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# **Directorate for Internal Audit and Assurance**

## **Internal Audit Report**

### **Social Security Scotland 2022-23**

#### **Case Transfers Review**

**Directorate for Internal Audit and Assurance**

**Issue Date:** 13-06-2023

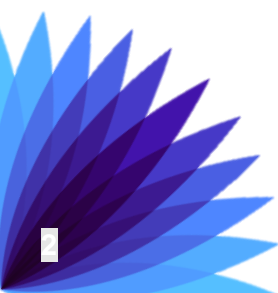
## Audit Personnel

<b>Senior Internal Audit Manager:</b>	[Redacted]
<b>Internal Audit Manager:</b>	[Redacted]
<b>Internal Auditor</b>	[Redacted]

## Report Distribution

<b>Client Accountable Officer*</b>	David Wallace, Chief Executive
<b>Deputy Director</b>	Janet Richardson
<b>External Audit*</b>	Audit Scotland
<b>Key Audit contacts</b>	[Redacted], Operations Lead; [Redacted], Operations Manager; [Redacted], Operations Manager; [Redacted], Operations Manager; [Redacted], Social Security Directorate Managed Case Transfer Service Owner; [Redacted], Social Security Directorate Case Transfer Service Owner; [Redacted], Live Service Chief Digital Office [Redacted], Product Owner Leanne Carson, Deputy Director Social Security Programme
<b>Internal Audit Business Support Hub*</b>	[Redacted]

\* Final Report only

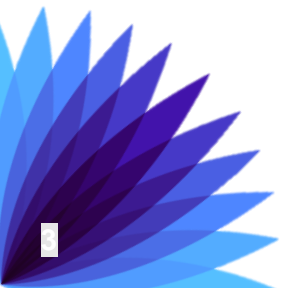


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## 1. Introduction

### 1.1. Introduction

This internal audit review of Case Transfers formed part of the Audit Plan agreed by the Accountable Officer and noted by the Audit and Assurance Committee on 25 March 2023. The Accountable Officer for Social Security Scotland is responsible for maintaining a sound system of governance, risk management and internal control that supports the achievement of the organisations policies, aims and objectives.

### 1.2. Audit Scope

The scope of this review was to evaluate and report on the controls in place to manage the risk surrounding Social Security Scotland's Case Transfer arrangements.

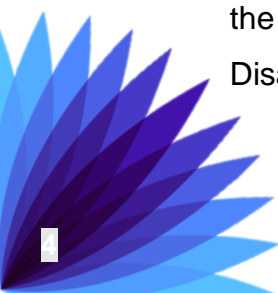
The agreed Terms of Reference for this review is attached at [Annex B](#).

### 1.3. Assurance and Recommendations

Assurance Category	Limited		
Recommendations Priority	High	Medium	Low
	5	2	0

Our review has identified five high and two medium priority recommendations. A limited assurance rating has been provided. There are weaknesses in the current risk, governance and/or control procedures that either do, or could, affect the delivery of any related objectives. Exposure to the weaknesses identified is moderate and being mitigated.

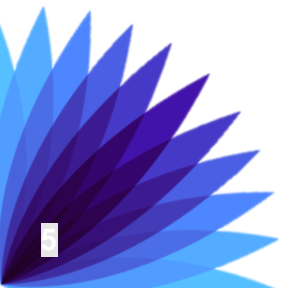
The rationale for this is that Case Transfers from the Department for Work and Pensions to Social Security Scotland are being delivered. At the time of our review the majority of Child Disability Payment cases have been transferred and Adult Disability Payment Case Transfers are now on-going. [Redacted]



Findings are summarised against recommendations made in the [Management Action Plan](#).

Full details of our findings, good practice and improvement opportunities can be found [in section 3 below](#).

Please see [Annex A](#) for the standard explanation of our assurance levels and recommendation priorities.



