		In case of different scopes according to sites and or standards or if scope has been extended, reduced, adjusted compared to last audit, specify:

Recommendation from audit team: tick appropriate box

- Certification (subject to satisfactory closure of corrective actions)
- Certification suspension
- Certification withdrawal
- Recertification (subject to satisfactory closure of corrective actions)
- Certification maintenance (subject to satisfactory closure of corrective actions)

Total number of nonconformities and observations raised*:

*: matrix attached

Client signature (for acceptance of the above details only)

Lead auditor signature

1. Introduction to client / general comments:

(Any useful information to help understanding the context of the audit: economic, geographic situation for EMS audits, hazards for OHSMS, etc.)

Context

For the 2nd half of 2019, the 2020 budget was prepared smoothly, with no untoward issues. Performance was strong in terms of achieving targets, with bonuses even provided as a result. Plans for additional personnel was in place and was still carried out. Wash areas were put in place in the city as support for the city's barangays and its residents.

1st half of 2020 was focused on structuring financial condition to adapt to the conditions of the COVID pandemic. Partial operation of the office was done from Mar-May during lockdowns, response was to have people work from home or via skeletal 3-day periods work arrangements. No terminations of personnel, rather additional personnel were able to be hired. Debt relief was provided by DBP to augment the finances. Savings from previous periods were also utilized. Sustainability of finances is seen by the management as stable.

No collection for the period as well and restored last June. Some activities were deferred due to the pandemic mandated lockdowns and restrictions on gatherings, such as celebration party for 46th anniversary, family day celebration, Christmas parties, trainings, and travel.

Bulk water provider was affected as parts and technicians from Korea were not able to travel to the sites. Disruption of supply was encountered as a result, controlled by water distribution via tanker. Text blast was done so the consumers can adjust. Technicians were able to arrive by October. Prevention of shortages are to be controlled by drilling for emergency wells and implementation of the bulk water provider.

Equipment and stations conditions were still able to be kept operational, only minor issues on shipment of parts from Manila.

Increase in consumers was slower than expected but still climbing. 3 Barangays suspended adding more clients due to potential supply concerns. 230 new connections per month are targeted for the year as its direction. Tankers are eyed as the option to supply for high elevation areas. Groundwater is still seen to have stable supply.

Interested parties' needs and expectations were documented in the manual

- Local Water Utilities Administration (LWUA)- timely submission of reports and requirements
- Concessionaires / Customer - 24/7 water service, updated information on new policies, water interruption schedule
- NWRB - Compliance to legal requirements, timely submission of reports
- DOH - Compliance to legal requirements, Accredited laboratory
- TASC - Allocation and water rates
- EMB - Compliance to legal requirements, timely submission of reports
- Suppliers - Timely release of payment, complete information regarding product specification
- Employees- timely release of salaries
- General Manager- timely release of reports
- ANECO - Supply of electricity

Scope is still established to be accurate, as provision of water supply.

Quality policy was reviewed and remained the same for the commitment statements.

Pump Station 1 Alviola Village, Baan km3, Butuan city now houses the property office and supply warehouse

Organizational structure changes included retirement of AGM, substituted with OIC.

2. Significant changes since last audit:

Company name Code Top management
 Main site or other site address Staff Policy
 Scope of certification Function process

In case one or more of the boxes is/are ticked, comment:

Pump Station 1 Alviola Village, Baan km3, Butuan city now houses the property office and supply warehouse
 Organizational structure changes included retirement of AGM, substituted with OIC.

3. Deviations of audit plan and reasons:

Yes No

If yes provide details:

PAMD included as part of auditing maintenance aspect to complete coverage of maintenance for equipment, pumping stations, and pipelines as part of the "Maintenance" entry in audit plan.

