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# Directorate for Internal Audit and Assurance

## Internal Audit Report

### Social Security Scotland 2021-22

### Readiness for Disability and Carer's Benefits

Directorate for Internal Audit and Assurance

Issue Date: 4-07-2022

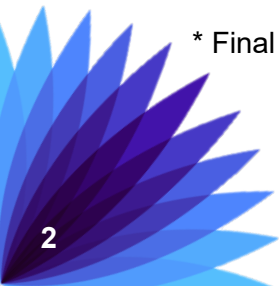
## Audit Personnel

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<b>Internal Auditor:</b>	[Redacted]

## Report Distribution

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\* Final Report only



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## 1. Introduction

### 1.1. Introduction

This internal audit review of Readiness for Disability and Carer’s Benefits formed part of the Audit Plan agreed by the Accountable Officer and noted by the Audit and Assurance Committee on 09 February 2021. 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

To evaluate and report on the controls in place to manage the risk surrounding Social Security Scotland’s readiness arrangements for Disability and Carer’s Benefits.

This audit incorporated two phases, the first considered Guidance and Training and the second focused on Resourcing. This report provides a summary of the outcomes from both phases of the review.

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

### 1.3. Assurance and Recommendations

Assurance Category	Reasonable		
Recommendations Priority	High	Medium	Low
	1	2	0

Our review has identified one high and two medium priority recommendations. A reasonable assurance rating has been provided. 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.

The rationale for this is that over the past four years Social Security Scotland has continued to successfully launch and deliver new Scottish social security benefits and over this time processes for readying the organisation for the launch of new benefits have developed and matured. A reasonable amount of good practice was captured through our review, however there were areas of weakness in relation to guidance, training, modelling and management information which should be improved in order to further develop the processes and minimise the risk to Social Security Scotland’s ability to achieve value for money and strategic objectives.

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. Management Action Plan

### 2.1. Management Action Plan

Our findings are set out in the Management Action Plan below

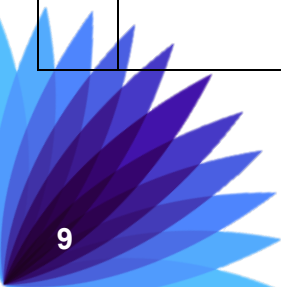
No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
1	<p><b>Issue: Guidance – Content and Timeliness of Delivery</b></p> <ul style="list-style-type: none"> <li>Guidance is not always available in sufficient time and when provided is sometimes incomplete or inaccurate.</li> <li>A comprehensive overview of the full benefit process is not always available until final sign off of guidance is obtained.</li> <li>The above issues can lead to staff not having the knowledge to enable them</li> </ul>	<p>Management should continue to liaise with Social Security Directorate colleagues to ensure:</p> <ul style="list-style-type: none"> <li>sufficient time consideration is given for completion and delivery of new guidance to ensure Learning and Development colleagues have sufficient time to develop, test and upskill in advance of delivering</li> </ul>	H	<p><b>Response:</b></p> <p>Guidance is tracked via the Disability Steering Group, co-chaired by Programme and Agency colleagues. Guidance provision dates within, Project Plans, do allow enough time to design training.</p> <p>A weekly report on progress is shared and discussed at this meeting. Programme colleagues meet twice weekly with Learning &amp; Development to prioritise guidance to align with the sequencing of training.</p> <p>A service blueprint walkthrough supports the full end to end benefit overview. For Disability and Carers Benefits this has been available 10 weeks prior to launch with follow up meetings to support understanding of the product.</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p>to effectively undertake their role resulting in the need for further staff training.</p> <ul style="list-style-type: none"> <li>• Training and guidance are focussed on the specific benefits rather than the SPM system.</li> </ul> <p><b>Risk:</b> Training developed and delivered is inaccurate and incomplete and does not meet Social Security Scotland's needs leading to lack of staff knowledge and an inability to effectively deliver services which may impact clients and stakeholders and result in reputational damage.</p>	<p>the training needed for launch;</p> <ul style="list-style-type: none"> <li>• an overview of the full benefit process is shared at an early stage to aid Learning and Development colleagues who are creating the training routeways and materials;</li> <li>• there is minimal need for staff retraining due to delays or provision of incomplete or inaccurate guidance.</li> <li>• system specific training and guidance is in place, especially for the staff with no prior SPM</li> </ul>		<p>However a full end to end, low level, process map is not possible due to the scale and complexity of the service. All services process maps are collated and added to a confluence page, shared between Directorate and Social Security Scotland colleagues.</p> <p>Slippage in the provision of guidance has led to challenges for Learning &amp; Development designing training in time for delivery to operational colleagues. This is monitored closely.</p> <p>Post go live additional support is provided via an agreed process to ensure any gaps in guidance are communicated back through to the support team.</p> <p>Directorate colleagues also hold a number of masterclass and floor walking events, post go live to support on the job training and guidance for Social Programme Management system users.</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
		<p>knowledge, which will result in better system knowledge and staff confidence in using the system.</p>		<p>Social Programme Management practice is included throughout learning. The design and delivery of learning includes Social Programme Management training on processing applications and verifying eligibility checks, ensuring learners are effective when they start.</p> <p>Practice sessions are designed into the learning programmes. This is also adopted for decision making within the system. In addition a case study approach is included to incorporate decision making and inputting decisions into the Social Programme Management system.</p> <p>Our ability to deliver this training has improved considerably through significant upgrading to the training environment and also the addition of a new training environment, delivered by Directorate and Chief Digital Office colleagues.</p> <p>In addition continual feedback surveys do highlight learners have challenges around more complex scenarios, not included in training.</p>	



