



## Agency Board Meeting 17 April 2012

Board Report Number: SEPA 15/12

### Assurance of SEPA's key processes

<b>Summary:</b>	This paper provides the Agency Board with information about the ways in which SEPA's key processes are quality assured.
<b>Risks:</b>	There are no associated risks with this paper.
<b>Financial Implications:</b>	There are no associated financial implications with this paper.
<b>Staffing Implications:</b>	There are no associated staffing implications with this paper.
<b>Environmental and Carbon Impact:</b>	There are no environmental or carbon impacts with this paper.
<b>Purpose of the report:</b>	For approval
<b>Report Author:</b>	Kieron Gallagher, Business Support Manager, Science and Strategy
<b>Appendices:</b>	Appendix 1: SEPA's Quality Assurance Matrix Appendix 2: SEPA's internal audit plan for 2012-2013

## Assurance of SEPA's key processes

### 1.0 Introduction

#### 1.1 Quality Vision

SEPA's quality vision is *to improve performance and assure quality* throughout the agency and we have business systems in place to achieve this. Focussing on quality is important to SEPA for a number of different reasons. It helps ensure that we offer the best possible service to our customers; it helps us identify areas of waste and inefficiency and improve our ways of working; it encourages us to understand and manage our processes and the interactions between them; it helps us understand what resources we need to carry out our duties; it helps us understand the interaction between our processes and the information systems which support them and it helps us to manage change.

#### 1.2 External standards

To demonstrate that our business is well-managed and that quality is considered in all aspects of our systems and processes, SEPA has adopted three quality and environmental management standards. Lloyd's Register Quality Assurance (LRQA) audits our performance against the standards ISO 9001 (quality management system) and ISO 14001 (environmental management system). The United Kingdom Accreditation Service (UKAS) audits the performance of nominated activities in our laboratories against ISO 17025 (testing and calibration). External assurance that we are a quality organisation reassures our customers, including the Scottish Government, that the service they receive is meeting high standards.

#### 1.3 Quality and Environmental Management

Within SEPA quality is coordinated by the Business Strategy Department. Its role includes: managing the business management system; managing the internal audit programme; coordinating the external audit programme; conducting business reviews; reporting on quality performance; working with directorate management teams to improve quality across the Agency and providing advice on quality and environmental management matters.

### 2.0 Background

#### 2.1 Quality Assurance Matrix

**2.1.1** SEPA strives to ensure that the work it carries out is high quality and meets customers' requirements. Steps in place to ensure quality include staff training, a competency framework, documented procedures, proficiency testing and line management supervision.

**2.1.2** In addition, there are a number of different checks and balances in place which scrutinise our key processes and ensure that the planned level of quality is being achieved. Recently the Business Strategy Department has developed a Quality Assurance Matrix to provide a high-level overview of all scrutiny. The Quality Assurance Matrix provides a summary of SEPA's key processes and the various sources of quality assurance provided in respect of each of these processes. The sources of scrutiny that are used in the matrix include: external audits by LRQA, UKAS and PWC, internal audits by KPMG<sup>1</sup> and internal auditors, quality checks by managers, performance reports and performance challenge sessions.

**2.1.3** As the Quality Assurance Matrix has only recently been developed, it currently includes many gaps. This does not mean that quality assurance has not taken place – simply that it was not captured in the matrix. Over a five-year period the quality of each of the processes listed should be assessed by at least one of the sources of scrutiny listed in

---

<sup>1</sup> SEPA contracts some internal audit to KPMG

the matrix so there will be at least one cross on the grid against each of the processes listed.

**2.1.4** The Quality Assurance Matrix has been used to plan this year's internal audit programme. As it develops, it will be used to identify gaps in the quality assurance process, where there is insufficient assurance being provided, as well as areas where there is too much assurance effort being expended.

**2.1.5** It should be noted that SEPA is about to begin a project to formally map its key processes. The Quality Assurance Matrix has been developed using a draft list of processes and will be updated to reflect the new process library as it develops.