4. Audit findings:

Summary of conformity:

Note: All evidence sets captured below were gathered using the screen sharing and video conferencing features of Google Meet platform

Maintenance (GS, Calibration, Operations Maintenance)

Sampled Risks:

- Customer Complaints
- Breakdown of filtration plant
- Breakdown of booster pumps
- Contamination of Water Supply
- Required Water Pressure not met
- Chlorine Leakage / Excessive/ Under Chlorine
- Non-compliant water quality

Sampled Opportunities:

- Improvement of Pumping Station 1
- Provision of better WH

Maintenance plan for June 2019 and June 2020 - presented

Personnel are seen available in the operation which are both seen competent and aware of their function .

Machineries and equipment are seen (2 units of PRV, Generator at PS1, measuring equipment (Turbidity Meter, Chlorimeter, etc)
 Maintenance is conducted (with actual seen at Filtration Station)
 3 Units of leak detector equipment - checked and inspected / Aquascope / Zonescan
 Maintenance frequency is as per schedule
 Maintenance includes Ground and Sanitation, Motor Controls, Tanks, Fabrication Works, Lighting and other. Sampled records were for all locations for months of June-Dec 2019 and Jan-June 2020 which are all properly presented.
 7 units Automatic Microfilters and Automatic Brush Filters- 2 two under repair
 Total 5 sampled: Pump Station # 17 Location Brgy. Tagibo, Butuan City: (Motor Controls and Submersible Pumps, Control Panel, Well Casting, Pipe Columns, Power Supply, Auxillary Power Supply, Standby Generator set ,Treatment Facility)
 Maintenance and Motor Control checked for the month of July 2019, August 2019 and Sept 2019
 Calibration of equipment seen valid: Water Bath (2018SMCS09872), Autoclave (2018SMCS09874) Pocket Colorimeter (2018SMCS09881) Online Turbidity Meter (2018SMCS09883 Spectrophotometer (2018SMCS09870)Turbidity Meter (2018SMCS09879)
 James Polistico competency record was checked

Building Maintenance

Fire Safety Inspection Certificate (#R13ADN1-19-09 -2403) valid until Sept 23,2020
 Report on Building Equipment and Appliances - presented
 Load Monitoring (Electrical) - presented (No Issue)
 Request for Pre-Repair Inspection for Aircon Status - presented (date April 13, 2020 RMR #20-04-004 completion of Maintenance & Repair).

Vehicle Maintenance

Auto Mechanic Schedule -presented
 Competency checked assigned Mechanic -EAC with Certificate # 26100283
 Quarterly schedule - presented
 Vehicle List - presented
 Maintenance Records checked (Request for Maintenance, Pre-Inspection and Completion of Maintenance) such for sampled:
 Date Feb 17,2020 RMR #20-02-009-BB - Back Hoe Kato
 Date Feb10,2020 RMR #20-02-008BB – Mini Dump Truck Plate #SHR-165
 Jun 18,2019 RMR #19-06-006A – Admin Generator Set
 Date July 13,2019 RMR #19-07-065A – Water Tanker Truck

HR Recruitment and Training

Risk: COVID infection on recruitment process
 Control: switching to virtual exam provision and interview
 Risk: in-house trainings not being carried out due to restriction on gathering
 Control: availing external virtual trainings

Opportunity: HR Prime adherence
 Control: setting up of HRIS

Objective: “Good” result of feedback from trainings, 100% of trainings completed on schedule
 Accomplishment: “Very Good” result from training feedback, and on schedule – target met
 Objective: PSB Applicants minimum requirements prepared and assisted with acceptable result and on schedule
 Accomplishment: 1/1 applicants prepared and assisted prior to due date – target met

Water district personnel is at 158 permanent and 58 COS

Reference process for recruitment and hiring is the
 Personnel Recruitment and Promotion DPM-AD-PRP rev02 as of 20 Mar 2020

Sampled implementation of recruitment and hiring

Position requirements for competency for industrial relations development officer item 64 SG15-1
 Bachelor's degree, 1 year of relevant experience, 4hrs relevant training, CSC eligibility 2nd level
 Applicant profile for employee CTF
 BS Accountancy, MA in Public Administration, 9 years relevant experience, 112hrs trainings, CSC professional eligibility – all complied
 Comparative assessment of applicants done on 31 Oct 2019
 Appointment letter signed on 16 Mar 2020

