Executive Advisory Body		
Date of Meeting	Tuesday 14 April	
Subject	Social Security Scotland - Healthcheck Review	
Agenda No.	Below the line	
Prepared By		
Purpose	Discuss	

1. Background

- 1.1. In March 2020, Social Security Scotland went through their second Healthcheck Review. The scope of this second review was
 - Review readiness for the first Wave 2 benefit launch and launch of Local Delivery
 - Consider arrangements in respect of Scottish Child Payment
 - Our contribution to Programme readiness around processes and technology
 - Culture
- 1.2. Like last time this was an integrated review and undertaken in parallel with a Gateway Review 0 of the Scotland Social Security Programme.
- 1.3. The report issued following is an evidence-based snapshot of the project's status at the time of the review. It reflects the views of the independent review team, based on information evaluated over the review period.

2. Key Points

- 2.1. The Review Team found that Social Security Scotland is becoming well established, with an overall confidence rating of
- 2.2. In total five recommendations were made that focus on improving the capability of Social Security Scotland. Recommendation 1 is mirrored in the Social Security Programme Report.
- 2.3. The full report is provided for information at Annex A.
- 2.4. In usual circumstances we would be expected to provide a response to the recommendations within three weeks of receiving the final report. However due to the current Covid 19 situation, replanning and prioritisation of work and resources, it has been agreed to pause work on the action plan until a later date.
- 2.5. We have however accepted the recommendations, identified potential action owners and are working with them to make sure they are not lost.

3. Conclusion

- 3.1. Comments and questions on the report are welcomed by Non-Executive Members. Once we do complete the action plan we will update Non Executive's.
- 3.2. A copy of this report will also be submitted to the Audit and Assurance Committee on 19 May 2019.
- 3.3. The Corporate Assurance Team will be responsible for monitoring progress towards completion of the action plan, with progress being reported to the Audit and Assurance Committee on a quarterly basis.

Link to Corporate Objectives

Please ensure that you detail which Corporate Plan Strategic Objective the paper contributes to. These strategic considerations should be use to assist you with the content of your paper.

Strategic Objective	Contribution
Dignity, fairness and respect Delivering a service with	The recommendations include work to identify and verbalise the existing culture then establish a strategy for perpetuating and embedding the core elements of that culture in all onboarding activities.
dignity, fairness and respect at its core.	
Equality and tackling poverty	
Promoting equality and tackling poverty.	
Efficiency and alignment	The recommendations focus on improving the capability of Social Security Scotland.
Ensuring efficiency and aligning our activities with wider public sector for the benefit of the people we serve.	
Economy, society and environment	
Contributing to our economy, society and protection of our environment.	

INDEPENDENT ASSURANCE

PROGRAMME Social Security Scotland

Healthcheck Review

Report Status:	Final
Report Guitas.	
Date/s of Review	02/03/2020 to 06/03/2020
Senior Responsible Owner (SRO):	David Wallace
Draft report issued to SRO	06/03/2020
Final report issued to SRO and copied to PPM-CoE:	16/03/2020
Delivery Confidence Assessment (DCA):	
Accountable Officer:	David Wallace
Scottish Government's (SG) Portfolio Accountable Officer:	Lesley Fraser

This report is an evidence-based snapshot of the project's status at the time of the review. It reflects the views of the independent review team, based on information evaluated over the review period, and is delivered to the SRO immediately at the conclusion of the review.

Gateway Review Conclusion

Delivery Confidence Assessment:

The Review Team finds that Social Security Scotland is becoming well established.

Social Security Scotland has a full Executive Team in place and most senior posts filled. Governance and management protocols have been established to meet the requirements of an Executive Agency, responsible to Ministers for the delivery of social security benefits.

Social Security Scotland is about to enter the second wave of product delivery with Scottish Child Payment and Child Disability Payment being launched within the next 6 months.

The Wave 2 benefits have a more complex delivery requirement and have a much higher volume, which in combination create an immense challenge for Social Security Scotland to deliver.

The Review Team acknowledge the progress made to date. The emerging culture demonstrating a positive attitude which will enable Social Security Scotland to manage the big challenges ahead.

We have made a number of recommendations that focus on improving the capability of Social Security Scotland.

The Delivery Confidence Assessment RAG status should use the definitions below.

