

Report on the Mental Health Investment Standard Compliance Statement

Year ending 31 March 2021/22

NHS Bristol, North Somerset and
South Gloucestershire CCG

March 2023



Contents



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Section

1. Headlines
2. Compliance with the criteria
3. Fees

Appendices

- A. Misstatements in expenditure
- B. Action plan
- C. Form of assurance report

Page	
[3]	The contents of this report relate only to those matters which came to our attention during the conduct of our engagement procedures which are designed for the purpose of expressing our conclusion on the CCG's MHIS Compliance Statement. Our procedures were directed to those matters which, in our view, materially affect the Compliance Statement and were not directed to the discovery of errors or misstatements that we consider to be immaterial. Our procedures were not designed to test all internal controls or identify all areas of control weakness. However, where, as part of our testing, we identify control weaknesses, we will report these to you. In consequence, our work cannot be relied upon to disclose all misstatements, fraud or errors that might exist, or to include all possible improvements in internal control that a more extensive special examination might identify. This report has been prepared solely for your benefit and NHS England and NHS Improvement and should not be quoted in whole or in part without our prior written consent. We do not accept any responsibility for any loss occasioned to any third party acting, or refraining from acting on the basis of the content of this report, as this report was not prepared for, nor intended for, any other purpose.
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Headlines

The Mental Health Investment Standard Compliance Statement

NHS England and NHS Improvement (NHSE&I) has committed to invest in mental health, with increased funds provided for mental health services every year since 2010. Since 2018/19 NHSE&I have set all CCGs a key measure, the Mental Health Investment Standard (MHIS), to monitor the achievement of their increased investment. In 2018/19 NHSE&I developed a MHIS Compliance Statement. The MHIS Compliance Statement is a statement to the public from NHS commissioners of healthcare (CCGs) stating whether the CCG has met the MHIS. NHSE has slightly changed the required format of this Compliance Statement for 2021/22. The 2021/22 Statement includes the CCG's actual MHIS spend and their target MHIS spend (as notified by NHSE).

NHSE requires ICB's successors of the CCG's to obtain independent assurance on their 2021/22 Compliance Statement by local CCG auditors by the end of February 2023. ICBs are required to publish their Compliance Statement, which states whether the CCG has, or has not, met the MHIS, in a prominent position on their website alongside an independent reporting accountant's assurance report on this Compliance Statement. This assurance report does not relieve management or those charged with governance of their responsibilities for the preparation of the Compliance Statement.

Purpose of this report

This report summarises the results of our independent reporting accountant's assurance engagement on your 2021/22 MHIS Compliance Statement, in line with the terms of our engagement set out in our engagement letter dated 29th September 2022. It is issued in conjunction with our signed reasonable assurance report, which should be published on your website alongside your MHIS Compliance Statement. This enables the Board to demonstrate that they have discharged their governance responsibilities by commissioning an independent, appropriately qualified reporting accountant to carry out a 'reasonable assurance review'.

In performing this work, we followed the Assurance engagement of the Mental Health Investment Standard 2021/22 - Briefing for clinical commissioning groups (the "Guidance") issued by NHSE.

The output from our work is a conclusion that states whether the CCG's 2021/22 MHIS Compliance Statement is properly prepared, in all material respects, in line with the criteria set out in the Guidance.

Our approach to materiality

The concept of materiality is fundamental to the reasonable assurance process and our consideration of the monetary misstatements in the expenditure figures on which the CCG's MHIS Compliance Statement is based. We have set out in the table below our determination of materiality for this engagement.

Headlines (continued)

	£000's	Qualitative factors considered
Materiality	4,002	We have considered the impact of non trivial errors on the CCG's MHIS Compliance Statement
Trivial matters	200	

Conclusion

The CCG's draft Compliance Statement stated:

NHS Bristol, North Somerset and South Gloucestershire CCG considers that it has complied with the requirements of the mental health investment standard for 2021/22 .

Our work on your MHIS Compliance Statement is substantially complete .

Subject to this, we are proposing to issue unmodified opinion on your 2021/22 MHIS Compliance Statement.

The text of our proposed reasonable assurance report can be found at Appendix C.

Key messages

In all material respects, your Mental Health Investment Standard Compliance Statement for 2021/22 has been properly prepared, in all material respects, in accordance with the Criteria set out in line with the requirements of the Guidance.

Acknowledgements

We would like to thank ICB & CCG staff for their co-operation in completing this engagement.

Compliance with the criteria

We applied audit procedures to confirm that the MHIS Compliance Statement (the ‘Statement’) had been properly prepared in all material respects in line with the criteria set out in the Guidance.

Requirement	Work performed	Conclusion
<p>Compliance with the criteria</p>	<p>We have undertaken the following procedures:</p> <ul style="list-style-type: none"> • Ascertained the method of compilation of the Statement; • Considered the internal controls applied by the CCG over the preparation of the Statement and the actual and target MHIS spend figures included therein, and evaluated the design of those controls relevant to the engagement to determine whether they had been implemented; • Identified and assessed the risks of material misstatement in the Statement as a basis for designing and performing procedures to respond to the assessed risks; • Verified the target spend included in the Statement to figures issued by NHS England and NHS Improvement • Agreed the actual spend to the CCG’s expenditure summary and supporting records; • Carried out testing, on a sample basis, on the actual spend to check whether it met the definition of mental health spend properly incurred, as set out in the relevant Group Accounting Manual and the Guidance; and • Verified the factual accuracy of the Compliance Statement and whether the total spend is equal to or above the target spend based on the results of the procedures set out above. <p>The scope of our testing was the MHIS performance and mental health expenditure included in the Statement only and did not cover the reporting of spend against individual service lines or the degree of provider triangulation.</p>	<p>Based on the results of our procedures, we confirm that for the year ended 31 March 2022, NHS Bristol, North Somerset and South Gloucestershire CCG’s MHIS Compliance Statement has been properly prepared in all material respects in line with the criteria set out in the Guidance.</p> <p>Following our testing the ICB amended the following figures in its Compliance Statement:</p> <p>In September 2022 NHSE had rebased the MHIS target spends as a result of the September reclassification exercise, the CCG has amended for this.</p>

Fees

Fees for our work on the MHIS Compliance Statement

We confirm below our final fees charged for this work.