No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>However it is not possible to design these scenarios within a test environment. Further options have previously been explored with the Deployment and Environments Manager and the Test Environment Coordinator. Due to systems restrictions we are currently operating at our most optimum capability.</p> <p>Programme colleagues provide onsite and virtual support before, during and after each benefit launch as well as a range of masterclasses responding to specific areas for staff development, including Social Programme Management.</p> <p><b>Action:</b> Learning &amp; Development colleagues will continue to work closely with Programme, Policy and Legal Directorate colleagues to establish gaps in guidance, required to design learning for Disability &amp; Carers Benefits, identifying and collectively agreeing dates for when guidance products are required.</p>	Aug 22



No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>Social Security Scotland and Directorate colleagues to review attendees of walkthroughs and meetings, to ensure the correct colleagues are receiving the required information.</p> <p>Learning &amp; Development have raised an issue on the Agency Strategic Risk Register to allow clarity and visibility of challenges. This provides the opportunity for both Agency and Programme colleagues to galvanise support if required. Monthly updates will be provided to the group allowing the opportunity for a wider agency response and support if required.</p> <p>Learning &amp; Development to provide regular progress updates to the Disability Steering Group.</p> <p>Directorate colleagues to provided post go live, on the job, support is in place for Adult Disability launch.</p> <p>Commencement of hybrid working will enable the delivery of training using different methods such as face to face. We will</p>	Nov 22

