Domestic Safety Management Code for the Safe Operation of Ships and for Pollution Prevention

The DSM Code

Instructions for the Guidance of Surveyors
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CHAPTER 1

INTRODUCTION AND BACKGROUND

1.1 Aims

These Instructions to surveyors have been produced by the Maritime and Coastguard Agency (MCA), an executive agency of the Department for Transport, for the guidance of surveyors auditing the safety management systems of companies who operate domestic passenger ships, both on board and ashore. In addition, they provide guidance for ship owners, operators and others concerned on the procedures adopted for carrying out audits for compliance with the DSM Code.

1.2 Introduction

These Instructions have been produced in order to provide guidance to surveyors engaged in the audit of domestic passenger ships against the requirements of the “Safety Management Code For Domestic Passenger Ships” and the Safety Management Sections of the Inland Waters and Small Seagoing Passenger Ships Codes.

The “company” operating some of these domestic passenger craft may consist of a single owner / operator. Consequently, it is not anticipated that their documented safety management systems will be as extensive in coverage or detail as would be expected from a company operating ships certificated under the International Safety Management (ISM) Code.

1.3 The Domestic Safety Management Code (DSM Code) - Reference

The Merchant Shipping (Domestic Passenger Ships Safety Management Code) Regulations 2001 (SI 2001 / 3209) came into force on 1 November 2001 giving statutory force to the Safety Management Code for Domestic Passenger Ships, the DSM Code. The Code is reproduced in the Passenger Ship Codes. The DSM Code, is a derivative of the International Safety Management (ISM) Code and was developed in consultation with the Domestic Passenger Ship Safety Group (DPSSG). Although the requirements of the Code remain the same, changes have been introduced in April 2015 to the frequency of DSM audits / inspections. Advice to ship owners is included in MSN 1869 (M) and MGN 536.

1.4 Application

The Code will apply to small passenger ships engaged in domestic trade only. The Code will not be applied to domestic operators who have achieved voluntary compliance with the International Safety Management (ISM) Code against which they shall be allowed to maintain their certification if they so wish. The classes and a description of the ships to which the Code applies are tabulated below:-

Updated 12 November 2015
### Class III
Ships engaged only on voyages in the course of which they are at no time more than 70 miles by sea from their point of departure and not more than 18 miles from the coast of the United Kingdom, and which are at sea only in favourable weather and during restricted periods.

### Class IV
Ships engaged only on voyages in Category A, B, C or D waters.

### Class V
Ships engaged only on voyages in category A, B or C waters.

### Class VI
Ships engaged only on voyages with not more than 250 passengers on board, to sea, or in Category A, B, C, or D waters, in all cases in favourable weather and during restricted periods, in the course of which the ships are at no time more than 15 miles, exclusive of any Category A, B, C, or D waters, from their point of departure nor more than 3 miles from land.

### Class VI(A)
Ships carrying not more than 50 passengers for a distance of not more than 6 miles on voyages to or from isolated communities on the islands or coast of the United Kingdom and which do not proceed for a distance of more than 3 miles from land.

### EU Class (C)
Passenger ships engaged on domestic voyages in sea areas where the probability of exceeding 2.5m significant wave height is smaller than 10% over a one-year period for all-year round operation, or over a specific restricted period of the year for operation exclusively in such period (e.g. summer period (operation), in the course of which it is at no time more than 15 miles from a place of refuge, nor more than 5 miles from the line of the coast, where shipwrecked persons can land, corresponding to the medium tide height.

### EU Class (D)
Passenger ship engaged on domestic voyages in sea areas where the probability of exceeding 1.5m significant wave height is smaller than 10% over a one-year period for all-year round operation, or over a specific restricted period of the year for operation exclusively in such period (e.g. summer period operation), in the course of which it is at no time more than 6 miles from a place of refuge, nor more than 3 miles from the line of the coast, where shipwrecked persons can land.

Exemptions to the Code may be granted by the Secretary of State if:–

a) compliance with such provision is either impractical or unreasonable, and

b) the exemption is subject to such conditions and limitations as will provide a level of safety equivalent to that provided by the provision or provisions from which exemption is being granted.

### 1.5 The DSM Code Objectives

The International Management Code for the Safe Operation of Ships and for Pollution Prevention (ISM Code) was adopted by the IMO as Resolution A.741 (18), in November 1993. It came into force on 1 July 1998 as SOLAS Chapter IX, “Management for the Safe Operation of Ships”. The ISM Code provides an
international standard for the safe management and operation of ships and for pollution prevention.

The DSM code was developed from the ISM Code following the Marchioness disaster. It was intended to be simpler and also provide specific guidance and interpretation to assist industry in consistent implementation.

The Code aims to support and encourage the development of a safety culture within the industry whilst improving compliance with other requirements and best practice. The Code requires that Companies establish safety and pollution prevention objectives and that they develop, implement and maintain a Safety Management System (SMS) and a systematic approach to the safe management of ships by those responsible, both ashore and afloat.

It is recognised that no two operations are the same and that vessels vary in size and nature. They also operate under a wide variety of conditions and locations. For these reasons the Code is based upon general safety principles and objectives and is expressed in such terms as to facilitate application to a broad range of ships and operations.