**2.1.6** The Quality Assurance Matrix is included in Appendix 1.

## **2.2 Internal audit plan**

**2.2.1** A programme of internal audits is carried out each year to ensure the work we do complies with existing policies, plans, procedures, legislation, regulations and quality and environmental standards and to identify where improvements could be made to SEPA's systems and operations.

**2.2.2** This year we have made a number of improvements to our internal audit programme. For the first time we are developing a five-year audit plan. The time period matches the new Corporate Plan period and will allow us to ensure that over the five years, all areas of SEPA's business receive appropriate scrutiny.

**2.2.3** As usual, a detailed one-year audit plan has been developed for 2012-2013. To improve on previous years' performance, a new system has been introduced which involves notifying all auditors and their line managers of their required input at the start of the year, allowing this work to be built into business plans. Withdrawal from the programme can only be approved by senior managers.

**2.2.4** The audit plans have been developed based on consideration of the following:

- i The Quality Assurance Matrix
- i discussion with members of directorate management teams
- i previous years' audit plans
- i known changes in SEPA's operating environment
- i requirements of ISO standards.

**2.2.5** Unscheduled audits will be added to the programme as required, for example following a complaint or an incident.

**2.2.6** The plan is organised by process. Auditors have been allocated to audits based on their experience, ensuring that they do not audit their own area of work.

**2.2.7** A copy of this year's audit plan is included in Appendix 2.

## **3.0 Recommendations**

**3.1** This paper is provided for approval.

**Kieron Gallagher, Business Support Manager, Science and Strategy**  
**David Pirie, Director of Science and Strategy**  
**9 March 2012**

Appendices:

- Appendix 1 SEPA's Quality Assurance Matrix
- Appendix 2 SEPA's internal audit plan for 2012-2013

## Appendix 1: SEPA's Quality Assurance Matrix

High level Process	Sub-Processes	KPMG audit 2010-2011	KPMG audit 2011-2012	KPMG audit 2012-2013	ISO standards external audit	PWC - Financial Governance	SEPA Management Systems	Internal audit 2011-2012	Internal audit 2012-2013	Quality checks by unit manager	Quality Checks by Finance/FCS	Performance reporting	SEPAStat <sup>1</sup>	Greening SEPA external verification	Risk Management Group	Security
Corporate management	Corporate governance		x	x		x										x
	Corporate and business planning and reporting	x		x	x							x	x			
	Business support		x													
	Risk Management	x		x												
	ISO mgt systems - joint system audits								x							
	Quality management system ISO 9001				x			x	x							
	Environmental management system ISO 14001				x			x	x							
	Laboratory management system ISO17025				x			x	x							
	Legal compliance							x	x							
	Performance improvement								x							
	Workload planning															
	Greening SEPA programme							x	x			x		X		
	Scottish Government accountability															
Resilience	Emergency Planning								x							
	Security															x
	Business Continuity Management		x						x							
Change	Transformational change	x	x	x								x	x			
Corporate services	Communications		x						x							
	IT Systems	x						x	x			x				x
	Data security & business continuity		x					x	x			x				x
	Information management & dissemination							x	x			x				
	Purchasing / Procurement		x					x	x							x
	Facilities & estates management							x	x		x					
	Management of financial resources		x				x					x				
	Management of risks							x			x				x	
	Administration services								x				x			
	Programme / Projects management							x	x				x	x		
	Corporate and operational legal support									x						
	Finance Services	x										x				
Payroll Services	x										x					

