

# **INDEPENDENT ASSURANCE**

**PROGRAMME: Social Security Programme**

**Gateway Review 0  
(Strategic Assessment - Wave 1 delivery and Wave 2 planning)**

<b>Report Status:</b>	Final
<b>Date/s of Review</b>	Section 30(b)(i)
<b>Senior Responsible Owner (SRO):</b>	Stephen Kerr
<b>Draft report issued to SRO</b>	Section 30(b)(i)
<b>Final report issued to SRO and copied to PPM-CoE:</b>	Section 30(b)(i)
<b>Delivery Confidence Assessment (DCA):</b>	Section 30(b)(ii)
<b>Accountable Officer:</b>	Sarah Davidson
<b>Scottish Government's (SG) Portfolio Accountable Officer:</b>	Sarah Davidson

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Section 30(b)(i)

## **Gateway Review Conclusion**

<b><u>Delivery Confidence Assessment:</u></b>	Section 30(b)(ii)
<p>Section 30(b)(ii)</p> <p>Section 30(b)(ii)</p> <p>Looking forward, the Programme is designing and delivering a range of Low Income benefits in Wave 1 and, at the same time, creating an Agency to manage the future delivery of all the social security benefits to be devolved. Section 30(b)(ii)</p> <p>Section 30(b)(ii)</p> <p>Section 30(b)(ii)</p>	

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

<b>RAG</b>	<b>Criteria Description</b>
<b>Green</b>	Successful delivery of the programme to time, cost and quality appears highly likely and there are no major outstanding issues that at this stage appear to threaten delivery.
<b>Amber/Green</b>	Successful delivery appears probable. However, constant attention will be needed to ensure risks do not materialise into major issues threatening delivery.
<b>Amber</b>	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.
<b>Amber/Red</b>	Successful delivery of the programme is in doubt with major risks or issues apparent in a number of key areas. Urgent action is needed to ensure these are addressed, and establish whether resolution is feasible.
<b>Red</b>	Successful delivery of the programme appears to be unachievable. There are major issues which, at this stage, do not appear to be manageable or resolvable. The programme/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 (C.E.R.)	Aligns with SG PPM Principle No
1.	Section 30(b)(i)	Section 30(b)(i)	Section 30(b)(ii)	4
2.	Section 30(b)(i)	Section 30(b)(i)	Section 30(b)(ii)	1

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 programme should take action immediately.

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

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

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

**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 Programme and Project Management Centre of Expertise (PPM-CoE). 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 project the Accountable Officer should inform the relevant Minister/s.

## **Purpose of the Gateway Review**

Annex B gives the full purposes statement for a Gateway Review 0.

## **Acknowledgement**

The Review Team would like to thank the SRO, the Social Security Programme Team and all interviewees for their support and candour, which contributed to the Review Team's understanding of the programme and the outcome of this review.

Annex C lists the people who were interviewed during the review.

## **Background**

### **Aims of the programme:**

Under the Scotland Act 2016, a range of social security powers will be devolved to the Scottish Parliament.

Although the legislation sets out the areas on which certain social security benefits are paid, and where powers will be devolved to make payments in these areas, these extend beyond the Social Security Directorate (SSD) in Scottish Government (SG) and span several ministerial portfolios.

### **Driving force for the programme:**

On 27 November 2014 the Smith Commission published a report that proposed the devolution of some welfare powers to the Scottish Parliament, to supplement the existing discretionary powers.

The Scotland Act 2016 provides for the devolution to the Scottish Parliament and Scottish Government of a range of new powers, including new tax raising powers, social security powers and powers over Scottish Parliament and local government elections in Scotland. Alongside the Act, the UK and Scottish Government have agreed a fiscal framework, to support implementation and administration.

To oversee the work on social security, a Joint Ministerial Working Group on Welfare (JMWGW) between the two Governments was established. The JMWGW provides a forum for discussion and decision-making to ensure the implementation of the welfare-related aspects of the Smith Commission Report.

The Social Security Programme was established in January 2017 when its Board met for the first time. This Programme succeeds a previous discovery Programme that underwent two Gateway 0 assurance reviews.