The basic objectives of the Code are to:-

- ensure safety on board;
- prevent injury and loss of life;
- comply with applicable rules and guidelines.

1.6 UK Policy

With regard to the administration and monitoring of DSM Code compliance the UK policy is aligned with that of the International ISM Code i.e. the Maritime & Coastguard Agency (MCA) will retain direct responsibility for the assessment and audit of operating companies against the requirements of the DSM Code. Delegation of the audit function to recognised organisations will only be considered under exceptional circumstances on a case by case basis. Merchant Shipping Notice MSN 1869 (M) and Marine Guidance Note MGN 536 provide owners and operators with both an introduction to the Code and guidance towards application for certification.

1.7 Index of Documents

The following documents are relevant to the DSM Code and provide guidance to owners and operators of what the code expects of them in terms of practice, accountability and the maintenance of records etc.

- MSN 1869 (M);
- The Inland Waters Passenger Ship Code;
- The Small Seagoing Passenger ship Code;
- MGN 536;

1.8 Definitions
“International Safety Management (ISM) Code” means the International Management Code for the Safe Operation of Ships and for Pollution Prevention as adopted by the International Maritime Organization (IMO) by Resolution A.741(18), as may be amended by the Organization (1.1.1 of the code).

“Company” means the owner of a ship or any other organization or person such as the manager, who has assumed the responsibility for operation of the ship.

“Safety Management System (SMS)” means a structured and documented system enabling Company personnel to effectively implement the Company’s Health, Safety and environmental Protection Policy which signifies that the Company and its shipboard management operate in accordance with the approved SMS.

“Safety Management Audit” means a systematic and independent examination to determine whether the SMS activities and related results comply with planned arrangements, whether these arrangements are implemented effectively and whether they are suitable to achieve the objectives of the DSM Code.

“Observation” means a statement of fact made during a Safety Management Audit and sustained by objective evidence (1.1.8 of the code).

“Objective evidence” means quantitative or qualitative information, records or statements of fact pertaining to safety or to the existence and implementation of a SMS element, which is based on observation, measurement or test and which can be verified.

“Non-conformity” means an observed situation where objective evidence indicates the non-fulfilment of a specified requirement of the DSM Code.

“Major non-conformity” means an identifiable deviation which poses a serious threat to the safety of personnel or the ship or a serious risk to the environment that requires immediate corrective action and includes the lack of effective and systematic implementation of a requirement of this Code.

“Designated Person” is defined in Section 5 of the DSM Code.

“Ro-Ro passenger ferry” means a seagoing passenger vessel with facilities to enable road or rail vehicles to roll on and roll off the vessel and which carries more than twelve passengers.

“Anniversary date” means the day and month of each year that corresponds to the date of expiry of the relevant document or certificate.

“Convention” means the International Convention for the Safety of Life at Sea, 1974, as amended.

“Ships Codes” means the requirements of either The Inland Waters Passenger Ship Code or The Small Seagoing Passenger ship Code.
CHAPTER 2

THE DOMESTIC SAFETY MANAGEMENT CODE

2.1 The Safety Management System (SMS)

2.1.1 General

The Merchant Shipping (Domestic Passenger Ships) (Safety Management Code) Regulations came into force on 1st November 2001. This section applies to ships operating under this code except those ships required to, or electing to comply with the International Safety Management (ISM) Code.

The purpose of a safety management code is to establish a common standard for the safe operation of passenger ships employed in the domestic trade.

It is recognised that there are a wide variety of passenger ships in the domestic trade. The Code is kept brief and simple, so that it can be applied to a wide variety of ships, and developed by each company to meet the needs of that company.

To comply with the Code, each operator should create a safe working environment.

“Operator” means the company, which is defined as the owner or other person assuming responsibility for operating the ship.

This Code describes the objectives of developing a safety management system and how to implement it effectively.

The SMS allows a Company to measure its performance against parameters set within a documented system. This will enable a Company to identify areas for improvement in safety practice and pollution prevention measures. The effective implementation of a safety culture should lead to an improvement in safety consciousness and safety management skills.

References to specific paragraphs in the Code (in these instructions) refer to paragraphs in MSN 1869.

2.1.2 Objectives

The objectives of safety management are to ensure a simple and cost effective means of:

- ensuring safety on board;
- preventing human injury and loss of life;
- preventing pollution and
- complying with applicable regulations and rules.

Each operator shall develop and implement safe practices which include the following:

- procedures to ensure safe operation of ships in compliance with relevant rules;
lines of communication between personnel, ashore and afloat, with regard to additional requirements and local bye-laws;
procedures to prevent pollution;
procedures for reporting accidents; and
procedures for responding to emergency situations.

The company Safety Management System (SMS) should provide for the above procedures. These may either be part of the SMS manual or separate procedures. During the audits on board, these procedures need to be reviewed and verified for effectiveness.

While reviewing the procedures, auditors should be guided by incidents / accidents / deficiencies on board the vessel or on-board any other vessels in the fleet, so that the relevant procedures could be scrutinised. This will require that marine offices monitor and record such information in a form ready available to surveyors preparing for a DSM audit. Most accidents on board domestic passenger vessels occur as a result of mooring operations and embarkation / disembarkation of passengers and special attention needs to be paid to these aspects.