RAG	<u>Criteria Description</u>	
Green	Successful delivery of the project to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.	
Amber/Green	reen Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.	
Amber	Successful delivery appears feasible but significant issues already exist requiring management attention. These appear resolvable at this stage and, if addressed promptly, should not present a cost/schedule overrun.	

Amber/Red	Successful delivery of the project is in doubt with major risks or issues apparent a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.	
Red	Successful delivery of the project appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The project may need re-base lining and/or overall viability re-assessed.	

Summary of Report Recommendations

A summary of the report recommendations are as follows:

Ref. No.	Report section	Recommendation	Status	Aligned with SG PPM Principle	Aligned with profession
1.	3	Social Security Scotland should work with the Social Security Programme to ensure that critical functionalities are agreed and delivered in time for the launch of the Scottish Child Payment and Child Disability Payment.		Planning	Operations
2.	4	Social Security Scotland should map their resources against the end to end processes, including client volumes.		Planning	Operations
3.	5	Social Security Scotland should identify the specialist capabilities needed to undertake a full expert client role for all its major activities	R.	Resource management	Operations
4.	5	Engage with the Social Security Programme to establish the purpose of, and key outputs required from, the Child Disability Payment pilot.		Planning	Operations
5.	6	Undertake work to identify and verbalise the existing culture then establish a strategy for perpetuating and embedding the core elements of that culture in all onboarding activities.	R.	Resource management	Operations

Each recommendation has been given Critical, Essential or Recommended status.

The definition of each status is as follows:

Critical (Do Now) – To increase the likelihood of a successful outcome it is of the greatest importance that the project should take action immediately.

Essential (Do By) – To increase the likelihood of a successful outcome the project should take action in the near future.

Recommended – The Project should benefit from the uptake of this recommendation.

Each recommendation has been aligned with one of the SG's PPM Principles and the SG Head of Profession.

Annex A lists the principles.

ACTION PLAN - You must within three weeks of the final report provide your intended actions for addressing each recommendation. You should then share it with the relevant SG's Accountable Officer and copy it to the SG's Portfolio, Programme and Project Assurance (PPPA). Thereafter, you are responsible for implementing the actions in response to the recommendations. If the review has identified serious deficiencies or difficulties (including probable failure to meet the planned budget) within the programme the Accountable Officer should inform the relevant Minister/s.

Purpose of the Healthcheck Review

A Healthcheck Review can be used at any point in the programme/project's lifecycle and there is no limit to the number that can be carried out. A Healthcheck confirms the stage at which the programme or project is at and whether it looks to be in good shape to proceed to the next Gateway Review point.

Acknowledgement

The Review Team would like to thank the SRO, the Social Security Scotland Team and all interviewees for their support and openess, which contributed to the Review Team's understanding of the project and the outcome of this review. **Annex B** lists the people who were interviewed during the review.

Background

Aims of the programme:

The Social Security Programme (the Programme) has been established within the Scottish Government to design, procure and deliver the necessary infrastructure to deliver the requirements of the Social Security (Scotland) Act 2018 and the devolution of identified welfare benefits to the Scottish Government. The Act sets out a set of principles to guide the development and delivery of these services in a timetable determined by Scottish Ministers and approved by the Scottish Parliament. These principles set out an aspirational rights based framework in which the importance of the benefits to supporting people and the wider policy framework of poverty reduction is central. The ethos of delivery is critical to the successful achievement of the aims of the Programme.

The creation of an Executive Agency - Social Security Scotland - which will have responsibility for the continuing administration of the devolved benefits, is a central part of the Programme.

Driving force for the Programme:

The devolution of social security to Scotland is an integral part of the Scotlish Government's wider constitutional reform agenda following the Scotland Act 2016.

It is the largest act of devolution in the life of the Scottish Parliament and on completion will see responsibility for the administration of 16 benefits worth around £4bn per year transferred to the Scottish Government, administered through Social Security Scotland with a staffing complement approaching 1900

The creation of an Executive Agency - Social Security Scotland - which will have responsibility for the continuing administration of the devolved benefits, is a central part of the Programme.