Position requirements for competency for Cashier item 94 SG 16
 Bachelor's degree, 1yr relevant experience, 4hrs relevant training, CSC eligibility 2nd level
 Applicant profile employee GDT
 BS Accounting, MA Public Administration, 29 years relevant experience, 120hrs training, CSC Professional and Sub-Professional eligibility – all complied
 Comparative assessment of applicants done on 12 Nov 2019
 Appointment letter signed on 9 Jun 2020

Position requirements for competency for Supervising Material Planning Officer item 64 SG19
 Bachelor's degree relevant to the job, 2 years relevant experience, 8hrs relevant training, CSC eligibility 2nd level

Applicant profile for employee JYT
 BS Civil Engineering, MA Business Administration, 17yrs relevant experience, 264hrs relevant training, CSC professional eligibility – all complied
 Comparative assessment of applicants done on 12 Nov 2019
 Appointment letter signed on 16 Mar 2020

Training of Personnel DPM-ASD-TOP rev01 as of 10 May 2019
 Training requirements are determined by the annual training program

Sampled were:

Supervisory Development Course Module 2 – Supervision: a challenge and a commitment dated 14-15 Aug 2019

Supervisory Development Course Module 4 – Communication: The secret to organizational effectiveness dated 29-30 Oct 2019

Frontline Service Management Seminar dated 24-26 Jul 2019

Freedom of information compliance consultation and workshop for local districts in Luzon, Visayas and Mindanao dated 12 Nov 2019

Basic Customer Service Skills Seminar dated 21-22 2019

Employee orientation dated 31 Aug 2019

QMS Awareness Workshop dated 16-19 Jun 2020

Checking of effectiveness of trainings are being done via post activity evaluations

sampled were:

employee RBA attended Basic Customer Service Skill Seminar; evaluation was done on 14 Jan 2020 by his immediate head, as well as self-assessment was presented

employee MTR attended Frontline Service Management Seminar; evaluation was done on 29 Aug 2019 as well as self-assessment was presented

employee MKI attended Supervisory Development Course Module 2; evaluation was done on 18 Sept 2019 as well as self-assessment was presented

employee AMD attended Supervisory Development Course Module 4; evaluation was done on 16 Dec 2019 as well as self-assessment was presented

Documented Information

DCC employee RT appointed on June 2020 Document Controller checked competency.

Procedure is defined in SCM-BCWD-COD rev. 0, and SCM-BCWD-COR, rev. 0

Document Change Request is used for the review and approval of the documented information

Sampled DCRs:

01-2020 - rev. 1 of FM-DPM-PGS-(01-RFQ ,02 APQ,03 OR and 04 DR)

045-2020 - rev. 1 of FM-DPM-BCWD-DRBCM-01 to 05

016-2019-Document Code Number DPM-MSD-PSRS to deletion

Review and approval is also in the documents itself

Distribution and retrieval is controlled using the Distribution List - presented for the above samples

Marking seen includes "Master Copy" in red ink; "Controlled Copy"; "Obsolete"; - which are seen in the sampled records above

Only the obsolete masterlist is kept, while obsolete controlled copy is immediately discarded

Master list is also presented including for internal and external documents
Records retention is defined in the Records Matrix

Procurement and Supply Management

Risk: purchasing of low-quality items

Control: policies in place to ensure that items fall within the terms of specifications

Opportunity: ease of procurement of goods and services

Control: possible acquisition of SAP program

Target: 100% accurate with 100% accounted for PPMP, within 10 working days from receipt

Accomplishment: 100% accurate with 100% accounted for PPMP, within 5 working days from receipt – target met

Sampled implementation of controls for agreements with suppliers/service providers