To comply with the Code, each operator should create a safe working environment, which should include the following:

2.1.3 Health and Safety and Environmental Protection Policy

This must address the issues of health, safety and the environment as they affect the company and its staff, both ashore and afloat. Such a policy might read along the following lines:

“The policy of (name of Company) is to conduct its activities taking full account of the health and safety of its employees and of all persons using or connected with the Company. In implementing this policy, (name of Company) will ensure that the [ship] is, at all times, properly maintained and operated by qualified personnel in full compliance with relevant legislation. In particular the [Co.] will carry out an assessment of the risks to the health and safety of workers and others affected by [the undertaking], and will take the necessary measures to minimise the risks identified.”

Each operator of a ship certified to carry 15 persons or more is also required by the Merchant Shipping (Prevention of Pollution by Garbage) Regulations 1998 (S.I. 1998/1337) to carry a Garbage Management Plan.

Every ship of 12 metres or more in overall length shall display placards to notify the crew and passengers of the ship’s disposal requirements. MSN 1720(M+F) is relevant and should be consulted.

It is an offence under section 131 of the Merchant Shipping Act 1995 for a ship in U.K. national waters, navigable by sea-going ships, to discharge any oil or oily mixture into those waters. The operator of such a ship is recommended to develop and implement an oil management plan to the same standard as the garbage management plan and to integrate it with the Health and Safety Protection Policy.
The Merchant Shipping and Fishing Vessel (Health and Safety at Work) Regulations 1997, specifically require the appointment of one or more competent persons to take responsibility for health and safety. That person(s) should be identified. It is the responsibility of the owner/operator to ensure that the policy is complied with, and that their responsibilities are understood.

The company should develop a policy on prevention of alcohol and drug abuse, in the light of the very strong comments made in the THAMES SAFETY INQUIRY Report by Lord Justice Clarke. Where alcohol is served on board, the policy should also stipulate that no alcohol will be served to persons under 18 years of age.

Under the Health, Safety and Environmental Policy, all personnel both ashore and afloat have a duty to take care of themselves and other persons who may be affected by their acts or omissions.

The policy statement(s) should be clear and concise, with emphasis being placed on the Company’s commitment to safety and the environment. It should identify a strategy by which the Company aims to achieve its policy objectives and include methods to encourage improvement in safety awareness and safety management skills. The policy should be endorsed by the Company’s top management.

The strategy for implementation of the policy should be clear so that it can be understood at all levels within the Company. Staff/crew should be interviewed during an audit to verify their understanding. This is an effective means of establishing whether there is commitment to the Safety Management System.

2.1.4 Responsibilities

The Master’s responsibility shall be laid down so that there is no misunderstanding. They have the overriding authority to make decisions regarding the safety of the ship and persons on board. To ensure that there is no ambiguity regarding the authority of the Master, there shall be a simple written statement to this effect. Assistance shall be available ashore from the company at all times.

There must be a clear statement in the documented management system that the Master has overriding authority to deviate from the documented system in time of crisis and to seek assistance from the Company if required. Both statements must be clear and unequivocal with the appropriate emphasis placed on the Master’s overriding authority.

The responsibility and authority of each employee shall be clear. This may be best illustrated in a simple diagram, showing who reports to whom.

It is necessary to document responsibilities and authorities so that personnel involved in the SMS know what is expected of them and to ensure that the safety and environmental functions have been allocated. The Company’s documented management system should contain clear descriptions of their responsibilities and authorities together with the reporting lines of personnel within the company structure. Schematics or flowcharts to document lines of authority and inter-relations between roles would be acceptable.

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2.1.5 **Designated Person**

A company shall in relation to each ship owned by it or for which it has operational responsibility designate a person who shall be responsible for monitoring the safe operation of the ship and, so far as it may affect safety, the efficient operation of the ship fulfilling the requirements of para 3.5 of the Code (MSN1869).

In particular, the Designated Person shall: a) take such steps as are necessary to ensure compliance with the Safety Management System; b) ensure that proper provision is made for the ship to be adequately manned, equipped and maintained, relating to safety applicable to the ship.

The Company shall ensure that a Designated Person: a) is provided with sufficient authority and resources; b) has appropriate knowledge and sufficient experience of the operation of ships; and c) shall have access to the highest level of management of that company.

The Merchant Shipping and Fishing Vessels (Health and Safety at Work) Regulations specifically require the appointment of one or more competent persons to take responsibility for health and safety. The person(s) shall be identified.

The Designated Person should be suitably qualified or experienced in operations or management of the system and be fully conversant with the Company’s safety and environmental protection policies and Safety Management System. It is essential that they have the independence and authority to report to the highest level of management. Their responsibilities may include the organising the Company’s safety audits/assessments.

2.1.6 **Personnel and Training**

All personnel should receive training appropriate to the tasks they undertake, see MGN 203. It is the responsibility of the company to ensure that this training is given, and that the personnel have an understanding of the relevant regulations and rules. The company is required to provide a Training Manual, the requirements of which are detailed in this section.