Scottish Ministers are heavily committed the creation and success of Social Security Scotland. They see the devolution of these benefits as an opportunity not only to widen the devolved responsibilities of the Scottish Government, but as having a central role to play in their wider objectives as set out in the National Performance Framework, and to demonstrate their aspiration for a more client centred approach to delivery. They have therefore set a demanding timetable for delivery and the progressive transfer of benefits to Social Security Scotland. There is a Cabinet Secretary for Social Security (Cabinet Secretary for Social Security and Older People) and a Parliamentary Committee for Social Security reflecting the high level of interest and expectation surrounding Social Security Scotland. That expectation is shared by client and stakeholder groups.

Procurement and Delivery Status

As part of the Programme, Social Security has made major advances: it has been successful in delivering 7 Wave 1 benefits. It is now focused on the preparation for the delivery of Scottish Child Payment and Wave 2 benefits. The timetable for these is demanding and the complexity and volumes involved are significantly greater than Wave 1. Staffing has been built up accordingly and procurement of relevant services has been undertaken successfully.

Social Security Scotland has increasingly assumed responsibility not only for the administration of benefits but for wider corporate tasks such as accommodation and recruitment. It now takes a greater role in system design including chairing the Design Authority Board.

It has built up its senior management team and corporate capability. Planning is in place for the progressive transfer of function and capability to Social Security Scotland – particularly in the IT support function. It is working hard with its Executive Advisory Body and in engagement with stakeholders to ensure the principles set out in the Act and the Social Security Charter are operationalised.

Social Security Scotland now faces significant recruitment exercises as it recruits staff for Wave 2 benefits.

Current position regarding previous assurance reviews:

This is the third Healthcheck of the Social Security Agency setup. The other Healthchecks were undertaken in May 2018 and February 2019. This Healthcheck is being undertaken in parallel with a Gateway Review 0 of the Scotland Social Security Programme.

Review Team findings and recommendations

1. Policy and business context

Social Security Scotland is now functioning and delivering the 7 devolved benefits that have been transferred to it. It has built up its staffing rapidly and has been seen to be a very attractive place to work with significant levels of applications in response to its recruitment exercises. It is successfully fostering its identity and ethos in line with the Act's principles and the Social Security Charter as an organisation whose purpose is to help its client and improve their lives. It can be proud of the positive working environment it has created.

However it is clear to all involved that the level of the challenge as it comes to deliver the Scottish Child Payment and the Child Disability Payment marks a significant step-change. There is a high level of awareness of, and intense preparation and planning within Social Security Scotland to meet, this challenge. Notwithstanding the level of that challenge, confidence is high that the requirements can successfully be met.

Social Security Scotland's governance continues to develop - an Executive Advisory Body with Non-Executives is in place and an Audit and Assurance Committee established. It has presented its first Annual Report to Parliament and regularly engages with the Parliamentary Committee and the Cabinet Secretary.

The Executive Team has now been fully established with the relatively recent appointment of a Head of Clinical Operations. The Local Delivery service is taking shape.

Social Security Scotland has recently assumed responsibility for meeting its accommodation requirements. These are the focus of significant attention and detailed planning in order to meet significant additions in staffing over the coming years.

Social Security Scotland has detailed plans in place for recruitment of staff necessary to deliver the Wave 2 benefits and plans to train successive cohorts of appointees as they come onboard.

The balance of responsibility between the Programme and Social Security Scotland is, at the time of this review, beginning to shift as Social Security Scotland

increasingly assumes responsibility for benefit delivery and is building capacity necessary to support and further develop delivery. The Programme Business Plan shows how Social Security Scotland will build up its resourcing and activity as the Programme Team gears down in the years to 2024-25. While service design and delivery, and the digital infrastructure for Social Security Scotland have been the responsibility of the Programme, they are increasingly being given a voice and a key role in those activities. Further attention will be needed to guide the continued detailed planning for that process.

2. Business case and stakeholders

The Programme and Social Security Scotland have successfully implemented 7 Benefits in a short period and Social Security Scotland is now established with developing functionality in the areas of benefits delivery, governance, finance, fraud, communications, continuous improvement and Local Delivery service. Working closely with Scotlish Government People's Directorate Social Security Scotland has developed effective recruitment, on boarding and induction processes which have supported the development of a positive organisational culture.

Across both the Programme and Social Security Scotland there is a tangible commitment and reference to the importance of delivery for clients. This is reflected in high staff engagement scores across the organisation.