Transaction: procurement of water inserts with requirements of 5949 pcs of 1/2" - diameter water meter insert, to be delivered 8-10 weeks from date of NTP

References:

purchase request EN 19-10-084 dated 2 Oct 2019

purchase order 19-12-877 dated 5 Dec 2019

receiving report 31 Jan 2020

inspection and acceptance report for delivery of supplier XD Ever Transformer Service dated 31 Jan 2020

Transaction: procurement of 1 photocopier with requirements of 15000-20000 copy capacity, letter, A4, legal size capacity, 1200x1200 dpi resolution, ADF/duplex scan to USB, electronic sorting capacity, delivery and training of machine usage inclusive, maintenance service post sale, to be delivered as soon as available

References:

purchase request FN 20-01-04 dated 30 Jan 2020

purchase order 20-02-109 dated 7 Feb 2020

receiving report dated 19 Feb 2020 for delivery dated 17 Feb 2020

acceptance certificate for delivery for supplier Photopro Trading dated 17 Feb 2020

Transaction: procurement of with requirements of 400 pcs of collert 18 snap packs, 600 bottles 120mL shrink banded vessel w/ NaS2O4 reagent, 400 pcs quanti-tray 51 well, to be delivered 1 month from receipt of PO

References:

purchase request PD 19-11837 dated 11 Nov 2019

purchase order 19-11-848 dated 22 Nov 2019

certificate of acceptance for supplier Brownstone Asia Tech. Inc.

dated 9 Dec 2019

receiving report dated 11 Dec 2019

Evaluation of external providers' performance is done monthly for active external providers with transactions

sampled were:

-Photopro Trading (photocopier, supplier of toner) with score of 95/95 (Very Satisfactory), with for improvement on delivery based on evaluation dated 17 Feb 2020

-Timercity Jetti Gas Station (fuel provider) with score of 85/85 (Very Satisfactory) based on evaluation dated 29 Dec 2019

-XD Ever Transformer Service (supplier of water meter inserts) with score of 100/100 based on evaluation on 30 Jan 2020

Commercial Services Dept

Frontline Services and Customer Satisfaction

These are checked and addressed by the organization thru google meet. (June2019-June 2020)

Objective: 100% of the complaints are acted without undue delay

100% of customers' needs received/entertained acted.

Customer satisfaction is generally gathered thru the survey tool given to clients going in the office (survey tool presented).

Seven criteria were identified (including courtesy of employee, quality of service, water quality, availability of water, overall satisfaction, etc) and rated in 5 rating (Very Dissatisfies, Dissatisfied, Undecided, Satisfied, Very Satisfied).

Result are summarized 3rd quarterly with 178 respondents (131 73.60% very satisfied courtesy of employee)120 respondents of 67.42% very satisfied with the technical skills and knowledge,116 respondents 65.04% very satisfied with water quality ,110 respondents 61.80% availability of water daily,122 respondents 68.54% very satisfied with overall service experience.

Customer Feedback Tally Jan-Nov 2020 feedbacks-85.94%

Dissatisfaction is also checked and referred to the complaints.

Complaints are received thru various mode from the survey, phone calls and text messages received as well as actual onsite complaints of the clients.

The accomplishment of the Inspection Order. sampled: #I2001-0671, #12002-0259, #12003-0313

Complaint and requests are summarized monthly with status also being monitored and were addressed, and some complaints are addressed zero pending.

Reporting and monitoring are presented (eg: Call Center Report - from June 2019 to June 2020).

Complaints and Services Request covering from June 2019- to June 2020) sampled: July 2019-274, Sept 2019 -291 and Jan.2020-264 (Dirty & Sandy Water, Taste/Odor, Low Water pressure, High Air Pressure, High Consumption, Request Flushing and No Water) sampled: Service Request #CO9-0099- JSY, #CO1-0038-IYI

Maintenance Order covering from June 2019-274/ to June 2020) sampled: July 2019- 3241, Sept 2019 -2818 and Jan.2020-2427 (Withdrawn WM after Disco, Meter test/calibration, Change stuck-up/blurred meter, Elevate rehab meter, Re-open, Leak meter standard, Installed/detached water meter, Leakages, Request closure Check-up water meter) sampled: Maintenance Order #MO7-

Engineering

Risk/Opportunity and Controls (2019-2020)

Risk. Designed not appropriate to the site.