High level Process	Sub-Processes	KPMG audit 2010-2011	KPMG audit 2011-2012	KPMG audit 2012-2013	ISO standards external audit	PWC - Financial Governance	SEPA Management Systems	Internal audit 2011-2012	Internal audit 2012-2013	Quality checks by unit manager	Quality Checks by Finance/ FCS	Performance reporting	SEPAStat	Greening SEPA external verification	Risk Management Group	Security
Corporate services (continued)	Asset and inventory management								x		x					
	Reception and switchboard operations															
	Internal Communications															
	Intranet management							x								
	Records management							x	x							
	Board and corporate management support															
	Help desks and centres of excellence															
Organisational Development	Learning & development							x	x			x				
	HR / employee welfare											x				
	Health & safety								x			x				
Influencing	Horizon scanning, political, legislation tracking							x								
	Partnership with governmental, local authorities, trade and industry bodies, academia etc													x		
	Influencing legislative and policy direction															
	Influencing development of policy / regulation															
	Research & development							x								
	Involving the public / citizen science															
Consultation	Respond as Statutory Consultees to Consultations & Planning Applications								x							
	Response to Formal Consultations															
	Consultation led by SEPA under Public Participation Directive															
	Consultation led by SEPA on Major Policy Initiatives								x							
Regulation	Integration of new / revised duties								x							
	Transposition of new legislation / directions															
	Implementation of new / revised duties and responsibilities															
	Development of internal policies, procedures and guidance															
	Resource planning for new duties															
	Licence approval		x	x				x	x							
	Pre-application discussions, support & advice															
	Processing licence applications										x					
Processing licence variations																

High level Process	Sub-Processes	KPMG audit 2010-2011	KPMG audit 2011-2012	KPMG audit 2012-2013	ISO standards external audit	PWC - Financial Governance	SEPA Management Systems	Internal audit 2011-2012	Internal audit 2012-2013	Quality checks by unit manager	Quality Checks by Finance/FCS	Performance reporting	SEPAStat	Greening SEPA external verification	Risk Management Group	Security
Regulation (continued)	Processing licence transfers															
	Inspections							X	X	X						
	Compliance assessment							X	X	X		X				
	Withdrawing / cancelling licences															
	Enforcement									X		X				
	Enforcement Action							X	X							
	Environmental crime investigations															
Environmental management	Environmental Improvement / Pollution															
	Environmental Management									X						
	Environmental improvement actions / targeted initiatives															
	Response to emergency and pollution events (local and national)								X			X				
	Participation in national response exercises															
	COMAH Accident response															
Environmental Reporting	Development of national monitoring plan								X							
	Planned sampling								X							
	Unplanned sampling															
	Operator and other agency supplied data collection			X				X								
	Laboratory testing and evaluation							X	X			X				
	Hydrometric monitoring, measurement							X	X							
	Data and results analysis								X	X						
	Environmental risk analysis															
	Quality Assurance								X							
	Survey Vessel(s)								X							
	Reporting							X								
	Compliance reporting								X							
	State of the environment reporting and data publication												X			
	European & national reporting									X						
GIS mapping of data																
Development and provision of data modelling									X							
Flood mapping																

High level Process	Sub-Processes	KPMG audit 2010-2011	KPMG audit 2011-2012	KPMG audit 2012-2013	ISO standards external audit	PWC - Financial Governance	SEPA Management Systems	Internal audit 2011-2012	Internal audit 2012-2013	Quality checks by unit manager	Quality Checks by Finance/ FCS	Performance reporting	SEPAStat	Greening SEPA external verification	Risk Management Group	Security
Advice and information	Flood warning & Floodline								x							
	Chemistry and Ecology advice and development								x							
	Access to information / environmental information requests	x							x							
	Website management								x							
	SEPA Communications Centre various hotlines								x							
	Technical & Policy Enquiries															
	Official ministerial enquiries															
	Briefings and information on corporate & environmental developments															
	Media relations and responses								x							
	Flood Warning															
	External communications and publicity															
	Sponsorship (of non-commercial activities eg VIBES)															
Provide articles to trade and other publications																
Customer focus	Customer satisfaction								x							
	Customer focus								x							
	Customer insight and segmentation															
	Complaint & compliment handling							x								