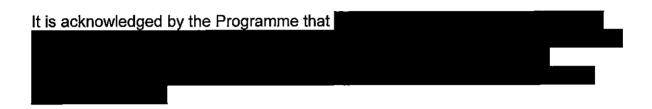
Social Security Scotland has delivered it first annual accounts and is in the process of finalising a 3 year Corporate Plan which will reflect its Charter Measurement Framework and address National Framework outcomes. A measurement plan has been developed and process measures are used to inform operational functioning.

Relationships with poverty and disability interest groups is viewed as essential in informing the Programme and Social Security Scotland's development and have been positive as Social Security Scotland and initial benefits have been delivered. The Programme and Social Security Scotland recognise as disabilities payments are introduced

Social Security Scotland is assuming responsibility for the management of the Service Level Agreements which have been put in place with the DWP and codependencies are recognised and managed.

3. Management of intended outcomes

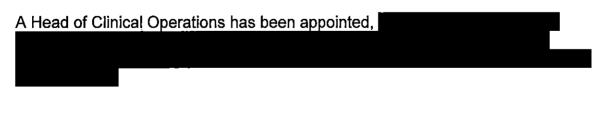
Following the Audit Scotland review in early 2019, consultancy support was commissioned from KPMG to strengthen programme structure including strengthening Social Security Scotland's influence on design. This is now exemplified by a Social Security Scotland Chair of the Delivery Authority Board. Social Security Scotland staff now work within Programme design teams as part of a multidisciplinary team approach. Over time this will allow operational lessons and requirements to influence the product prior to release of a minimum viable product (MVP) and also ensure that Social Security Scotland inherits valuable skills.



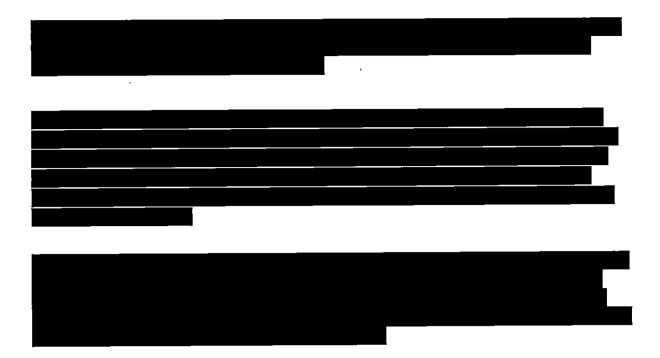
Social Security Scotland has established a project board for benefits implementation and this should enable Social Security Scotland to articulate its priorities and provide greater ownership for products.

Recommendation 1 Social Security Scotland should work with the Programme to ensure that critical functionalities are agreed and delivered

Recruitment of operational client advisor staff is being managed in line with the requirements of the increased activity increases. Temporary staff have been used to meet short term requirements. Recruitment exercises have so far attracted significant interest and there is no reason to believe that sufficient applicants will not come forward. The attitude of applicants to Social Security Scotland and its work has been used positively in the recruitment process supplementing a more conventional reliance on stated competencies. It will be important in larger scale recruitments that these factors are used consistently.



The Review Team note that the launch of Child Disability Payments in July is described as a pilot, with full roll out planned for September.



The Local Delivery service is being established and will be in place to support access to Child Disability Payment. This local service is viewed as helping achieve greater up take levels of the benefits and a front line expression of Social Security Scotland's ethos. It is recognised that partnership working with statutory and third sector bodies at a local level will be key to success.

4. Risk Management

Risks in relation to premises are being addressed with work underway to finalise solutions for Social Security Scotland in the medium term.

Social Security Scotland has achieved a great deal in a short time. The senior team is growing. It has stepped forward to provide operational input to programme design and to inform, for example, discussions over prioritisation. It is now time for Social Security Scotland to step forward and take ownership of the benefits once they are up and running, and to play a stronger part in decisions on prioritisation.



Recommendation 2 Social Security Scotland should map their resources against the end to end processes, including client volumes. Essential

5. Review of current outcomes

Since the last review, Social Security Scotland and the Programme are working closer on product development activities. This partnering approach is seen as positive by both organisations. Social Security Scotland is also more active in the control of technology development through the chairing of Design Authority Board as noted above.