## 2.1. Management Action Plan

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
1	<p><b>Issue: Handover Processes/ Roles and Responsibilities</b></p> <p>a) No evidence was provided to demonstrate that a Minimum Viable Product was defined for the delivery of Case Transfers, therefore there is no process to determine whether Social Security Scotland have received an agreed, fit for purpose product by the Programme Directorate.</p> <p>b) There were differing views on the timing for removal of hyper care for natural Adult Disability Payment Case Transfers and uncertainty of the ability to manage the product in Chief Digital Office as well as</p>	<p>a) Social Security Scotland should ensure clarity over current and future Case Transfer minimum viable products and ensure a clear, documented agreement is made on products as they are launched.</p> <p>b) Chief Digital Office should ensure sufficient resources and skill sets are in place within the division to enable them to</p>	H	<p><b>Response:</b></p> <p>Management accept the recommendations.</p> <p><b>Action:</b></p> <p>a) Social Security Scotland Product Owners will liaise with Directorate Product Leads to capture and agree future benefit launch minimum viable products.</p> <p>b) Live Service Manager allocates resource based on overall priorities. Product Owner will continue to ensure that adequate resource is available.</p>	<p>2025</p> <p>July 2023</p>

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p>concerns from Client Services Delivery about the stability of the product.</p> <p><b>Risk:</b> An inability to process Case Transfers due to insufficient and ineffective product design and support leading to insufficient arrangements to manage current and future Case Transfers.</p>	<p>successfully take ownership of products post hyper care periods.</p> <p>c) Social Security Scotland should ensure that the handover plans for Case Transfer products are clear and agreed with Programme Directorate, prior to the end of the hyper care period.</p>		<p>c) A documented handover plan will be in place for the transition of Case Transfer to Social Security Scotland.</p> <p>Agreement was reached on 4<sup>th</sup> May 2023 detailing ownership in the post hyper care period.</p> <p><b>Action Owner:</b> [Redacted] Live Service Manager</p> <p>[Redacted] Product Owner</p>	July 2023
2	<p>[Redacted]</p> <p><b>Risk:</b> [Redacted]</p>	a) Social Security Scotland should seek assurance that there are actions in place to address and	H	<p><b>Response:</b> Management accept the recommendations.</p> <p><b>Action:</b></p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
		<p>mitigate the risk of not achieving policy principles [Redacted]</p> <p>b) Appropriate action should be taken to understand the full impact of the current known issues, identify all cases impacted and remedy the current issues that are arising.</p>		<p>a) Product Owner will work with Social Security Directorate colleagues [Redacted]</p> <p>b) Product Owner will continue to monitor [Redacted]</p> <p><b>Action Owner:</b> [Redacted] Product Owner</p>	<p>2025</p> <p>August 2023</p>
3	<p>[Redacted] Child Disability Payment cases as well ongoing Adult Disability Cases and potentially future Case Transfers.</p> <p><b>Risk:</b> [Redacted]</p>	<p>Client Services Delivery should work with Chief Digital Office and the Programme Directorate to ensure a solution can be delivered to resolve the interface issues with clear</p>	H	<p><b>Response:</b> Management accept the recommendation.</p> <p><b>Action:</b></p>	<p>June 2023</p>



No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
		<p>timescales and controls to mitigate the risks.</p> <p>For all cases impacted, management should ensure remedial action is taken as required.</p>		<p>Interface issue has been identified and work continues to test and deploy a solution.</p> <p>Impacted cases will be assessed and remedial action taken if appropriate.</p> <p><b>Action Owner:</b> [Redacted] Project Manager</p> <p>[Redacted] Case Transfer Operational Lead</p>	
4	<p><b>Issue: Missing Documentation</b></p> <p>Decisions and actions have not been taken for cases transferred with no application forms/ supporting documentation which has led to creation of additional work to monitor cases by creating tasks, 'do not work queues' and</p>	<p>Social Security Scotland should ensure a decision is made on how to manage cases without the original application forms and evidence which considers</p>	H	<p><b>Response:</b></p> <p>Management accept the recommendation</p> <p><b>Action:</b></p>	June 2023