As a minimum, this means:
- for the Master, the relevant qualifications;
- for the crew, training appropriate to their designated duties.

Prior to the first occasion of working on the ship, each employee must receive appropriate familiarisation training and proper instruction in on-board procedures.

This could include but not necessarily be limited to:
- mooring and unmooring;
- launching and recovery of survival craft;
- control and evacuation of passengers from all areas of the ship;
- instructing passengers in the donning of lifejackets; and
- use and handling of fire-fighting equipment.

Where the ship uses locks or sluice gates, on the job training in this process is essential.

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Relevant training should also be provided to casual staff – i.e. not regular “crew” – who may be needed to assist in controlling/guiding passengers in the event of evacuation.

The Company has a clear responsibility to employ properly qualified and medically fit seafarers and to be satisfied that they are familiar with the management system operated by the Company. The company should be able to demonstrate to auditors that this DSM Code requirement is being met. This could be done by retaining copies of crew certificates, crew training and drills on file. Some companies maintain electronic data bases as opposed to a paper filing system. Whatever form the records take it is their accuracy that is important and which will be checked at audit.

2.1.7 Procedures to Ensure Safe Operation of Ships in Compliance with the Regulations and Rules

Some of the regulations and rules applying to domestic passenger ships operating under this code are listed in paragraph 7 the code (it does not list all).

The company should draw up simple procedures to ensure that safe working practices are carried out on-board. These may be in the form of checklists.

All ships shall be provided with a Training and Instruction Manual, available to all crew members. It may include instruction manuals from manufacturers of the equipment, where appropriate, but must explain in detail at least the following:

(i) donning of lifejackets;
(ii) boarding, launching, and clearing life-saving appliances from the ship;
(iii) illumination of life-saving appliance launching areas;
(iv) use of all life-saving appliances and equipment. This shall explain the escape philosophy and define the contingency procedures. This shall include as a minimum how the survival craft are launched and inflated, how the passengers are controlled, lifejackets/buoyancy aids are issued, and how the survival craft is to be boarded. If the passengers evacuate the ship directly overboard there should be a clear explanation of the process by which passengers are mustered and delivered to the survival craft;
(v) recovery of persons from the water;
(vi) general fire safety practice and precautions related to the dangers of smoking, electrical hazards, flammable liquids and similar common shipboard hazards;
(vii) general instructions on fire-fighting activities and fire-fighting procedures including procedures for notification of a fire and use of manually operated call points;
(viii) meanings of ship's alarms;
(ix) operation and use of fire-fighting systems and appliances;
(x) operation and use of fire doors;
(xi) operation and use of fire and smoke dampers; and
(xii) escape systems and appliances.

Training Records shall be maintained by the operator which shall record Master and Crew training.

This section varies between “Ships Codes” and MSN 1869 mainly in that classes III to VIA ships statutorily comply with SI 2001/3209 and MSN 1869 whilst the “Ships Codes” incorporate the DSM under a separate chapter, and compliance stems from the requirement to meet the “Ships Codes”. The “Ships Codes” incorporate the training manual requirements within the SMS whilst MSN 1869 does not. The training manual requirements are included for ease of reference and are self-explanatory and may be considered as part of the DSM.

2.1.8 **On-board Procedures**

Simple procedures should be developed for the operation of the ship. These should include, but not be limited to:

- testing of equipment, including steering gear, prior to commencing a passage;
- navigation and handling of the ship;
- maintenance routines;
- bunkering operations;
- watertight integrity;
- stability of the ship; and
- conduct of passengers and crew while on board.

For some ships, it might be appropriate to have permanently exhibited checklists, e.g. in the wheelhouse for navigational items. Alternatively, in a smaller ship, the record could take any suitable form such as a diary as distinct from a specially printed logbook. Whatever form the record takes, such entries should be accepted as evidence of compliance with the **ON-BOARD PROCEDURES** requirements.

While shipboard operations will vary from ship type to ship type, it is suggested that plans and instructions for the following operations should be documented:

- general shipboard operations;
- port operations – including mooring operations and berthing;
- preparation for sea;
- conduct of the voyage;
- preparation for arrival in port and;
- emergency response organisation.

The auditor(s) should verify that the operations established by the Company are pertinent and comprehensive for the routes the Company operates.

2.1.9 **Procedures for Reporting Accidents**

It is a legal requirement under the Merchant Shipping Act to report all accidents. The Merchant Shipping Accident Reporting and Investigation Regulations 2005 refer.
All accidents and near accidents shall be recorded and reported to the operator, who shall implement corrective action, with the aim of improving safety. In addition, the Master shall inform the Marine Accident Investigation Branch (MAIB) of all reportable accidents in accordance with the Merchant Shipping (Accident Reporting and Investigation) Regulations 2005. Any incident or defect which affects the safety of the ship is to be reported to the MCA at the earliest opportunity.

The requirement for reporting accidents should be well understood by all personnel and in so doing improve the safety culture practised on board. The company must therefore have a procedure in place to report any reportable accident to the MAIB and to the MCA.

It is essential that, in the event of an emergency, there is the ability to communicate with the emergency services either directly or via a shore base. The shore base may be the company office, the local Coastguard, Police or Fire Station, or another office as may be agreed between the ship and the shore base.