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>review our current SPM training delivery in line with this to look for additional opportunities to support learners.</p> <p>Learning &amp; Development have introduced the use of a self-assessment document to record specifically SPM training. This will allow a more comprehensive handover to line managers post training to allow them to monitor progress and support any gaps in learning identified. The use of this document will be reviewed prior to the action date of August 2022.</p> <p><b>Action Owner:</b>  [Redacted] – Head of Learning &amp; Leadership  [Redacted] – Head of Business Change Management</p>	Aug 22
2	<p><b>Issue: Resource Modelling and Assumptions</b></p> <ul style="list-style-type: none"> <li>The budgets on which resourcing decisions were made for Child Disability Payment and Adult</li> </ul>	Social Security Scotland should ensure there are appropriate governance processes in place for agreeing assumptions and variables and levels of risk	M	<p><b>Response:</b></p> <p>Management accept the need to evolve and improve governance processes in relation to resourcing decisions for Disability Benefits.</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p>Disability payment were set some time ago, before the benefit administration processes were designed, and therefore was not aligned directly with modelling and business processes.</p> <ul style="list-style-type: none"> <li>There was no clarity over the basis of the assumptions and variables used in the modelling process and there was no formal governance structure established to agree these assumptions and variables and the level of risk which is acceptable for Social Security Scotland.</li> </ul>	to be accepted in the modelling and resource decision making processes		<p>In order to improve the understanding of modelling assumptions the Analysis and Insights Team have adopted a new approach using formal expert elicitation techniques to agree modelling inputs.</p> <p>This is a risk based approach, using an elicitation method and governance procedure suitable for the sensitivity of the assumption of the analysis. For the most crucial modelling inputs the Sheffield Elicitation Framework has been adopted, and formally recognised by the Engagement &amp; Insights Forum, as the best practice approach to agreeing assumptions where little data is available and/or expert judgement is required.</p> <p>This was successfully implemented for Adult Disability Payment, receiving good working level buy-in, and it provided a well-documented approach to present proposed assumptions and the rationale behind them to management.</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p><b>Risk:</b> Social Security Scotland being over or under resourced due to:</p> <ul style="list-style-type: none"> <li>• budgets on which resourcing decisions are based not reflecting the actual need for staff numbers to be recruited;</li> <li>• assumptions and variables on which resourcing models are based are inaccurate.</li> </ul>			<p>There have been a number of recent changes to governance arrangements. An Engagement &amp; Insights forum has been established to tighten governance around the use of assumptions in key models. Furthermore a purely analysis focused sub group will adopt sign off for assumptions as a formal strand in its terms of reference.</p> <p>Furthermore Work Force Planning governance structures have been put in place to enable review of staffing requirements and budgets. Regular forums have been created for Workforce Planning, Resourcing, Finance and Client Service Delivery colleagues to review modelling and resource whilst linking in with colleagues from Social Security Operational Research. Resourcing requirements will be built as part of this process.</p> <p>Work will be under taken on a 6 monthly basis with Social Security Operational Research colleagues to review and reset forecasts based on modelling data, budget position for</p>	

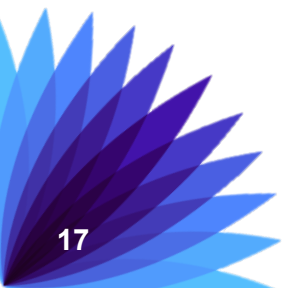
No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>current/future financial years and a review of the current workforce against gaps to deliver.</p> <p>This data includes the forecast requirements from the establishment control and the recruitment plan pipeline to achieve this, with an assumption for turnover and vacancy rate so we can estimate the gaps of actuals against the forecast for staffing.</p> <p>This data is also reported to a monthly Resourcing Committee which governs the Agency delivery of workforce plans. If there are any risks/issues relating to over or under resourcing then these are raised to the Agency Leadership Team via this forum.</p> <p><b>Action:</b> Agency Stakeholder review of the effectiveness of this new governance structure as set out above.</p>	<p>Feb 23</p> <p>Feb 23</p>

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>Test the effectiveness of the Engagement &amp; Insights Agency Leadership Team sub forum when creating resource modelling for future benefits.</p> <p><b>Action Owner:</b>            [Redacted] – Workforce Planning Project Lead            [Redacted] – Workforce Planning Lead            [Redacted] – Analysis &amp; Insights Unit Head            [Redacted] – Head of Strategic Resourcing</p>	
3	<p><b>Issue: Management Information and Analysis</b>            Resourcing trackers in use by Social Security Scotland are excel documents, which require manual processes that are inefficient and increase the likelihood of error.</p>	<p>Management should review current arrangements for obtaining and collating management information and ensure where possible the most efficient and effective methods, through automated tools and</p>	M	<p><b>Response:</b>            Management accept the need for management information and automation to improve the effectiveness and efficiency of resourcing processes.</p> <p>A dedicated applicant tracking system has been implemented to support volume recruitment, with detailed automated management information available from application through to offer using PowerBi. Unfortunately we have been unable to achieve automated transfer of data at</p>	