The Project Management Office capability has recently been brought together under the oversight of the Programme. However, Social Security Scotland is starting to build its own project management capability.

Whilst Social Security Scotland is involved in product development, much of the testing or products is still under the control of the Programme.
It is understood that the Chief Digital Officer function will migrate to Social Security Scotland and form the backbone of their technical support function.
Throughout this migration continuing consideration needs to be given to building the
Recommendation 3 Social Security Scotland should identify the
As part of the above exercise Social Security Scotland should work with the
Programme to establish

Recommendation 4 Engage with the Programme to establish

The Review Team heard interviewees talk a lot about culture and the attitude of staff and how they are recruited as much for their attitude as their competency. Whilst this has merit

In mitigation of the points raised above, Social Security Scotland and the Programme severally and collectively, have demonstrated with previous product launches the ability to manage to tight timescales. There is a high level of commitment and confidence that the timetable will be delivered.

6. Readiness for next phase - delivery of outcomes

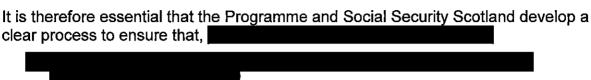
The Programme and Social Security Scotland remain a major political imperative to delivering the Scottish Government aim of a society that treats everyone with dignity, fairness and respect.

Social Security Scotland will be the deliverer of £4bn of social benefits to Scotland's people and there are high expectations expected of it.

To date the benefits delivered can largely be categorised as one off or basic transactional payments. The assessment for payment being a single eligibility requirement.

Future payments such as the Scottish Child Payment and the Child Disability Payment introduce progressively more case management requirement and substantial increases in volume.

Social Security Scotland has a well-defined People Strategy 2020-23 and a Workforce Resource Plan. Recruitment, onboarding and training are all well served by their Corporate Services team working through an MoU with the SG People Services Division and a funding of posts to backfill the Division's headcount.



In anticipation of substantial increases in benefits payment volume, Social Security Scotland is recruiting additional Client Advisors and Team Leaders. This substantial growth of workforce will continue at pace in preparation of the launch of the next wave of products. This could result in a dilution of the positive culture, evident from our review. There is a paper "our strategic approach to organisation culture" which describes factors that influence culture and the strategic direction being taken by Social Security Scotland. This work needs to be extended as the organisation grows.

Recommendation 5 Undertake work to identify and verbalise the existing culture then establish a strategy for perpetuating and embedding the core elements of that culture in all onboarding activities. Recommended



As stated in Section 1, the Programme Business Case identifies the funding requirement of the Programme and Social Security Scotland through to 2025-26. Funding for 2020-21 has been allocated in the Scottish Government's budget. While the Ministers have made strong commitments to future funding, the Scottish Government is operating on a single year budget and future funding cannot be allocated. The Social Security agenda can be impacted by a number of volatilities, including greater take up of benefits than planned, and as yet unplanned increases in the scope of the programme or further devolved benefits. Given the scale of the overall budget variances will have significant implication of the Scottish Government finances. The need to keep the financial forecasts under close review is therefore self-evident. Social Security Scotland will need to provide evidence of how they impact the wider Scottish Government agenda and that they are operations represent value for money.

Previous Gateway Review Recommendations

A summary of recommendations, progress and status from the previous Gateway Review can be found at **Annex C**

The Review Team have seen an action plan and current status statements of progress and consider the actions taken in response to the recommendations were appropriate and timely.

Next Independent Assurance Review

We recommend a further Gateway Review Health Check in April 2021.

Distribution of the Gateway Review Report

The contents of this report are confidential to the SRO and their representative/s. It is for the SRO to consider when and to whom they wish to make the report (or part thereof) available, and whether they would wish to be consulted before recipients of the report share its contents (or part thereof) with others.

The Review Team Members will not retain copies of the report nor discuss its content or conclusions with others.

A copy of the report is lodged with the PPPA so that it can identify and share the generic lessons from Independent Assurance Reviews. The PPPA will copy a summary of the report recommendations to the SG's Accountable Officer, and where appropriate, to the Organisation's Accountable Officer where the review has been conducted on behalf of one of the SG's Agencies, NDPBs or Health Sector organisations.

The PPPA will provide a copy of the report to Review Team Members involved in any subsequent review as part of the preparatory documentation needed for Planning Meetings.