Whilst the DSM title only refers to accidents it should be emphasised that accident includes “any incident or defect which affects the safety of the ship” and shall be reported and acted upon.

If during audit it is found that the ship or company has not recorded or reported an accident, incident or defect affecting safety it might be inferred that there is lack of understanding into the meaning or intent of this section and is certainly grounds for further investigation.

2.1.10 Procedures for Responding to Emergency Situations

There should be clearly stated procedures for responding to emergency situations. These may include but not be limited to: fire; collision; grounding; violent act; main propulsion or steering failure; and man overboard. Checklists may be useful in this regard.

At every audit, a drill needs to be carried out. The effectiveness of the above procedure can be therefore be tested during the drill.

2.1.11 Preparation for Emergencies

The potential emergencies likely to been countered by the ship should be considered. Exercises should then be carried out in the handling of these emergencies and evacuation from the ship.

Where possible, all personnel should be involved in these exercises, both ashore and afloat. (Refer to MSN 1783, paragraph 12).

The roles and responsibilities of all personnel in an emergency situation should be developed in accordance with the principles of the Code.

The exercises should be recorded. The names of those who participated should also be recorded.
Again the DSM code provides a little more detail - the requirements for documented procedures and the requirement to exercise those procedures by use drills is spelt out. What isn't stated is that there should be evidence that any shortcomings revealed by the exercises are recorded, reviewed and acted upon.

2.1.12 Equipment

Maintenance of the ship and equipment is an essential ingredient of safety management. The equipment should be checked and tested daily when in use.

In addition to the tests referred to in the ON-BOARD PROCEDURES section of the Code (paragraph 8) there should be procedures for a more detailed inspection and maintenance programme of the ship and equipment.

The frequency of the inspections should be determined by the owner/operator, but every event should be recorded. A checklist could be employed as an aide memoire for the inspection of equipment.

Critical equipment should be identified.

Maintenance schedules should be in place for all equipment with particular attention to critical equipment and the contingency arrangements for the same.

A simple example is failure of steering gear and the provision of emergency steering. On larger vessels some systems, e.g. pumps might have back up or stand by pumps available. Smaller vessel might make other contingencies.

2.1.13 Review

Every company should undertake a review of the safety management system of all ships at least once in every three years.

A periodic review of the SMS should be carried out by the company. This review will form part of the safety management strategy of the Company and will be conducted in accordance with documented procedures. For larger companies, management review meetings should be recorded and corrective actions allocated to appropriate members of the company with a view to improvement. For small operators, as a minimum, any changes introduced following the SMS review should be summarised and recorded (“none” should be recorded if that is the case) together with the date and name/signature of the person carrying out the review.

The management review should be an opportunity for a critical review in the company and ship of the performance of the SMS over the past 3 years, or other lesser period. Audit reports, inspection reports, non-conformities, accident reports, risk assessments, permits to work, near miss reports, defect lists, complaints, etc. should be reviewed with the object of identifying trends, root causes, areas of concern, etc. with a view to continually improve the operation of the SMS both ashore and on board.

2.1.14 Certification

An “initial audit”, to assess compliance with the Code, shall be carried out by MCA for each ship at the same time as the Passenger Certificate (PC) survey. The period
of validity of this certificate will normally be for 5 years and is subject to a mid-term audit which will be carried out by the MCA on each ship at the same time as either the 2nd or 3rd PC survey.

The validity of the certificate is also subject to annual self-assessments of the company/office and each ship, carried out by the operator to the satisfaction of the MCA. The reports of these self-assessments shall be submitted by the operator for review by the MCA annually.

An initial audit of the company/office is also to be undertaken prior to the issuance of any Passenger Certificate. The scope of the initial company/office audit will include but not be limited to:

- maintenance of hull and machinery, including agreed protocols for checks and testing;
- system for ensuring crew and skippers are adequately certified and trained;
- evidence of a robust system of checks and inspections;
- evidence of a closed loop for defect and fault management.

The owner/operator should ensure, therefore, that all necessary documentation is available.

The self-assessments may be conducted either by the owner/operator or an accredited person from outside the company. This audit will be conducted to an agreed format which shall be incorporated into the safety management system.

The on board audits will be carried out when the ship is in service and will be according to an agreed schedule depending upon the number of ships operated by the company.

The on board audit will be conducted when the vessel is operational in all aspects and will be carried out at a mutually convenient time. It will be necessary for the vessel to be taken out of service for the duration of the audit including the drill. Some elements such as passenger boarding arrangement, mooring and navigation may be carried out in service.

Where any MCA audit is unsuccessful, normal enforcement procedures shall be followed to ensure that deficiencies are rectified. When MCA has grounds to indicate that the annual self-assessments are not in accordance with the SMS, the company will be subject to an additional verification audit. Guidance on carrying out the self-assessments is in MGN 536.