No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
	<p>Some analysis of resourcing is undertaken, however this is ad hoc, resource intensive and time consuming to produce and there is no routine analysis and ongoing tracking of actuals against budget and forecasts, etc.</p> <p><b>Risk:</b> Insufficient management information and analysis increasing the risk that information for oversight and decision making is not available and action cannot be taken to ensure value for money and the achievement of strategic objectives.</p>	<p>functionality, are implemented.</p> <p>Management should also consider their management information needs and where appropriate ensure appropriate data analysis and reporting is implemented to provide relevant information on progress and performance in order to aid oversight and decision making.</p>		<p>this time, however this has been partially resolved with the implementation of virtual workers which transfer data from the Applicant Tracking System into the payroll system. At this time we are unable to provide a date of when any further automation in this area will be completed.</p> <p>Requirements were reviewed as part of the volume recruitment project however these processes are currently in a tactical solution and work is underway to implement a strategic solution for future recruitment with fully integrated workforce planning, recruitment, on boarding and payroll systems. This is a long term project and these systems will not be in place until 2023/24.</p> <p><b>Action:</b> Review current recruitment and on boarding management information practices and processes to identify if there are any further opportunities to streamline these whilst work continues on a strategic solution.</p>	Oct 22



No.	Issue & Risk	Recommendation	Priority	Management Response & Action Owner	Action Date
				<p>Define future workforce planning, recruitment and on boarding management information needs and share with the Corporate Transformation Project to configure the new systems to meet requirement.</p> <p><b>Action Owner:</b> [Redacted] - Head of Strategic Resourcing</p>	June 23



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## 3. Findings, Good Practice and Improvement Opportunities

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### 3.1. Good Practice

- 3.1.1. Clear roles and responsibilities have been established in relation to drafting guidance, preparing and testing training materials and delivering training. There are also established processes for providing feedback on guidance and training to aid continuous improvement and ensure it is fit for purpose. This aligns with our findings in the recent Learning and Development review.
- 3.1.2. From our fieldwork it was evidenced that good working relations have been established between the interdependent parties involved in the development of guidance and training. This includes regular interaction and close working between Content Writers, Learning and Development colleagues, the Model Office team and Client Services Delivery, etc.
- 3.1.3. The Learning and Development team receive regular updates from Client Services Delivery on ongoing recruitment and incoming cohorts being on-boarded. This enables the Learning and Development Team to prepare and ensure there is full awareness of future training needs and volume to be delivered.
- 3.1.4. Regular communications take place between the Learning and Development Team and Social Security Directorate so all parties remain aware of progress and timescales for delivery. Following earlier lessons learned activities a new role within Social Security Directorate was put in place to further aid the coordination of guidance delivery from the various product teams.
- 3.1.5. Teams within Resourcing, Workforce Planning, Analysis and Insights, Project Management Office and Client Services Delivery were involved within the resourcing process for both Child Disability Payment and Adult Disability Payment new benefits. There was clear evidence of close working and ongoing engagement and communication regarding resourcing. All those involved are clear on what their role is and the dependencies between all the different divisions. There were clear documented process flowcharts which set out key

milestones and timelines for staffing requirements and there is also an element of resilience built in as there are several people in each area involved and therefore should any individual leave or be absent unexpectedly, others in the team can provide cover.

- 3.1.6. Social Security Scotland are in the process of developing training route-ways which detail the training that should be undertaken for specific roles.
- 3.1.7. The Internal Knowledge Management hub has been utilised for storing guidance and training demonstration videos. Information on system and process changes are held on eRDM and classed by cluster or benefit, with a separate tracker on each one. This means staff can easily identify and view guidance on recent changes and refer to this as needed.
- 3.1.8. Where the numbers of successful applicants in any specific campaign do not meet Social Security Scotland's needs, there is a clear process for determining priorities. This is risk based and focussed on delivery needs. We were also advised that a contingency plan was also in place in relation to resourcing, should numbers recruited not align with numbers required.
- 3.1.9. The resourcing process, whilst focussed on Disability and Carer's benefits, also takes into consideration business as usual needs in order to backfill vacancies brought about through staff promotions, changing teams or natural attrition.
- 3.1.10. We were able to evidence ongoing involvement of the Executive Team and in particular the Deputy Director Client Services Delivery to challenge and approve resourcing plans and activity.
- 3.1.11. Risk management arrangements are in place for managing risks relating directly or indirectly to the resourcing of Disability and Carers Benefits within Social Security Scotland with evidence of regular updates and review.
- 3.1.12. It was evident lessons had been learnt from the resourcing of Child Disability Payment, with changes then made for resourcing Adult Disability Payment,