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p>causing implications if/when a client reports a change in circumstances or is due a case review.</p> <p><b>Risk:</b> Inefficient processes for administering Case Transfers leading to cases progressing through to payment that are missing documentation or change of circumstances not being processed correctly resulting in changes not being identified or actioned appropriately.</p>	<p>the legal and financial implications for future needs when changes are reported or case reviews are due.</p>		<p>Social Security Scotland have deployed tactical solutions to address the issue highlighted. Testing on a solution is currently underway with a system fix to be deployed thereafter.</p> <p><b>Action Owner:</b> [Redacted] Product Owner</p>	
5	<p><b>Issue: Approval Processes</b></p> <p>Approval easement is managed through manual processes increasing the risk that staff and cases which shouldn't be subject to easement are not appropriately discounted from these checks or the agreed approval process not followed.</p>	<p>Client Services Delivery should ensure: Where possible the process for managing approvals should be automated. If not possible mitigating controls should be put in place for</p>	M	<p><b>Response:</b> Management accept the recommendation.</p> <p><b>Action:</b> There are a number of mitigations in place. SRTI cases are managed by a small number of</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<b>Risk:</b> [Redacted]	managing approval easements.		colleagues and 100% compliance checked. New colleagues are subject to 100% checking by Team Managers.  a) Submit a commission to manage automation as recommended.  <b>Action Owner:</b> [Redacted] Case Transfer Operational Lead  [Redacted] Quality & Performance Lead	Oct 2023
6	[Redacted]  <b>Risk:</b> [Redacted]	Management should determine if there is a need to implement checks in relation to cases following the straight through process	M	<b>Response:</b> Management tolerate the risk.  Social Security Directorate conduct validation checks of the	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
		and take action as appropriate.		<p>data against a jointly agreed schema. There is an agreed minimum mandatory data set provided and the data is ratified before transferring into Social Security Scotland.</p> <p>It has been determined that checking of these cases would be disproportionate and would not identify any potential error in advance.</p>	
7	<p><b>Issue: Handling of Sensitive Information</b></p> <p>Client sensitive data may need to be shared outwith the file transfer process [Redacted]</p> <p><b>Risk:</b> [Redacted]</p>	<p>Social Security Scotland should review the process for obtaining client information and evidence [Redacted]</p>	H	<p><b>Response:</b> Management accept the recommendation.</p> <p><b>Action:</b> Social Security Scotland will work with Social Security Directorate to</p>	July 2023

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>keep the required actions to a minimum.</p> <p>Opportunities to further protect client information will be reviewed.</p> <p><b>Owner:</b> [Redacted] Product Owner</p>	

### 3. Findings, Good Practice and Improvement Opportunities

#### 3.1. Good Practice

##### **Delivery of Case Transfers**

- 3.1.1. At the time of review Child Disability Payment Case Transfers were almost complete following transfer of approximately 48,000 Disability Living Allowance cases, aligned with planned delivery timescales of the end of March 2023. Adult Disability Payment natural Case Transfers were well underway with an average of 1,440 cases transferring weekly and plans were on track to commence the transfer of managed Adult Disability Payments from the beginning of April 2023. Social Security Scotland have agreed a set number of Case Transfers to be triggered per day with the Department for Work and Pensions, which can be increased or decreased according to workload.

##### **Policies**

- 3.1.2. There are suitable policies published on Case Transfers, with an existing Policy Team in place within the Scottish Government to progress future policy for forthcoming benefit Case Transfers.
- 3.1.3. Five Case Transfer Principles were defined within the Case Transfers Policy, Social Security Scotland have evidently adhered to two of the commitments, to ensure no re-applications and no face-to-face re-assessments.
- 3.1.4. Benefit specific Case Transfer strategies have also been developed by the Programme Directorate which set out the scope, resources and dependencies of each Case Transfer.

##### **Guidance**

- 3.1.5. The Knowledge Management Hub holds a suite of Case Transfer specific guidance including guidance on each benefit with Case Transfers as well as guidance on Special Rules for Terminal Illness. Guidance is also available externally to clients via the mygov.scot website.

##### **Training**

- 3.1.6. All Case Transfer staff have received the same SPM training provided across Client Services Delivery comprised of three weeks training followed by a

consolidation period with additional training days specific to Case Transfers to ensure staff have the relevant knowledge.

- 3.1.7. The Case Transfers Team have also ensured high priority areas such as Special Rules for Terminal Illness have expertise by assigning those cases to specifically trained and upskilled Client Advisors.