Control. Hire additional staff, establish training for the staff, conduct seminars/training; proper site /field inspection; proper evaluation of detailed plan

Quality Objectives and Action to achieve them (2019-2020)

Quality Objective. Design the newly requested lines (50 mm) HDPE within 10 working days.

Action Plan. Work thoroughly covered, design, pan, BOM, and POW prepared and submitted.

Actual: 8 working days (first semester of CY 2020)

Engineering Department (Design) Procedure

Detailed Engineering Design and Programming (DP-ED-DEDP, effective 02-28-19, rev0)

Sampled project – Putting Bato, Brgy. Pinamangalan – RRHH, Butuan City.

Inputs and Controls

The length of pipe is 300 linear meters.

Location and Detailed Plan/Drawing completed last May 15, 2020, requested last May 7, 2020 was presented. Signed by the supervising instrument technician, OIC Engineering Department, and approved by GM.

The Bill of Labor Materials (BOM) Signed by the supervising instrument technician, OIC Engineering Department, and approved by GM. dated May 15, 2020 was presented.

The program of Work (POW) Signed by the supervising instrument technician, OIC Engineering Department, and approved by GM dated May 15, 2020 was presented.

Output

The accomplishment report that the project dated June 5, 2020 was completed in accordance with the drawing last June 2, 2020 was also presented.

Pictures were provided that the project had been implemented as planned.

Disinfection Status Report dated June 9, 2020 was presented. Chlorine Residual and Bacteriological tests passed.

PAMD

Risk/Opportunity and Controls as of January 4, 2021.

Manpower shortage in responding to urgent orders. Utilize rehab teams.

Lack of materials specifically citi clock and GI Plug. Utilize retrieved citi lock and GI plug cap. And reassemble selected cluster to pull out unused plug.

Quality Objectives and Action to achieve them

Quality Objective. Implementation of water meter maintenance (replacement of 5-year-old water meter).

Target. 3,000 water meters replaced (January-June 2020), within 6 months.

Action Plan. Monitoring of the water meters for replacements.

Actual: 2,075 water meters (Jan-June 2020), not attained. Due to COVI-19 pandemic.

Operational Controls for PAMD Procedure

Water meter maintenance program (DPM-PAMO-WMMP effective 2/28/2018, rev 0)

Sampled concessionaire – Sanchez, Edena/Gilbert – Account Number 203-12-6940, control number 203-40222-3. Replaced last June 3, 2020.

Water meter Maintenance program – Daily Activities and Accomplishment Report dated June 3, 2020 was presented.

Acknowledgement Receipt for change meter dated June 3, 2020 was presented.

Implementing Maintenance and Service Request order (DPM-PAMD-IMSRO, effective October 30, 2020, rev0)
 Sampled Pipeline Maintenance Order – maintenance report Responding to complaint of no water was last May 2020 was presented.

Service order and report for no water complaint was presented for the sampled concessionaire – Mo No. C05-0028. Angac, Allan/Rosmenda 207-12-4847, located at PK3A, Brgy. Lumbocan, Butuan City thru Sherlane Villa. It was accomplished by the maintenance personnel last May 12, 2020

Service order and report for no water complaint was presented for the sampled concessionaire – MO No. C05-0021, Mabatid, Amy Godofredo located at B1 L7 Ideal Homes Libertad, Butuan City. It was accomplished by the maintenance personnel last May 11, 2020.

Internal Audit

Internal audit program was presented, audit performance is done 2 times per year in 2019 with partial coverage per instance and shifted to once per year in 2020 with full coverage.