including the introduction of the Volume Recruitment Project. Social Security Scotland also used more generic adverts to recruit for multiple similar roles so as to increase likelihood of achieving required numbers through the recruitment campaigns. There was also evidence of arrangements to gather learning from those who went through the recruitment process so as to capture opportunities to improve the process.

### **3.2. Improvement Opportunities**

#### **Guidance – Content and Timeliness of Delivery**

- 3.2.1. From fieldwork it was highlighted that the timeliness of delivery of guidance materials was one of the main challenges. There is an overall focus on the launch date of a new benefit or release for the development and issue of guidance. This means guidance is not always available in sufficient time for Learning and Development colleagues who develop training on the basis of the guidance that is put in place. Guidance when received was also often found to be incomplete or inaccurate.
- 3.2.2. Aligned with timescales for delivery of guidance, it was advised that a comprehensive overview of a full benefit process is not always available until final sign off is obtained. This leads to training being developed based on draft guidance which may change. It can also lead to a lack of clarity on the various roles involved in a process, each of their areas of responsibility, the interdependencies and handoffs between each role and the priority areas on which training should focus.
- 3.2.3. The above issues can also lead to there being gaps in the training delivered meaning the initial staff training must then be supplemented by additional sessions to fill the gaps and a lack of understanding of the correct processes to be followed in the intervening period.
- 3.2.4. It was also noted that guidance, and as a result training, which have been put in place are focussed on the specific benefits being delivered, rather than the SPM (Social Programme Management, Social Security Scotland's Client Management System used for the administration of Scottish social security benefits) system,

increasing the risk that staff do not have the necessary system knowledge and understanding of how the system works. ([Please see Recommendation 1](#))

### **Benefit Delivery Plan**

- 3.2.5. In order to coordinate delivery for each individual product or crosscutting element individual plans have been put in place. It was highlighted during meetings with those involved in the fieldwork for this review that they had access and provided input into these individual plans, however they were not aware of and did not have sight of an overarching plan which set out the overall picture for development and delivery, how the individual plans come together and highlight the interdependencies between them. As such it was suggested that there was limited ability which allowed teams to understand where they fit into the bigger picture and ensure all plans are factored in and aligned when it comes to delivering guidance and training. Following the completion of fieldwork it was advised that an overarching Integrated Programme Plan and Programme Plan Visual have been developed by Social Security Directorate. These draw together all the individual plans for each benefit / crosscutting element and provide high-level milestones. These are shared with some colleagues in Social Security Scotland and also held on Social Security Scotland's electronic Records and Document Management system (eRDM). It was advised that it was now recognised that these documents may not have been shared as widely as possible or accessed by all relevant colleagues. As such it is now planned that a reminder will be issued sharing the link to these documents to all relevant colleagues within Client Services Delivery along with a reminder to senior leaders within Learning and Development. As there is a clear approach to mitigate the risk of there being a lack of alignment in objectives and strategies leading to an inability to deliver services effectively no further recommendations will be made in relation to this matter in this report.

### **Resourcing Decision Making**

- 3.2.6. Modelling was utilised to guide decision making on the number of staff needed in each role for Case Transfers. It was highlighted that this was possible as the modelling process was more mature and there was also more clarity on case volumes which added more certainty to the modelling assumptions.

