

Achilles FPAL Verify AUDIT FAQs

WHAT IS THE FPAL VERIFY AUDIT?

Achilles FPAL Verify is an onsite management system audit that covers Health & Safety, Environment, Quality and Competence & Training practices. The Health, Safety and Environmental elements of the FPAL Verify audit are assessed in line with recognised industry standards IOGP 423 & NORSOK S-WA-006:2018 (en).

The audit scope and duration follow the below schedule.

| Years | 0 | 2 | 4 | 6 |
|----------|-------------|-------|-------------|-------|
| Scope | HSE, Q, C&T | HSE | HSE, Q, C&T | HSE |
| Duration | 2 days | 1 day | 2 days | 1 day |

WHAT ARE THE BENEFITS OF PARTICIPATING IN THE FPAL VERIFY AUDIT?

The Achilles FPAL Verify audit should reduce the burden of repetitive Buyer audits by replacing them with a single shared audit which is valid on a Supplier profile for two years.

The scheme gives Suppliers information on where they can make possible improvements and allows Suppliers to demonstrate ongoing improvements through a documented Improvement Plan.

The audit results are displayed on the FPAL database and enhance the quality of information displayed on the Supplier's record.

DO I NEED TO COMPLETE A PRE-VISIT SUBMISSION?

There is no longer a requirement to complete a pre-visit submission before your FPAL Verify One-Day or Two-Day audit. However, you will still be required to provide up to date H&S Performance Data prior to the audit.

WHY ARE WE REQUIRED TO GO THROUGH THE AUDIT?

Suppliers who are registered under designated High-Risk product and Service Codes (Mandatory Codes) are required to undergo a FPAL Verify audit. All FPAL Buyers who subscribe to Oil and Gas Europe Professional can also nominate specific Suppliers to undergo the FPAL Verify audit. Any individual FPAL buyer can also request the FPAL Verify audit to be undertaken on a Supplier.

WHAT IS A MANDATORY CODE?

Several years ago, the FPAL Verify Buyers agreed to introduce a new approach to the verification process to ensure the right Suppliers were being audited. This approach saw several Oil and Gas service codes being considered “high risk” which meant that for any Suppliers registered under these “high risk” codes, it became Mandatory to participate in the Verify audit.

The table below has the current Mandatory Codes listed but these may be added to in the future.

| Codes | Description |
|---|---|
| 3.04.00 series | Exploration and Production Drilling Services |
| 3.05.01 / 02 / 07 / 08 / 09 / 10 / 13 / 14 / 16 / 18 / 20 / 30 / 31 | Construction / Modification / Repair / Maintenance / Refurbishment Services |
| 3.06.00 series, except 3.06.04 | Installation Services / Marine Contracting |
| 3.15.00 series, except 3.15.01 / 08 / 99 | Decommissioning and Abandonment Services |
| 4.05.00 series | Integrated Services |

CAN A SUPPLIER SPONSOR THEMSELVES THROUGH THE AUDIT?

Yes, any FPAL registered Supplier can pay and undergo a FPAL One-Day or Two-Day Verify audit (as applicable).

HOW MUCH DOES AN FPAL VERIFY AUDIT COST?

The Achilles FPAL Verify process operates largely on a nominations process where Buyers identify Suppliers working in high risk environments through individual nominations or through the Supplier being registered in a Mandatory Code. In nominating Suppliers to participate in Verify, Buyers carry the associated cost of the audit through industry collaboration and Suppliers will not be asked to pay for audits.

If a Supplier initiates an audit, the cost of the audit is paid by the Supplier. For UK and Dutch based Suppliers this is currently £2,800 plus VAT for a Two-Day FPAL Verify audit and £1400 plus VAT for a One-Day FPAL Verify audit. For Supplier audits delivered out with the UK mainland and the Netherlands, expenses at cost are also re-chargeable to the Supplier.

IF WE HAVE MULTIPLE FPAL REGISTRATION RECORDS DO THEY ALL NEED TO BE VERIFIED?

Achilles FPAL Verify is a location-based audit. Participation will depend on the Buyer request and which codes are included in the registrations. If a Supplier has several Achilles FPAL registrations, all of them might be requested to go through the audit.

WHICH LOCATION IS AUDITED IF WE HAVE SEVERAL LOCATIONS IN OUR RECORD?

The audit would normally be conducted at your main location as shown on your FPAL record. However, at a Buyer’s request, you could be requested to have the audit at one of the other locations within your record.

WHY MAY MY SCORES HAVE REDUCED SINCE LAST AUDIT?

Achilles introduced a new FPAL Verify report and scoring model in January 2020, based on IOGP423-01 Contractor HSE capability assessment guidance.

At the back of the FPAL Verify report there is detailed assessment guidance for each scoring question, extract below, which are used to score the report.

| HSE (IOGP 423) | | | | | | |
|-------------------------------|-----|--|---|---|---|---|
| | | Rating | D | C | B | A |
| | | Description | Unacceptable | Poor | Acceptable | Excellent |
| | | Score | 0% | 30% | 60% | 100% |
| Commitment and accountability | | | | | | |
| 1.1 | 1.1 | Commitment and accountability to HSE aspects | No evidence of personal commitment on the part of all the organization’s managers and workers. None of the personnel who direct and control activities understand their accountability for HSE-MS policies, systems, decisions, and outcomes. | Some evidence of personal commitment on the part of all the organization’s managers and workers. Some of the personnel who direct and control activities understand their accountability for HSE-MS policies, systems, decisions, and outcomes. | Evidence of personal commitment on the part of all the organization’s managers and workers. Accountability based on well-defined authority levels, acceptance of decision making and a clear understanding of job responsibilities. | Evidence of mindfulness and a strong, proactive HSE culture in senior management and at all levels throughout the organization. |

The new protocol scoring model for the HSE element is based directly on IOGP 423 guidance, and we have created new aligned scoring guidance for the Quality and Competence & Training elements for the two-day audit, also aligned to the IOGP model.

As the guidance has strict compliance requirements to be met for each of the 0% / 30% / 60% / 100% scoring bands, we have noted that suppliers are achieving lower scores when audited against the new protocol, compared to the previous scoring model (pre January 2020).

This reduction in score is generally not a reflection of a supplier’s management systems / level of implementation etc., rather a consequence of the new scoring protocol, where 60% is seen as compliant and anything over that is exceeding the ‘acceptable’ requirements.

For reference IOGP representatives and the FPAL Verify buyers have requested Achilles to adhere to the IOGP 423-01 guidance, including the assessment / scoring model, as closely as possible.

FPAL buyers have been made aware of the new scoring model and the associated reduction in scoring, which will allow them to take this into consideration when benchmarking supplier FPAL Verify report scores.

HOW CAN WE IMPROVE OUR SCORES?

A Supplier has several options to improve the scores, and all will involve demonstrating through evidence.

- Evidence based Improvement Plan Submission: A desk evaluation of the improvement plan after the audit along with any supporting evidence.
- Supplier re-audit within 3 months from the original audit date: This option will involve a visit from the auditor to review specific changes introduced in the last 3 months; normally this would be a half day or full day visit depending on the amount of changes.
- A full audit before the two-year renewal.

There are fees associated with each of the options that will be charged to Supplier.

Although the scores are not affected, Suppliers can provide an Improvement Plan for upload to their record at any time.

WHO HAS ACCESS TO MY ACHILLES FPAL VERIFY REPORT?

Through the database the Achilles FPAL Verify report will only be accessed by the Verify Buyers who pay for the service. You can find the full list of these Buyers by going to the Verify Participation Report option of your Achilles FPAL registration.