The 2019 audit was done on the following dates:

29 Apr – 3 May 2019 and 27 Aug – 18 Sept 2019

No changes were made to the internal audit team members, previously noted trainings are still valid.

Checking the audit plans, the processes and clauses were seen to be complete

Audit findings amounted to the following:

29 Apr – 3 May 2019

18 NCs, 18 observations

27 Aug – 18 Sept 2019

0 NCs, 22 observations

Checklists sampled:

- Internal Audit
- Management Review/Top Management
- Operations – Customer care
- Operations – Distribution

Closure of the CARs issued were seen to have no undue delay based on the presented commit dates by the process owners.

The 4 remaining open CARs include long-term actions for improving water quality, with ongoing monitoring of effectiveness.

Audit report was presented to top management on the on 31 Jul 2020

Management Review

The following management review minutes (ManCom Meetings, Staff Meeting, Strat Planning meetings, etc.) were presented:
 Performances/Objectives/Monitoring results: 31 Jul 2019, management feedback of asking for action plans for parameters that struggle such as for dormant accounts, status updates appreciated for ongoing projects, expedite payment process for hydro testing among others, Brgy Anticala for surveying, etc.

Risks and Opportunities: 14 Aug 2019 meeting, management feedback of ensuring that controls for COVID are OK

Internal audit Results: 14 Aug 2019 meeting, management feedback of don't worry about findings as they improve the system

Customer satisfaction and complaints: 14 Aug 2019 meeting, management feedback of have personnel undergo customer relations trainings for complained personnel

Performance of External Providers: 14 Aug 2019 meeting, no management feedback

Resources: 24 Sept 2019, management feedback of make sure next budget is also on time

Non-conformances, follow up from previous meetings: 31 Jul 2019 and 16 Aug 2019, waterless situation in Emenville for further investigation; leaks found in Baan, for coordination with NRW team for better leak detection, interconnection done

Improvement projects identified:

- Improvement of water pressure in elevated areas via additional pipelines in partnership with the DPWH
- New pipeline along new highway to supply to additional clients
- Acquisition of consultant to improve non-revenue water performance
- Evaluate if it is possible to hire additional personnel to fill up open positions

Positive findings:

- Commitment of the organization to implementing ISO certification is appreciated, completion of this cycle is worth congratulating
- Acting as front liners even during the pandemic is appreciate
- Teamwork among members of the organization is very apparent
- Personnel interviewed showed good command of their respective processes
- Leadership and guidance of the top management to the organization in the middle of the pandemic is commendable
- Growth of the number of personnel in the middle of the pandemic when other organizations are having retrenchments, is also commendable

Opportunities for improvement:

- HR may wish to coach respondents during post training evaluation to get better and more useful information consistently
- The procurement team may wish to improve monitoring tools used to calculate the data more presently to be used for OPCR's rather than having to calculate every scoring period
- Check viability of naming each meeting documented to identify as possible for presentation to external audit, and to ease retrieval during next external audits of management review

Reference to major and minor NC and observations being raised on attached matrix:

Number of major non conformities	0
Number of minor non conformities	0
Number of observations	8

5. Use of certification documents and marks

- Is the use of certification documents and marks correct on exhaustive supports?

Yes No If yes, specify:

Certification and accreditation marks are not being used by the organization

6. Audit programme

- Are there any significant issues impacting on audit program (audit duration, auditor competency, sufficient coverage)?

Yes No If yes, specify:

7. Unresolved issues:

- Are there any unresolved issues by the end of closing meeting that would lead to appeal complaint, or other?

Yes No If yes, specify:

N/A

By signing the first page of this report, the audit manager confirms that:

- the objectives of the audit have been met and that the recommendation shown on first page of this report reflects the relevance and the ability of the management system to achieve the expected results
- the certification scope is appropriate
- this report is based on a sampling process of the information available. The CB cannot be held responsible for the possible non representativeness of the audit findings.