- 3.2.7. However when resourcing both Child Disability Payment and Adult Disability Payment, the modelling did not inform the recruitment decision making. Instead the spending review and budget availability were the key elements guiding the decisions on how many staff to recruit in each role.
- 3.2.8. From our review we noted that the budget information used as the basis for resourcing was based on budgets set some time ago, before the benefit administration process was designed, and therefore was not aligned directly with modelling and business processes. As such there is an increased risk that budgets on which resourcing decisions were based did not reflect the actual need for staff numbers to be recruited.
- 3.2.9. Although not used for decision making, the modelling was used to gauge the estimated outcome in terms of the head of work and client waiting times, based on the planned recruitment numbers. However it was found that there was no clarity over the basis of the assumptions and variables used in the modelling. It was also highlighted that whilst relevant teams in both Social Security Scotland and Social Security Directorate discussed the modelling and assumptions, there was no formal governance structure established to formally agree these assumptions and variables and the level of risk which is acceptable. ([Please see Recommendation 2](#))

### **Management Information and Analysis**

- 3.2.10. There is an overarching document in place along with supporting resourcing trackers to track recruitment and assignment of staff as it progresses with each campaign. However the trackers in use are excel documents, which does result in manual processes and increases the risk of error. Ongoing monitoring and cross checking processes are in place to minimise this risk, however it cannot be mitigated fully and cross-checking itself could be subject to error and is time consuming.
- 3.2.11. From fieldwork discussions it was highlighted that some analysis is undertaken of resourcing. This is usually requested by Client Services Delivery when they are looking at a specific aspect and need relevant data to support their work and as such can be resource intensive and time consuming to obtain the information

needed. There is no routine analysis and ongoing tracking of actuals against initial and updated forecasts. It was also noted there is no ongoing analysis to determine if the appropriate numbers of staff have been recruited or to provide an analysis in terms of offers made against numbers who start and against numbers of staff still in post to understand trends and assist with identifying areas of weakness and where change may be required. Management confirmed that more analysis is still required, however they were confident that the data was available to support such analysis and that they aim to develop such management information in the future. ([Please see Recommendation 3](#))

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## Annex A Definition of Assurance and Recommendation Categories

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### 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 2021-22**

#### **Readiness for Disability and Carer’s Benefits**

## Key Audit Contacts

<b>Audit Year:</b>	2021-22
<b>Client Accountable Officer:</b>	David Wallace
<b>Client Audit Contact(s):</b>	[Redacted], Head of Operations (Disability & Carers Benefits) [Redacted], Head of Change, Continuous Improvement and Project Management [Redacted], Head of People Services [Redacted], Head of Operations (Wave One and Live Running) [Redacted], Operations Support Lead [Redacted], Operational Lead [Redacted], Operational Lead [Redacted], Operational Lead [Redacted], Senior Resourcing Manager [Redacted], Senior On boarding Manager [Redacted], Senior Learning and Development Manager [Redacted], Deputy Director, Social Security Programme [Redacted], Service Owner [Redacted], Service Owner [Redacted], Strategic Workforce Planning Lead
<b>Head of Internal Audit:</b>	[Redacted]
<b>Internal Audit Manager:</b>	[Redacted]
<b>Internal Auditor:</b>	[Redacted]
<b>Internal Audit Trainee:</b>	[Redacted]

## Estimated Reporting Timescale

<b>Fieldwork Starts:</b>	July 2021
<b>Fieldwork Ends:</b>	February 2021
<b>Draft Report Issued:</b>	March 2021
<b>Final Report Issued:</b>	March 2021
<b>Estimated Resource Days:</b>	30

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## 1. Introduction

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- 1.1. This internal audit review forms parts of our planned audit coverage agreed by the Accountable Officer and noted by the Audit and Risk Committee on 09 February 2021.
- 1.2. The purpose of the review is to assess and provide assurance over Social Security Scotland's readiness to deliver the new Disability and Carers benefits. An overall focus will be ensuring lessons learned from Low Income Benefits have been fully considered in the development of the Disability Benefits to minimise the risk that the same issues/deficiencies are repeated. This will include consideration of how issues identified have been cascaded internally within Social Security Scotland and also fed back to colleagues in Programme and Policy divisions of Social Security Directorate.
- 1.3. To aide understanding it is important to clearly set out the relationship between Social Security Scotland and the Social Security Directorate. 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 by 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. The Social Security Scotland Strategic Risk Register includes the following risks:  
  
*IF the Agency is not prepared to deliver Disability and Carers Benefits; preparation being the cumulative effect of training, suitable estates and operational guidance/instructions being ready before live running THEN the Agency may deliver a service that will cause hardship to its users RESULTING IN inefficient (cost and purpose) service with a loss of confidence and reputation for the Agency and Scottish Government.*