**Procurement/delivery status:**

A Procurement Wave Plan is in place. The latest procurement is for the Low Income Benefits requirement, let to IBM in October 2017 for two years at a cost of £8.28m.

**Current position regarding assurance reviews:**

Section 30(b)(i)

## **Review Team findings and recommendations**

### **1. Policy and business context**

The Social Security Bill was introduced to Parliament on 20 June 2017, and is currently going through the Parliamentary process. The Act will follow through on the recommendations of the Smith Commission and will see a range of new responsibilities, including tax raising powers and social security powers, devolved to the Scottish Government.

The legislation is supported by a fiscal framework that outlines the funding arrangements to support the new devolved responsibilities. The fiscal framework provides for a transfer from the UK government to the Scottish Government of a one-off £200m to support implementation of the new powers and a recurring £66m per annum to support administration costs. Social Security is expected to be the largest draw on these transfers. There is a financial memorandum that supports the Bill within which describes estimated implementation costs of £308m for Social Security. The Scottish Government will meet any shortfall between funding required for Social Security and funding available through the fiscal framework.

To support the transfer of responsibilities from UK Government (in the form of DWP) to the Scottish Government a Joint Ministerial Working Group on Welfare has been established supported by a Joint Senior Officials Group. The membership and terms of reference for these groups is well defined. These arrangements provide a forum for discussion and decision making to ensure the implementation of the Smith Commission recommendations.

Section 30(b)(ii) A new chair has been appointed for the Programme Board (PB) chaired by the Director General, Organisational Development and Operations and new PB members have been brought in including new non-executives and stakeholders. Supporting the PB a new Programme Delivery Board (PDB) has been set up and a new Programme Director appointed. Other new appointments have been made to lead key areas of activity. Section 30(b)(ii)

Section 30(b)(ii)

### **No recommendations**

### **2. Business case and stakeholders**

The Programme Business Case (PBC) Section 29(1)(a). The PBC is supported by a number of project level business cases; the Agency Outline Business Case being an example.

The AOBC was approved in April 2017, and includes a comprehensive options appraisal for the location of the agency against a number of criteria. This is amongst the best examples of such work which the RT has encountered. As a result the necessary approvals have now been given to the location of the main Agency offices in Dundee and Glasgow, and together with the appointment of the Chief Executive and core management team, Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii)

**No Recommendations**

### 3. Management of intended outcomes

Section 30(b)(ii)

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These outcomes are initially enabled by the delivery of twelve social security benefits, namely:

Attendance Allowance  
Carers Allowance  
Young Carer's Grant  
Disability Living Allowance  
Personal Independence Payment  
Industrial Injuries Disablement Allowance  
Severe Disablement Allowance  
Winter Fuel Payment  
Cold Weather Payment  
Funeral Expense Assistance  
Best Start Grant  
Discretionary Housing Payment

Section 30(b)(ii)

Section 30(b)(i)

Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(i)

## **4. Risk Management**

Section 30(b)(ii)

The Risk Register is a living document with the PB regularly reviewing risk Section 30(b)(ii) a

The PB records decisions and actions, with a robust follow through to completion and/or closure. The Risk Manager monitors risks at all levels and ensures actions are followed through.

A Risk Trend Analysis is undertaken to further understand the effectiveness of risk treatment and programme exposure.

The PB is provided with a Dashboard, which includes risk, as part of each briefing.

The Programme Director chairs a regular Risk Review Board (RRB), which is the first major level of risk governance. The RRB provides risk reports/updates to the Board, as appropriate.

The PDB also focuses on risks and escalates key risks to the RRB and PB when necessary.

The Programme undertakes regular Lesson Learned sessions with up to 25 projects reviewed for their lessons. There is substantial evidence that lessons are being learned and applied to the Programme.

Section 30(b)(ii)

Section 30(b)(ii)

**No recommendations**

## **5. Review of current outcomes**

This Programme has undertaken a number of substantial enabling actions, based on the assurance reviews of the previous discovery Programme, that have transformed the programme landscape and environment. Section 30(b)(ii)

The detailed action plan and current status can be seen at ANNEX D.

Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii)

**No recommendations**

## **6. Readiness for next phase – delivery of outcomes**

The Social Security Programme is a key political imperative of the Scottish Government. It is seen as the largest change programme in Scotland since devolution. It is clearly a high Ministerial priority Section 30(b)(ii)

The RT has seen the initial plans for future work to deliver Wave 2. Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii)

Section 30(b)(ii) . A Procurement Wave Plan is in place. The latest procurement is for the Low Income Benefits requirement, let to IBM in October 2017 for two years at a cost of £8.28m. Section 30(b)(ii)

Section 30(b)(i)

Section 30(b)(i)

Section 30(b)(ii)

## **Previous Gateway Review Recommendations**

A summary of recommendations, progress and status from the Gateway Review of the previous Programme can be found at **Annex D**. The Review Team commends the robust approach taken in implementing the recommendations.

## **Next Independent Assurance Review**

Section 30(b)(ii)

## **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 PPM-CoE so that it can identify and share the generic lessons from Independent Assurance Reviews. The PPM-CoE 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.

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The PPM-CoE 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**

Gateway Review 0 Strategic Assessment is a programme-only Review that sets the programme in the wider policy or corporate context. This Review investigates the direction and planned outcomes of the programme, together with the progress of its constituent projects.

It can be applied to any type of programme, including policy and organisational change. The Review is repeated throughout the life of the programme from start-up to closure; an early Gateway Review 0 is particularly valuable in that it helps to confirm that the way forward is achievable, before plans have been finalised.

- Review the outcomes and objectives for the programme (and the way they fit together) and confirm that they make the necessary contribution to the overall strategy of the organisation and its senior management
- Ensure that the programme is supported by key stakeholders
- Confirm that the programme's potential to succeed has been considered in the wider context of Government policy and procurement objectives, the organisation's delivery plans and change programmes, and any interdependencies with other programmes or projects in the organisation's portfolio and, where relevant, those of other organisations
- Review the arrangements for leading, managing and monitoring the programme as a whole and the links to individual parts of it (for example to any existing projects in the programme's portfolio)
- Review the arrangements for identifying and managing the main programme risks (and the individual project risks), including external risks such as changing business priorities
- Check that provision for financial and other resources has been made for the programme (initially identified at programme initiation and committed later) and that plans for the work to be done through to the next stage are realistic, properly resourced with sufficient people of appropriate experience, and authorised
- After the initial Review, check progress against plans and the expected achievement of outcomes
- Check that there is engagement with the market as appropriate on the feasibility of achieving the required outcome
- Where relevant, check that the programme takes account of joining up with other programmes, internal and external
- Evaluation of actions taken to implement recommendations made in any earlier assessment of deliverability.

## **ANNEX C**

### **Review Team:**

Section 38(1)(b)	Review Team Leader
Section 38(1)(b)	Review Team Member

### **List of Interviewees:**

The following stakeholders were interviewed during the review:

<b>Name</b>	<b>Organisation/Role</b>
Stephen Kerr	Programme SRO, Social Security Director
Section 38(1)(b)	Programme Manager
Lisa Baron-Broadhurst	Programme Director
Section 38(1)(b)	Service Design Manager
Section 38(1)(b)	Planning Manager
Section 38(1)(b)	Risk and Opportunities Manager
Section 38(1)(b)	Professional Services Manager
Ann McVie	Deputy Director Policy
Section 38(1)(b)	Head of Finance
Andy McClintock	Chief Digital Officer
Section 38(1)(b)	Programme Delivery Lead
Section 38(1)(b)	Senior Procurement Portfolio Manager
David Wallace	Chief Executive Agency
Section 38(1)(b)	Non-Executive Director
Section 38(1)(b)	DWP Work & Health programme

## **ANNEX D**

**Progress against previous Gateway Review (02/03/16 to 04/03/16)  
recommendations:**

<b>Ref No.</b>	<b>Recommendation</b>	<b>Progress/Status</b>
Section 30(b)(i)	Section 30(b)(i)	

The following six points were **not** formal recommendations, but text from the main body of the report. This Review Team commends this approach and considers it meets best practice principles.

Section 30(b)(i)	Section 30(b)(i)	
Section 30(b)(i)	Section 30(b)(i)	