

## CONTROL OF NON-CONFORMING PRODUCT

### Policy

Greenacres Training Service shall ensure that non-conforming product is correctly identified and properly controlled in order to minimise inconvenience or loss to the customer and minimise cost to the Service.

### Definitions

- Rework:** Further processes applied to a defective product in order to meet the original specification.
- Modifying:** Reworking or altering a defective product to obtain conformance to an alternative product specification.
- Scrap:** Non-conforming product, which can not be reworked, re-graded, or supplied under concession.
- Concession:** An alteration, amendment, or change, to the original order quantity, price, specification, or delivery agreed to by the customer.
- Return:** Return of defective product to supplier or customer if customer supplied or return by customer if already dispatched.

### Procedure

- 1.0** When any employee discovers a non-conforming product, at any stage of distribution, the non-conformance shall be brought to the attention of the Training Service Coordinator.
- 2.0** Non-conforming product shall be clearly separated from conforming product to prevent inadvertent use and be marked appropriately.
- 3.0** The Training Service Coordinator shall review the cause of the non-conforming product with the relevant personnel (customer, training staff, other staff) to determine the appropriate action to take:
  - i) **Rework:** All rework shall be re-inspected prior to dispatch to ensure conformance to agreed standard. Rework required shall be noted in the non-conformance report.
  - ii) **Concession:** Must be authorised by customer and the customer contact and mode of authorisation noted on the original order and the Non-Conformance/Corrective and Preventative Action Report.
  - iii) **Scrap:** Where no other alternative exists, product needs to be scrapped as quickly and cost effectively as possible. The product shall be disposed of in such a way as to minimise loss to the Service. Where possible the cost of the goods

scrapped shall be noted on the non-conformance report.

iv)**Return:** Customer Returns - Where the customer has advised of the non-conformance it shall be at the managers discretion to determine whether the goods shall be returned for rework or scrapped by the customer.

- 4.0** Corrective and preventative action necessary to avert further non-conformances of a similar nature shall then be taken. See Corrective and Preventative Action (ref - Section B12).
- 5.0** Non-conformance reports must be completed in the following instances:
1. In the event of the non-conformance being in more than 1% of observed product
  2. If the Training Service Coordinator considers the event important considering the cost of the event to the Service and/or the Customer.
  3. Where the non-conformance results in a significant amount of product being scrapped
  4. In the event that the customer needs to be contacted and informed, or the customer contacts the Service in regards to a non-conformance.  
For all items (1 to 4) the non-conformance report shall be made by the Coordinator in a Non-Conformance register.
- 6.0** All appropriate personnel shall be advised of the non-conformance - ie. customer, sales, training, human services, administration.

### **Documentation**

Related documents are listed on the Master Document Control Register  
Non-Conformance Report