2.1.15 Exemptions

Exemptions to these arrangements shall be considered on a case by case basis. In accordance with Recommendation 27.40 of Lord Justice Clarke's Inquiry, exemptions from the provisions of the Safety Management Requirements will be granted only on condition that an equivalent level of safety is achieved.
CHAPTER 3

THE AUDIT AND CERTIFICATION PROCESS

3.1 The Audits for Compliance

The audits will be carried out to verify compliance with the DSM code in accordance with these instructions. Auditors restricted to DSM only are strongly recommended to understand “Guidelines on Implementation of the ISM Code by Administrations”, IMO Resolution A.788 (19) and /or, the International Chamber of Shipping in association with the International Shipping Federation, “Guidelines on the Application of the IMO International Safety Management (ISM) Code”. It is recommended that surveyors become familiar with both these publications as they establish underlying principles for verifying that a Company’s SMS complies with the requirements.

3.2 The DSM Safety Management Certificate

A DSM Safety Management Certificate will be issued:

   A) When the shore side aspects of the Safety Management System are found to fully comply with the requirements of the DSM Code.
   B) When a successful “initial ship audit” has been completed on each ship.

Subsequent to the successful audits above a Domestic Safety Management Certificate (SMC) will be issued to each ship.

Applications for assessment for the issue of the DSSMC should normally be to the same point of contact within the MCA, as application for the Passenger Certificate (PC).

3.3 The Audits

For a new operation or operator it is necessary to produce a new or revised Safety Management System, in this case MCA will require to conduct a Document Review.

3.4 Document Review (MCA)

The purpose of the document review is to verify that the company has a documented Safety Management System that complies with the requirements of the DSM Code. The document review should be conducted prior to the application for the PC and DSSMC in order to provide sufficient time to draft and implement any major revisions that the review may disclose. This time-scale will allow the owner/operator to rectify any deficiencies in the SMS that would otherwise inhibit the issue if the DSSMC.

The document review may be conducted at the company premises or, alternatively, the SMS documentation may be sent to the MCA for assessment if practicable. The
choice of either option will be by mutual agreement between the company and the
surveyor concerned but the ultimate decision will rest with the company.

The SMS should adequately cover the requirements of the DSM Code in terms of
the procedures, work instructions, etc. necessary to safeguard health, safety and
environmental protection without imposing an excess of paperwork.

The documented system should be structured in the way that the company considers
most effective for its purpose whilst simultaneously generating objective evidence
that will provide proof of compliance.

The SMS should be reviewed with the concept of on-going improvement in mind.
The Surveyor shall satisfy himself that all sections of the code are adequately
covered and the processes include both those on the ship and on shore.

3.5 The Office / Company Audit (MCA)

The Company audit will normally take place every 5 years and will vary in scope
depending on the number and size of vessels and complexity of operations. Safety
management documentation may be maintained either in the office or on board the
vessels – in particular this may comprise details of maintenance and overhaul of
vessel, machinery and equipment.

The 2 extreme scenarios would be:

- A large domestic passenger vessel operator with a fleet of many larger
domestic passenger vessels who have a head office. Such an office audit
would be essentially similar to ISM DOC audits and it is not envisaged such
companies will have any difficulty with preparation for such an Audit.

- The second Scenario is a one man one boat operation, where there is no
office and records are spread between the boat, his front room, the
crewman’s house, the car, a kiosk, and a boatyard somewhere etc. It is these
operators where it proves most difficult to carry out a meaningful Audit,
especially say, on an open boat on a cold wet early spring day.

In this respect such operators shall gather ALL records associated with the boat, the
equipment, the crew and her operations in one place for a meaningful audit to take
place. Papers will include:-

- The Safety Management Manual;
- The Company Policy document;
- All Crew Certification and training records;
- Passenger counting and recording records;
- On-board maintenance records (checklists);
- ALL other maintenance and repair records including that carried out by shore-
side contractors;
- Certification appertaining to above including machinery, life-rafts, fire
equipment etc;
- Accident and incident reports and any remedial actions taken thereof;

Updated 12 November 2015
3.6 On board Audits (MCA)

The format of DSM doesn’t change - The same headings are used. There are 2 on-board audits in the 5 year period: - The Initial and a Mid-term or Intermediate. Ideally these should be in commission but out of service. There is flexibility in carrying these out, but it is anticipated many owners will opt to do this in conjunction with a running trial, to save on Surveyor travel time. The surveyor will need to witness the crew perform a drill at each of these audits. This will have to be borne in mind as some owners do not have crew present at running trial.

3.7 Self-Assessment (Company)

A Self-Assessment is intended to be a self-check which must be done annually. The Owner is encouraged to develop his/her own operations specific checklist, which must include all of the elements of the Code, and shall ensure all aspects of the operation are included. It is envisaged that as time passes expertise in the industry will develop.

As with audits the self-assessment is expected to find discrepancies between what is required by rules / regulations and / or the company’s own set out standards. These discrepancies found during Audit are divided into non-conformities and observations. The assessor, at least in the early years may not be confident to divide them up and thus the outcome may be described as: Points for Improvement or something similar. Regardless, these elements shall be considered by the owner to address within agreed timeframes (closeout). It is accepted that some points for Improvement (similar to Observations) may require no action – this shall be documented.