### **Case Transfers Design**

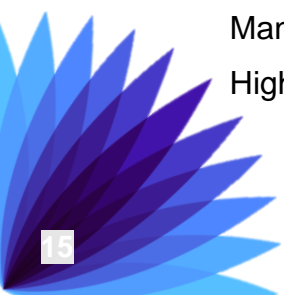
- 3.1.8. Since commencing Case Transfers a number of improvements have been made to the design to improve the product and resolve defects that occurred. These include improvements to management information as well as to automation which has increased from 58% at the launch of Child Disability Payment to averaging 89% for Adult Disability Payment.
- 3.1.9. Key lessons were also learnt from the hyper care period for Child Disability Payment Case Transfers which led to better Programme Directorate support for Adult Disability Payment Case Transfers, increased engagement with the Department for Work and Pensions and a significant increase in time for the hyper care period.

### **Stakeholders**

- 3.1.10. Since the roll-out of Case Transfers, relationships between key stakeholders including the Department for Work and Pensions, Client Services Delivery, Chief Digital Office, the Programme Directorate and Social Security Scotland Project Team have been improved.
- 3.1.11. Regular engagement is in place including twice weekly joint assurance meetings with the Department for Work and Pensions and regular hyper care meetings with the Programme Directorate.
- 3.1.12. Cases transferred feed into Business As Usual Benefit Teams caseloads once cases are in entitlement, both teams appear to have an understanding of where their responsibilities start and stop.

### **Management Reporting**

- 3.1.13. Highlight Reports are used to provide updates to Client Services Delivery Management enabling them to monitor the progress of Case Transfers. The Highlight Report provides a route to flag any backlogs or areas for concern.



- 3.1.14. Performance Managers also use Reconciliation Reports, in the absence of functionality in SPM to flag cases nearing entitlement date, to ensure such cases are actioned in time. There is a team of staff focussed on any cases which are near to entitlement to ensure the cases are processed in time and avoid payment issues.
- 3.1.15. The Programme Directorate Programme Management Office and Client Services Delivery record and manage risks arising from Case Transfers within existing service level risk logs across all Case Transfer benefits.

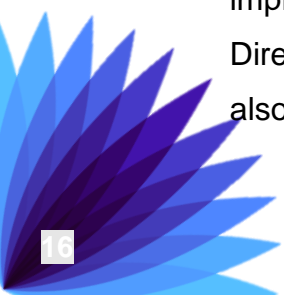
### **Good Practice in SPM Notes**

- 3.1.16. Through our testing we found a good standard of consistent notes retained on cases to clearly demonstrate Client Advisor and Approver actions taken, including when the case was subject to easement. We have previously found this lacking in other benefits reviewed and therefore are keen to highlight this good practice for Case Transfers.

## **3.2. Improvement Opportunities**

### **Handover Processes**

- 3.2.1. There was no evidence of a Minimum Viable Product (MVP) for Case Transfers being defined to set out the key acceptance criteria for Case Transfers and there is no evidence of a process undertaken to refer back to the Strategy Dependencies to ensure a sufficient product is transitioned into Social Security Scotland. [Redacted] Action should be taken by Social Security Scotland to ensure forthcoming Case Transfer Minimum Viable Products are agreed.
- 3.2.2. The Adult Disability Payment hyper care period is scheduled to end for natural cases at the end of March, however Social Security Scotland continue to have concerns about the product. At the time of review the decision to agree the ending of the natural Adult Disability Payment hyper care period was still to be made. Social Security Scotland and Programme Directorate disagreed on the clarity of the handover plans [Redacted]. The Programme Directorate advised that support would continue for managed Adult Disability Payment Case Transfers and there is recognition that hyper care cannot continue indefinitely due to the resource implications. There is a need for Social Security Scotland and Programme Directorate to clarify and agree timescales for the removal of hyper care. Action is also required to ensure Social Security Scotland are suitably resourced and have





the knowledge, expertise and readiness for forthcoming transfers post hyper care. Handover plans need to be clear and agreed and if not, Social Security Scotland should seek assurances from Programme Directorate in advance of any transfer of responsibilities.