Any other request for copies of the Gateway Report will be directed to the SRO.



ANNEX A

Scottish Government - Programme and Project Management Principles

1. Approach

 Our approach to managing programmes and projects is proportionate, effective and consistent with recognised good practice.

2. Business Case

 We secure a mandate for our work; identify, record and evaluate our objectives and options for meeting them; and ensure that we secure and maintain management commitment to our selected approach.

3. Roles and Responsibilities

 We assign clear roles and responsibilities to appropriately skilled and experienced people and ensure their levels of delegated authority are clearly defined.

4. Benefits

 We record the benefits we seek, draw up a plan to deliver them and evaluate our success.

5. Risk

 We identify, understand, record and manage risks that could affect the delivery of benefits.

6. Planning

 We develop a plan showing when our objectives will be met and the steps towards achieving them, including appropriate assurance and review activities, and re-plan as necessary.

7. Resource Management

 We identify the financial and other resources, inside and outside the organisation, required to meet our objectives.

8. Stakeholder Management

 We identify those affected by our work and engage them throughout the process from planning to delivery.



9. Transition

 We ensure that the transition to business as usual maximises benefits and that operational delivery is efficient and effective.

10. Lessons

 We record lessons from our programmes and projects and share them with others so they may learn from our experience.



ANNEX B

Review Team:

Review Team Leader:	
Review Team Member:	
Review Team Member:	
Review Team Member:	

List of Interviewees:

The following stakeholders were interviewed during the review:

Name	Organisation/Role
Stephen Kerr	Director, Social Security
Lisa Baron-Broadhurst	Programme Director, Social Security
	Programme Non-executive Programme Board Member
	Head of Resourcing & Digital Transformation
Alison Byrne	Deputy Programme Director, Social Security Programme
	Social Security Service Design Manager
Paul Knight	Deputy Director Clinical Operations
	Head of Corporate Services
	Fraud and Error Lead
	Service Manager, Assessments



Miriam Craven	Deputy Director Strategy and Client Experience
	Operational Lead Wave 2
Janet Richardson	Deputy Director Operations
James Wallace	Deputy Director Finance and Corporate Services
	Performance Manager, Operations Social Security Scotland
	Operations Social Security Scotland
David Wallace	Chief Executive
	Local Delivery Lead
	Programme Manager
	Organisational Culture, Change and Strategi Relationships Lead
	Senior Portfolio Manager (More Powers Implementation Procurement Team)
	Head of Strategic & Programme Finance
	DWP
	DWP
Andy McClintock	Chief Digital Officer
	Programme Delivery Manager, Social Security Programme
	Head of Live Running and Wave Implementation
	Senior Finance Business Partner –Social Security & Digital
Audrey MacDougall	Deputy Director
	Communities Analysis Division/SG Chief Social Researcher,
	Head of Social Security Operations and Delivery Analysis (SSODA)/Head of Analysis



*these officers assisted the Team in a tour of part of the Glasgow office and generally discussed their experience of working in Social Security Scotland although there were not part of the formal interview schedule as such.



ANNEX C

Progress against previous Gateway Review 19.02.2019 – 22.02.2019 recommendations:

Ref No.	Recommendation	Progress/Status
1.	The Agency should acquire the resource to provide meaningful frontline contribution to Wave 2 service design and enhancements that affect customer operational experience.	Recruitment for frontline staff around the country is underway, 100 additional staff will be on-boarded by the end of this year and trained for rollout of Wave 2.
		To support the rollout of Wave 2 the national stakeholder team will continue to implement the stakeholder plan, resources required have been evaluated and will be recruited to support this work.
2.	The Agency should develop measures that demonstrate its efficiency of operation consistent with its delivery philosophy.	Current work to measure the efficiency of the Agency operations includes a myriad of data collection and data reporting activity.
3.	Priority should be given to analytical work to improve forecasting of potential expenditure on devolved disability benefits, given the proportion of devolved benefit expenditure this encompasses and the impact any unmet need could have on the Scottish Government's overall financial position in the future.	In respect of this Recommendation we have outlined the work that is ongoing in this area, but also within the text outlined planned future work that aim to achieve this recommendation and improve on the forecasting.

Note: The progress stated above is an extract of the more detailed plan provided by Social Security Scotland