3.8 Other Audits (MCA)

There are other scenarios where MCA might require Audits. The following are some examples when another audit may be required:

(i) When a vessel is new or changes hands and there is no objective evidence to complete a full audit. In such cases, a short term certificate valid for 3 months is to be issued initially which is followed up by a full audit within 3 months;
(ii) When a Major Non-conformity has been raised against the operator or vessel an additional audit needs to be carried out within 3 months;
(iii) If the self-assessment report has not been sent to the MCA or the report raises concerns about the operation, the MCA may choose to carry out an additional audit. The PC may also be withheld until the self-assessment is received.

All the above audits would need to be paid for by the operator.

3.9 The Outcome
Records must be maintained of all audits and the self-assessments.

The MCA have made available an Aide Memoir to assist the Auditor in carrying out the audit. The Auditor may refer to or complete this form of check.

The MCA Auditor shall complete a DSM Audit report (see Annex B) which shall be maintained on file and a copy shall be sent to the Owner/Operator/Master as required.

The format of the MCA DSM Audit Report form may also be used by the Company, although such format may not be on MCA headed forms. Operators are of course at liberty to produce their own company specific documentation, provided there is evidence that all sections of the code are included in the assessment.
CHAPTER 4

NON CONFORMITIES, CORRECTIVE ACTIONS AND CLOSE OUT

4.1 Non-conformities

Non-conformities against the DSM code shall also be recorded on the MSF 1602/1603 raised for the vessel inspection and should be allocated the appropriate Rectification / action code.

4.2 Corrective Action

It is the responsibility of the surveyor to agree suitable corrective action with the owner, within a realistic time-scale, at the time of the audit. The company is responsible for carrying out corrective actions and reporting to MCA prior to the agreed due date. Failure to do so may invalidate certificates.

4.3 Close out of Non-Conformities

If a major non-conformity is raised then arrangements should be made for a revisit unless the issue can be addressed immediately. A DSSMC cannot be issued, or be endorsed, if major non-conformities remain extant. It may be possible for the owner and surveyor to agree immediate remedial action that will allow the major nonconformity to be downgraded to a non-conformity.

In the event of non-conformities being raised, a time-scale for the implementation of corrective action, not exceeding three months, should be agreed with the company. The identification of a number of non-conformities concentrated in one area may justify the issue of a single major non-conformity.

The close out of non-conformities will not necessarily require a re-visit by the surveyor. The presentation of suitable objective evidence by e-mail or post will be sufficient, the corrective action being verified at the surveyor’s next visit.

4.4 Observations

Observations require no corrective action date but the company should be advised that, if not addressed, there is the potential for this to develop into a non-conformity.
CHAPTER 5

The Domestic Safety management certificate shall be issued to each vessel separately. The certificate will be issued at the same time as the corresponding Passenger certificate although it shall be valid for 5 years.

The Certificate will have a box for endorsement of the date of the Company / Office Audit. For multi Vessel fleets this Audit could occur at any point during the duration of the 5 year certificate.

When a Company/Office Audit is completed it will be necessary to endorse ALL vessel certificates with the date of the Company/Office Audit and also to endorse all controlled MCA file copies.

5.1 Responsibilities of the Surveyor

The responsibilities of the surveyor include the following:-
- Liaison with the company;
- Ensuring fees are collected;
- Reviewing the company documentation;
- Co-ordinating the audit;
- Agreeing corrective actions and the time-scale for completion;
- Completing the declaration;
- Preparing the certificates for issue;
- Preparing the audit report.

It should be noted that all aspects of the audit will be chargeable, which will consist of the:
- Office audit (initial and renewal) and the;
- Ship audit (initial, intermediate and renewal).

The hourly fee will be £94 and it will be the duty of the surveyor to add their hours to the Agresso system, ensuring that they use the correct factor codes alongside the Survey Work Order reference and thereby enabling the system to calculate the amount to charge the company, and then generate an invoice for sending to the company.

5.2 Cancellation or Suspension of a Certificate

Failure on the part of the owner to close out non-conformities by the agreed action date may justify the surveyor in raising their status to that of major nonconformity. In such cases the DSSMC may be cancelled or suspended until such time as suitable corrective action has been implemented. The ship shall cease to operate until such time as the DSSMC is re-issued.

5.3 Confidentiality

The audit findings are confidential between the Company and the Administration, a statement to the effect being made at the commencement and conclusion of the audit. The surveyor should not sign any of the Company’s confidentiality forms or contracts.
5.4 **Audit Plan**

It is DSM Audits are simple affairs however when the concerns a larger more complex company the auditor should follow ISM practice and the lead auditor should prepare an audit plan and forward it to the Company prior to the commencement of the Audit.

5.5 **Opening and Closing Meetings**

All Audits shall some form of opening and closing meeting or statement for small operators that is likely to be short and more informal. It is important, however to leave the Auditee in no doubt that an Audit is taking place and when it ends – what the conclusions might be. There are many instances with DSM that the operator has not been aware that he has or is being audited.

5.6 **Post Audit Tasks**

Completion of MS file with attending minute
- completing the declaration;
- preparing or endorsing certificate or certificate(s) for issue;
- preparing the audit report within 15 days from date of audit completion as far as practicable;
- completing the Survey Work Order Form;
- returning the file complete with all necessary paperwork to SIC/AOM for quality control;
- ensuring compliance with service standards.