- 3.2.3. Issues with Child Disability Payment Case Transfers still remain which is impacting the completion of approximately 100 cases still to be transferred from the Department for Work and Pensions. This could limit achieving the completion by the end of March and the functionality is due to be switched off in June 2023. Social Security Scotland should seek assurance that defects impacting the remaining Child Disability Payment cases will be resolved and lessons learnt fed into the service design of forthcoming Case Transfers to ensure no reoccurrence of these issues. ([see recommendation one](#))

### **Defects and Weaknesses in Processes**

- 3.2.4. As a result of the existing defects and workarounds in the Case Transfer process there are risks and dependencies to achieving the principles of 'correct payment at the correct time', 'as soon as possible' and 'clear communication with clients. Therefore, there is a need to ensure plans are in place to resolve known defects, some of which are outlined below and have been fed back to Client Services Delivery.
- 3.2.5. [Redacted]
- 3.2.6. Some identified gaps in processes include:
- a lack of process and guidance for contacting prisoners;
  - no timescales for completing change of circumstances;
  - [Redacted]
  - reliance on the Reconciliation Report, which is manual and resource intensive, to monitor cases nearing entitlement date; and
  - [Redacted]
- 3.2.7. There are also a number of defects and lack of system solutions such as:
- the date on the form for Terminal Illness clients preceding the application date;
  - Delays in processing cases and SPM evidence errors meaning cases cannot be authorised as the start date had passed meaning entitlement has to be

forward dated to next available delivery pattern period and manual payments made or the case rebuilt in full;

- the need for manual payments due to changing payment patterns where Social Security Scotland's payment cycles are not aligned with those of the Department for Work and Pensions, which is then further complicated if elements are payable to Motability.

As Case Transfers increase, this will have a bigger impact on Finance and Intervention colleagues through manual payments and potential under/over payments.

- 3.2.8. Social Security Scotland have also identified an issue where in some instances clients in care homes have incorrectly been paid the care component and these only being discovered through client notification. Retrospective action will be required to resolve these cases once the extent of cases impacted is known. ([see recommendation two](#))

### **Interface Issues**

- 3.2.9. There are issues with the interface used as the transfer mechanism to allow the Department for Work and Pensions to send client evidence which has led to issues with documents being ingested into SPM. Colleagues across Social Security Scotland and Programme Directorate are aware of the issues and the current impact of this on staff and clients. The root cause and scale of the data transfer issue is yet to be determined, an initial investigation has been undertaken and Programme Directorate and Chief Digital Office colleagues continue to work together to resolve the issue. It was advised, once files are run, this generates a high volume of 'Unresolved' document error tasks which are resource intensive for Client Services Delivery to resolve, with manual workarounds required.
- 3.2.10. [Redacted]

### **Missing Documentation**

- 3.2.11. Some Case Transfers are received with missing documentation, such as the original application form on which the Department of Work and Pensions based their determination. This may be due to the interfacing issue referred to above or other known reasons. This can cause delays with progressing the transfer of cases, result in cases reaching entitlement deadlines and create extra work and lengthy task queues as Client Advisors are creating tasks and local notes as a

reminder to go back and check if the documentation has been received. The Department for Work and Pensions will only retain data on these cases for 14 months from the end of entitlement. There has been no decision made as to whether the missing documentation is needed at the time of transfer and workarounds are being created for these cases.

- 3.2.12. Where a client reports a change of condition, if documentation is missing the Client Advisor may not be able to process the change. [Redacted]

### **Approvals**

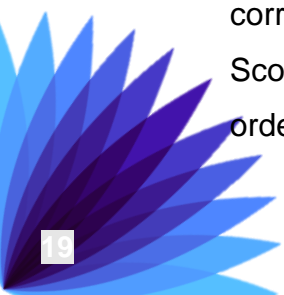
- 3.2.13. Case Transfers are part of a pilot for a new quality checking regime being developed by Client Services Delivery resulting in some cases being subject to easement. To enable this, six cases per person, per month are manually selected from Excel trackers and subject to approval checks. Due to the manual process for selection, there is a risk that staff or cases which shouldn't be subject to easement in line with guidance, such as new staff or any Special Rules for Terminal Illness cases, are not appropriately discounted from these checks. There is a need to review the processes for managing approvals and ensure mitigations are in place to minimise this risk. ([see recommendation five](#))

### **Straight Through Cases**

- 3.2.15. All Case Transfers should go through the 'straight through' process, if successfully transferred into SPM and no Client Advisor input is required. [Redacted]