## Appendix 2: SEPA's Internal Audit Plan 2012-2013 (excluding KPMG audits)

Level 1 Process	Level 2 Processes	Internal audit / Reviews April 2012 - March 2013
Corporate management	ISO mgt systems - joint system audits	1. ISO Systems Audit – Planning 2. Policies Awareness (ISO17025, 9001, 14001) 3. Management Review
	Laboratory management system ISO17025	Audit of audits (Science)
	Legal compliance (all legal controls on SEPA)	Waste Management - Laboratory Hazardous Waste disposal
	Legal compliance (all legal controls on SEPA)	Evaluation of compliance (all environmental legal requirements)
	Performance improvement	ISO Systems Audit - Internal Audit (Quality & Environmental)
	Performance improvement	Operations teams Quality Assurance mechanisms ('line manager checks')
	Greening SEPA programme	Green building audits - Fort William, Ayr, Stirling, Aberdeen, Edinburgh and Dingwall
Resilience	Emergency Planning	Emergency response
	Business Continuity Management	Business Continuity - small office checks
Corporate services	Communications	Communications
	IT Systems	IT systems Audit
	Data security & business continuity	Data security & business continuity
	Information management & dissemination	Memorandum of Understanding process control
	Purchasing / Procurement	ISO14001 follow up
	Purchasing / Procurement	Purchasing, service & supplies in Science
Corporate services – continued	Purchasing / Procurement	ISO Systems audit - Outsourced contracts & services
	Facilities & estates management	Control of contractors
	Facilities & estates management	SEPA's Waste Electronic & Electrical Equipment
	Facilities & estates management	MITIE
	Administration services	Office procedures
	Programme / Projects management	PMO Programme (4 audits)
	Corporate and operational legal support	Corporate and operational legal support
	Asset and inventory management	Asset and inventory management
	Records management	PMO Programme - Records Mgt Project
	Organisational Development	Learning & development
Consultation	Respond as Statutory Consultees to Consultations & Planning Applications from UK and Scottish Bodies.	Consultation Response and Planning Applications
	Consultation led by SEPA on Major Policy Initiatives	Consultation led by SEPA on major policy initiatives
Regulation	Regulation	Governance - The Specific Scheme of Delegation
	Integration of new / revised duties	Integration of new duties
	Licence approval	Compliance with Ops signing protocol

Regulation (continued)	Licence monitoring	Data input to SEPA systems - CLAS
	Inspections	COMAH Inspections PPC Inspections CAR Inspections
	Compliance assessment	Operator Data Returns Compliance Assessment Scheme
	Compliance assessment	Public Registers South (Edinburgh)
	Enforcement Action	DVLA Requests
Environmental Management	Response to emergency and pollution events (local and national)	Environmental Events Response
Environmental Reporting	Development of national monitoring plan	Development of National Monitoring programme
	Laboratory testing and evaluation	Audits programme in Laboratories of UKAS accredited activities
	Subcontracted laboratory testing and evaluation	Subcontracting of tests
	Hydrometric monitoring, measurement	Hydrometric monitoring, measurement
	Survey Vessel(s)	Survey Vessel(s) - Sir John Murray
	Compliance reporting	Environmental reporting - Compliance reporting (Environmental Quality)
	European & national reporting	Environmental reporting - European & National reporting (Environmental Quality)
	Development and provision of data modelling	Development and provision of data modelling
Advice and information	Flood warning & Floodline	Flood warning & Floodline
	Chemistry and Ecology advice and development	Chemistry and Ecology advice and development
	Access to information / environmental information requests	Access to information / environmental information requests
	Advice & Information > Website(s) management	Advice & Information - website(s) management
	Media relations and responses	Advice & Information - Media relations and responses
Customer focus	Customer focus	ISO Systems audit - Customer Focus

<sup>i</sup> SEPAStat is a performance strategy which delivers an ongoing series of regular, periodic meetings during which SEPA's Agency Management Team and senior managers use data to analyse SEPA's performance, to establish our next performance objectives, and to examine our overall performance strategies.