5.7 **Audit Reporting**

The Audit report should include the following:
- a list of the audit team members;
- a list of personnel interviewed and positions held within the Company;
- assessment of compliance with each section of the DSM Code;
- Opening & Closing meeting details – even confirm such carried out;
- the operations of the Company;
- any non-conformities and observations raised;
- audit plan if applicable;
- positive and negative findings.
ANNEX A – DSM CERTIFICATE

DOMESTIC SHIP SAFETY MANAGEMENT CERTIFICATE

Issued under the provision of the Merchant Shipping (Domestic Passenger ship) (Safety Management Code) Regulations
Issued under the Authority of the Government of
the United Kingdom of Great Britain and Northern Ireland
by the Maritime and Coastguard Agency, an Executive Agency of the Department for Transport.

1. PARTICULARS OF SHIP

| Name of Ship |
| Distinctive Number or Letters |
| UK Class |
| Company Name |
| Address |

| Postcode |

2. CERTIFICATION

THIS IS TO CERTIFY:
That the Safety Management System of the ship has been audited and that it complies with
the requirements of the Safety Management Code for Domestic Passenger Ships.

This safety Management Certificate is valid until [ ] subject to Mid-term
Verification and Annual self Assessments:

Date of office Audit [ ]

Completion date of the audit on which this Certificate is based [ ]

Date of Issue [ ] Signed [ ]

Place of Issue [ ] Name [ ]

3. ENDORSEMENT

ENDORSEMENT FOR MID-TERM VERIFICATION AND ADDITIONAL VERIFICATION (IF REQUIRED)

This is to Certify that, at the Mid-Term Verification in accordance with Para 12.1 of MSN 1754, the Safety management system was
found to comply with the requirements of the Safety Management Code for Domestic Passenger ship.

Mid-Term Audit
to be completed between these dates: [ ] and [ ]

Date of Issue [ ] Signed [ ]

Place of Issue [ ] Name [ ]

Updated 12 November 2015
### 3. ENDORSEMENT Cont

#### ADDITIONAL VERIFICATION

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**Endorsement where the ship's Safety Management System has subsequently been audited in accordance with the Merchant Shipping (Domestic Passenger Ships) (Safety Management Code) Regulations 2001, as amended, and this certificate shall be accepted as valid until**

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ANNEX B – AUDIT REPORT

MARITIME AND COASTGUARD AGENCY

DSM CODE

SAFETY MANAGEMENT CERTIFICATE AUDIT REPORT

Operator/Owner, Ship Name and Location:

File Number:

Type of Audit:

Auditor:

Audit Date:

Ship Type:

Notes for Completion:

This Audit Report pro-forma is to be completed by the attending auditor on the occasion of each Safety Management Certificate audit. Copies of non-conformity notes are to be attached.

The “Remarks” column on the following pages must contain observations on the effectiveness of the Safety Management System in meeting each of the requirements of the DSM Code.

<table>
<thead>
<tr>
<th>DSM Code Requirement</th>
<th>Non-Conformance</th>
<th>Remarks</th>
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<tbody>
<tr>
<td>1. Functional Requirements for Safety-Management System</td>
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<tr>
<td>2. Health and Safety Protection Policy</td>
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<tr>
<td>3. Company Responsibilities and Authority</td>
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<tr>
<td>4. Designated Person(s)</td>
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</table>
5. Master’s Responsibility and Authority
   ☐ ☐

6. Personnel and Training
   ☐ ☐

7. Development of Plans for Shipboard Operations
   ☐ ☐

8. Emergency Preparedness
   ☐ ☐

9. Reports and Analysis of Non-Conformities, Accidents and Hazardous Occurrences
   ☐ ☐

10. Maintenance of the Ship and Equipment
    ☐ ☐

11. Documentation
    ☐ ☐

12. Company Verification, Review and Evaluation
    ☐ ☐

13. Certification, Verification and Control
    ☐ ☐

SAFETY MANAGEMENT CERTIFICATE AUDIT REPORT

Comments:

As auditing is a sampling process, it does not necessarily imply that non-conformities do not exist in areas where none have been identified.

Name: ___________________________ Date: ___________________________
FOR DSM THE FOLLOWING SHALL NORMALLY BE COMBINED

**ANNEX - C ***** Audit Opening & Closing Meetings**

**Attendance Record**
The following representatives of _______________________________ were in attendance at the opening and closing meetings as indicated below:

**Opening Meeting** Time: __________ Date: __________

**Closing Meeting** Time: __________ Date: __________

Name: Department

<table>
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**ANNEX - D***** Audit Interviewee List**
The following persons were interviewed during the management system audit of: __________

Name of Company Date

Name:

| 1. __________________________________ | ________________________ |
| 2. __________________________________ | ________________________ |
| 3. __________________________________ | ________________________ |
| 4. __________________________________ | ________________________ |
| 5. __________________________________ | ________________________ |
| 6. __________________________________ | ________________________ |
| 7. __________________________________ | ________________________ |
| 8. __________________________________ | ________________________ |
| 9. __________________________________ | ________________________ |
| 10. __________________________________| ________________________ |