### **Handling of Sensitive Information**

- 3.2.17. There are various reasons why a Client Advisor may need to contact the Department for Work and Pensions as part of the Case Transfer process, such as a change in need during the transfer period or errors encountered when transferring client records. An email template is used to contact the Department for Work and Pensions through a central mailbox and the client's National Insurance Number will be captured as the unique identifier. The Department for Work and Pensions will then provide a response and where relevant include evidence attachments pertaining to the client's case. [Redacted] Where email correspondence is required as part of the case transfer process, Social Security Scotland should ensure mitigations have been considered and implemented in order to minimise the risks encountered due client sensitive information being



managed outwith SPM and the standard file transfer process. ([see recommendation seven](#))

### **Resourcing**

- 3.2.15. For Adult Disability Payment managed cases, an agreement has been made on the number of cases transferred per day and modelling undertaken to align appropriate resource. The ability to manage workloads is also however reliant on the automation of straight through processes remaining high and limited unknown defects occurring, therefore there is a risk that should this situation change the resources in place may not be suitable for managing the agreed case workload. We are however aware of mechanisms in place within Client Services Delivery to manage resources across the division, as well as the ability to manage the levels of cases transferred meaning mitigations are in place to manage this risk and therefore, we are not making any recommendations.

### **Use of Manual Trackers**

- 3.2.18. The Case Transfers Operations Team continue to rely on the use of manual trackers to monitor and track cases. As previously reported in other Client Services Delivery reviews and a recent SPM Management Information and Reporting review, risk of inefficiencies, error and loss of data applies to this approach. As we have made previous recommendations in relation to the reliance on manual trackers, we have not made any further recommendations here, however management should ensure the needs in relation to Case Transfers are considered, along with wider Client Services Delivery needs, when implementing the other recommendations already made and look to reduce the reliance on manual trackers for management information and decision making.

## Annex A Definition of Assurance and Recommendation Categories

### Assurance Levels

<b>Substantial Assurance</b> <b>Controls are robust and well managed</b>	Risk, governance and control procedures are effective in supporting the delivery of any related objectives. Any exposure to potential weakness is low and the materiality of any consequent risk is negligible.
<b>Reasonable Assurance</b> <b>Controls are adequate but require improvement</b>	Some improvements are required to enhance the adequacy and effectiveness of procedures. There are weaknesses in the risk, governance and/or control procedures in place but not of a significant nature.
<b>Limited Assurance</b> <b>Controls are developing but weak</b>	There are weaknesses in the current risk, governance and/or control procedures that either do, or could, affect the delivery of any related objectives. Exposure to the weaknesses identified is moderate and being mitigated.
<b>Insufficient Assurance</b> <b>Controls are not acceptable and have notable weaknesses</b>	There are significant weaknesses in the current risk, governance and/or control procedures, to the extent that the delivery of objectives is at risk. Exposure to the weaknesses identified is sizeable and requires urgent mitigating action.

### Recommendation Priority

<b>High</b>	Serious risk exposure or weakness requiring urgent consideration.
<b>Medium</b>	Moderate risk exposure or weakness with need to improve related controls.
<b>Low</b>	Relatively minor or housekeeping issue.

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**Annex B – Terms of Reference**

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# **Directorate for Internal Audit and Assurance**

## **Internal Audit Terms of Reference**

### **Social Security Scotland 2022-23**

#### **In-Depth Benefit Review**

#### **Case Transfers**

Directorate for Internal Audit and Assurance

Issue Date: 9-02-2023

## Key Audit Contacts

<b>Audit Year:</b>	2022-23
<b>Client Accountable Officer:</b>	David Wallace
<b>Client Audit Contact(s):</b>	[Redacted], Operations Lead; [Redacted], Operations Manager; [Redacted], Operations Manager; [Redacted], Operations Manager; [Redacted], Social Security Directorate Managed Case Transfer Service Owner; [Redacted], Social Security Directorate Case Transfer Service Owner; [Redacted], Live Service Chief Digital Office [Redacted], Product Owner Leanne Carson, Deputy Director Social Security Programme
<b>Senior Internal Audit Manager:</b>	[Redacted]
<b>Internal Audit Manager:</b>	[Redacted]
<b>Internal Auditor</b>	[Redacted]

## Estimated Reporting Timescale

<b>Fieldwork Starts:</b>	February 2023
<b>Fieldwork Ends:</b>	February 2023
<b>Draft Report Issued:</b>	March 2023
<b>Final Report Issued:</b>	March 2023
<b>Estimated Resource Days:</b>	30

## 1. Introduction

1.1. This review forms part of our planned audit coverage set out in our Annual Internal Audit plan issued on 25 March 2022 and agreed by the Accountable Officer and noted by the Audit and Assurance Committee.

