



Audit and Assurance Committee

Date of Meeting	16 May 2023
Subject	Error Annual Report – 2022-23
Agenda No.	
Paper No.	
Prepared By	[Redacted]
Purpose	Monitor

Background

- 1.1 The attached report details error detection, correction and analysis undertaken by Social Security Scotland's Fraud and Error Resolution Unit throughout the 2022-23 operational year.

Key Points

- 2.1 The total monetary value of errors which came to our attention and were corrected rose by 40% in 2022-23 in comparison with the previous operational year.
- 2.2 The head of work held within Interventions reduced by 14%, [Redacted]
- 2.3 [Redacted]

Conclusion/ Recommendation

- 3.1 The Committee is asked to review and comment on progress made by Fraud and Error Resolution during 2022-23.



Part 1: Error Performance

Key points we would like to draw out for the Committee are shown below, with further detail provided within Annex A.

- In 2022-23 a total of 7,296 cases were corrected by the Interventions team, a **10% increase by volume in** cases in comparison with 2021-22.
- The total value of errors corrected within the Interventions Team in 2022-23 was £949,832, **a 40% increase in overall value in comparison with 2021-22:**
 - The value of underpayments corrected reduced by 9% to £324,873.
 - The value of overpayments corrected increased by 90% to £624,959.
- [Redacted]
- [Redacted]
- ***Client Induced Error* classification continues to be the largest cause of overpayments and has grown by 77% in comparison with the last year.**
- **Proactive data analysis focussed on residency risk** undertaken in 2022-23 identified overpayments with a total value of £21,449
- **Our Payment exception rate in 2022/23 was 0.24%.**



Errors Corrected During 2022-23

[Redacted]

[Redacted]

[Redacted]



Part 2: Building Capability and Capacity

Technology and Systems

During 2022-23 changes to the Interventions approval processes were developed and implemented to allow targeted checking for staff that had successfully completed a Line Managers Assurance process, reducing average time taken when processing cases. Over 50% of existing staff have completed the assurance process with remaining staff expected to complete before the end of Quarter 1.

A review was undertaken in 2022/23 of MI requirements for the Interventions Team. Updates were undertaken on the Interventions Phase of the Debt Management System to support the new Approval process. Further small refinements are required to allow Interventions to move to automated MI. Additional work will be undertaken on SPM MI for Interventions in 2023.

[Redacted]

Workshops for the new payments and accounting system took place in Quarter 3 to develop requirements for the Payment Resolution team that is being introduced across Scottish Government. Currently DWP provides payments services to Social Security Scotland but once in place the new system will provide in house functionality, potentially resulting in additional tasks within payment exceptions process for Payment Resolution Team. Due to scale of Social Security Scotland's payment and accounting requirements, a pause is currently in place while Programme examine different options available in near and long term. Potential options are expected to be shared in Quarter 1 of 2023/24, and we will engage closely with the Programme and Finance Project team to determine potential impacts on Payment Resolution and wider agency.

Recruitment and Training

[Redacted]

To address gaps in formal guidance for Interventions Officers [Redacted] the Interventions Team drafted comprehensive guidance covering all of their processes.

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The Programme team are now working with Content practitioners to refine and publish the guidance on the Internal Knowledge Management site throughout 2023. This guidance was also used as a basis for the development of a specific Intervention Officer learning routeway. Rapid progress was made on design and delivery of this routeway during Quarters 3 and 4 due to investment in a dedicated Learning and Leadership Officer, funded from Fraud and Error Resolution budget. As a result, a bespoke learning routeway for Interventions Officers that encompasses the complexity of Low Income Benefit error correction cases and associated processes has been completed. A corresponding brief for error correction for Disability Benefits is now in development.

[Redacted]. Once this information and forecasts for Carers Support Payment are available, a review of resource requirements will be undertaken.



Annex A

Detected Error Performance – Further Detail

[Redacted]

Underpayment Errors

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Analysis of Detected Underpayments – Classifications and Root Cause

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Overpayment Errors

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



[Redacted]

[Redacted]

[Redacted]

Data Mining – Residency Risk

[Redacted]

Sampling Exercise – Scottish Child Payments

[Redacted]

Payment Correction Cases – Housekeeping Exercise

[Redacted]

[Redacted]

[Redacted]

[Redacted]

Payment Resolution

The Payment Resolution Team is responsible for the resolution of payment exceptions such as recalling payments, reissuing returned payments and issuing manual payments when the system has not correctly calculated entitlement. The below table details payment exceptions arisen in 2022-23.

[Redacted]

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[Redacted] Payment Resolution, Interventions and Client Services Delivery teams collaborate each payment cycle to review any cases where faults resulted in payments not being issued, and take appropriate corrective action to resolve and issue the payments mid-cycle. [Redacted]

[Redacted]. New functionality planned for release in November 2023 will allow [Redacted] thus reducing demand for manual payments to be made by the Payment Resolution Team.

DWP ran a scan in September 2022 to identify clients that were entitled to Social Security Scotland's Winter Heating payments, with payments issued in February to March 2023. [Redacted] Feedback has been shared with Agency Live Support as a learning point for future exercises.