*IF Social Security Scotland fails to understand and model the headcount and skills required THEN we will not be able to develop and deliver the right organisational and transactional capacity that we need to recruit the right blend of people and leadership capabilities at the right time in the right place RESULTING IN incomplete and inefficient structures (value for money and productivity) and a disengaged workforce that does not meet our culture and Charter commitment to our clients and colleagues.*

- 1.5. We have a separate audit of recruitment included in our Internal Audit Plan for 2021/22, as such, whilst resourcing will be considered as part of this review, we will not be doing detailed work on recruitment and on-boarding processes.

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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’s readiness arrangements for Disability and Carer’s Benefits.

2.2. Remit Item 1 – Governance

Review of the Governance arrangements in place to manage and ensure Social Security Scotland is ready to deliver the new Disability and Carers benefits when they launch.

Key Risks:

- Key Social Security Scotland stakeholders are not aware of and/or involved in the preparations for readiness to deliver the new Disability and Carers benefits.
- Lack of clarity over roles and responsibilities and a failure to establish appropriate governance structures with effective lines for reporting, accountability and decision making leading to individuals acting outwith authority, decisions being made which are not aligned with strategic objectives and omissions in actions to be taken resulting in an inability to launch the benefits on go live dates.
- Ineffective management of risks and interdependencies resulting in a failure to be ready to deliver new benefits when they are launched.

- Insufficient plans and project management arrangements including clear milestones and management and oversight of progress leading to an inability to deliver readiness activities resulting in Social Security Scotland being unable to launch the benefits.
- Lack of alignment in objectives and strategies leading to an inability to deliver services effectively.

### 2.3. Remit Item 2 – Readiness Processes and Controls

To ensure there are effective arrangements for successful achievement of readiness activities ahead of the launch of any new benefits.

#### Key Risks:

- A failure to establish timely policies and procedures and guidance leading to an inconsistent or ineffective approach to delivery increasing the possibility that benefits will not be administered correctly resulting in eligible clients not receiving payments which they are due and suffering financial hardship.
- Ineffective training for staff and poor communication of guidance and processes leading to lack of staff knowledge and an inability to deliver benefits resulting in poor quality and diminished service levels, financial loss and reputational damage
- Poor arrangements for determining resourcing needs resulting in insufficient staff in place when benefits launch leading to an inability to effectively deliver the benefit and achieve strategic objectives.
- Lack of awareness, agreement and understanding of any changes to the Minimum Viable Product for Disability and Carer’s benefits leading to an inability to ensure required action is taken to deal with any risks posed, change in processes or additional resource needs resulting in an inability to successfully launch and deliver new disability and carers benefits.
- Ineffective and insufficient communication arrangements with stakeholders across Social Security Scotland leading to resistance to change, a lack of understanding and an inability to achieve planned outcomes.
- Lack of consideration of accessibility and support needs resulting in Social Security Scotland not meeting accessibility legislative requirements therefore not achieving strategic objectives and increasing the risk of reputational damage.

#### 2.4. Remit Item 3 – Post launch support and lessons learned

To ensure that as part of readiness for each new benefit launch there are arrangements in place to support Social Security Scotland through the initial launch phase and identify lessons learned

Key Risks:

- Lack of lessons learnt exercises to assess the success, or otherwise, of previous readiness activities ahead of new benefit launches and identify and rectify any issues
- Insufficient arrangements for business checkout resulting in new benefits being launched with Social Security Scotland are not prepared for
- Ineffective arrangements for post launch remediation resulting in system and process issues not being identified and rectified ahead of new benefit launches.

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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 Memorandum of Understanding agreed between Internal Audit and Social Security Scotland.
- 3.2. Due to current Scottish Government remote working requirements, this review will utilise eRDM Connect for sharing documents and screen sharing technology as necessary. Methods of undertaking fieldwork will be amended as appropriate.
- 3.3. Client is reminded of our need for timely access to people and responsiveness to information requests, to enable the reporting timetable to be met.