1.2. The Social Security Scotland Risk Register includes the following risks:

- *IF we are not clear on our requirements to deliver services effectively, efficiently and to budget with its dependencies*

*THEN the Agency staff could be underprepared to deliver services*

*RESULTING IN a service that lacks quality, efficiency and economy with financial and reputational impact on the Agency and Scottish Government*

- *IF the Agency is not provided with policy and product (for live and future benefit launch) to deliver robustly tested and effective internal control for the delivery of benefit products which are secure by design*

*THEN the Agency may experience increased levels of error and fraudulent activity both internal and external*

*RESULTING IN financial loss and missed/delayed client payments, reduced colleague morale and resulting reputational damage.*

1.3. To aide understanding it is important to clearly set out the relationship between Social Security Scotland and the Social Security Directorate (Programme). Social Security Directorate is responsible for developing the policies and designing and building the new Scottish social security services and is delivering the components on an incremental day to day basis through an agile environment. Minimal Viable Products are designed by the Social Security Directorate, in collaboration with Social Security Scotland from early discovery through to transition when Social Security Scotland will be supported to develop these as necessary.



- 1.4. With the launch of the new Disability and Carers Benefits, as well as dealing with new applications Social Security Scotland is having to take responsibility for the administration of the ongoing delivery of benefits to those already in receipt of the legacy benefits currently administered by the Department for Work and Pensions. This transfer of delivery is being progressed via the Case Transfer Process. This process is now underway for those transferring onto Child Disability Payment and Adult Disability Payment from the relevant Department for Work and Pensions benefits.
- 1.5. We met with the key contacts in Client Services Delivery involved in Case Transfers and relevant colleagues from the Programme Directorate to discuss relevant risks and agree the details of this review on 14 November 2022.
- 1.6. Our key risks below have been developed through these discussions and our knowledge of Social Security Scotland and its objectives.

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## 2. Scope

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- 2.1. To evaluate and report on the controls in place to manage the risk surrounding Social Security Scotland Case Transfers arrangements.

- 2.2. Remit Item 1 – **Governance, policies, procedures and guidance**

To review the governance and directive policies, procedures and guidance in relation to delivery of Case Transfers.

Key Risks:

- [Redacted]
- [Redacted]
- Ineffective resourcing leading to the inability to process case transfers resulting in unmanageable volumes and a possibility that payments will not be administered correctly resulting in delays in payments being made.
- An inability to process case transfers due to:
  - Poor oversight, leadership and management to support the delivery of case transfers.
  - Lack of awareness of future benefit case transfers leading to insufficient resourcing and training to manage additional case transfers.

- Social Security Scotland encountering financial loss and reputational damage due to:
  - [Redacted]
  - [Redacted]
  - Insufficient arrangements for managing the relationship with the Department for Work and Pensions resulting in an inability to effectively transfer cases to Social Security Scotland benefits.

### 2.3. Remit Item 2 – **Case Transfers Processing**

To review the controls and processes in place to manage the risk of incorrect or Inappropriate case transfer processing and eligibility.

Key Risks:

- [Redacted]
  - [Redacted]
  - An inability to effectively process case transfers due to insufficient work queues and/or inadequate processes and controls for managing the work queues for the case transfer caseload.
  - [Redacted]
  - [Redacted]
  - [Redacted]
- [Redacted]
  - [Redacted]
  - [Redacted]
  - [Redacted]
  - Payment values not aligning with approved award values.

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### 3. Approach

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- 3.1. We will undertake the audit in compliance with the Internal Audit Charter and the Memorandum of Understanding agreed between Internal Audit and Social Security Scotland.
- 3.2. At the conclusion of the audit a customer satisfaction questionnaire will be issued to the main client audit contact. Internal Audit appreciate feedback and to facilitate continuous improvement, we would be grateful if you could complete and return the questionnaire.
- 3.3. Social Security Scotland is reminded of our need for timely access to people and responsiveness to information requests, to enable the reporting timetable to be met.