	Proposed fee	Final fee
Assurance on your MHIS Compliance Statement		
Total fee (excluding VAT)	£15,000	£15,000

We have complied with the independence and other ethical requirements of the Financial Reporting Council's Revised Ethical Standard 2019 which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Misstatements in expenditure

The Assurance engagement of the Mental health Investment Standard 2021/22 – Briefing for Clinical Commissioning Groups issued by NHSE&I states that “Each CCG must continue to increase investment in mental health services, in line with the Mental Health Investment Standard (MHIS). For 2021/22 the standard requires CCGs to spend at least their ‘target spend’: defined as their 2021/22 outturn, increased in line with overall programme allocation growth, plus an additional 0.7% to reflect the additional mental health funding included in CCG allocations for 2021/22 plus any shortfall from 2021/22 (incorporating any adjustments from the independent review of the 2021/22 MHIS achievement)”.

All non-trivial misstatements in the Compliance Statement which we identified during our testing are set out below, together with the overall impact on the CCG’s MHIS expenditure and in CCG allocations for 2021/22.

We have noted no non-trivial issues within our testing for 2021-22.

Action plan

We have identified no recommendations as a result of issues identified during the course of our work on the CCG's MHIS Compliance Statement. We are satisfied that there are no issues that need to be actioned for 2022/23

Assessment

- Significant deficiency – issue leading to qualification of reasonable assurance report or risk of material misstatement
- Deficiency – issue for improvement in processes or risk of non material misstatement

Form of assurance report

Independent Assurance Report in connection with the 2021/22 MHIS compliance statement to the board of NHS Bristol, North Somerset and South Gloucestershire ICB (the successor body of NHS Bristol, North Somerset and South Gloucestershire CCG) and NHS England and NHS Improvement for the year ended 31 March 2022.

To: The Board of NHS Bristol, North Somerset and South Gloucestershire ICB (the successor body of NHS Bristol, North Somerset and South Gloucestershire CCG) and NHS England and NHS Improvement.

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 29th September 2022 (the "Engagement Letter") for the purpose of reporting to the Board of NHS Bristol, North Somerset and South Gloucestershire ICB ("the ICB")(the successor body of NHS Bristol, North Somerset and South Gloucestershire CCG) (the "CCG") and NHS England in connection with the ICB's Mental Health Investment Standard compliance statement dated for the year ended 31 March 2022 (the "Statement"), which is attached. As a result, this Report may not be suitable for another purpose.

Responsibilities of the ICB (successor body of the CCG)

The planning guidance for 2021/22 issued by NHS England and NHS Improvement stated that: "CCGs must continue to increase investment in mental health services, in line with the Mental Health Investment Standard (MHIS). For 2021/22 the standard requires CCGs to increase spend by at least their overall programme allocation growth plus an additional percentage increment to reflect the additional mental health funding included in CCG allocations for 2021/22... in every case will be subject to independent auditor review."

ICBs as successor bodies to CCGs are required to publish a statement after the end of the financial year to state whether they consider that their predecessor CCGs have met their obligations with regard to the MHIS (the "Statement"). The format and content of the Statement should be in line with the specified wording in the Assurance Engagement of the Mental Health Investment Standard 2021/22 – Briefing Guidance (the "Guidance") issued by NHS England and NHS Improvement.

The ICB's Accountable Officer is responsible for the preparation of the Statement(s) for the ICB's predecessor CCG(s) for the year ended 31 March 2022 and for the completeness and accuracy of the accounting records and calculations (the "Relevant Information") that forms the basis for the preparation of the Statement. This includes the design, implementation and maintenance of internal controls relevant to the preparation of the Statement to ensure that mental health expenditure is correctly classified and included in the calculations and that the Statement is free from material misstatement, whether due to fraud or error.

Relevant Information to be used in the preparation of the Statement

The Relevant Information to be used in the preparation of the Statement is set out in the Guidance. This includes:

- Total expenditure on mental health in the year ended 31 March 2022, which is consistent with the definitions used for programme budgeting, as set out in the guidance
- The CCG's target spend for the year, as confirmed by NHS England and NHS Improvement.
- The guidance sets out what constitutes eligible mental health expenditure for the purpose of the MHIS and the Statement.

The ICB's accountable officer (as successor body of the CCG) was required to provide us with:

- Access to all information of which management is aware that is relevant to the preparation of the Statement, including procuring any such records held by a third party so they were made available to us
- Additional information that we requested from management for the purpose of the engagement
- Unrestricted access to persons within the ICB from whom we determined it necessary to obtain evidence.

Practitioner's responsibilities

Our responsibilities are to express a conclusion on the accompanying Statement. We conducted our engagement in accordance with International Standard on Assurance Engagements (UK) 3000 (July 2020): Assurance engagements other than audits or reviews of historical financial information. ISAE (UK) 3000 (July 2020) requires us to form an opinion as to whether the Statement has been properly prepared, in all material respects, in accordance with the Criteria set out in the Guidance.

We apply International Standard on Quality Control (UK) 1 (Revised June 2016) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Form of assurance report

We have complied with the independence and other ethical requirements of the ICAEW Code of Ethics and the IESBA Code of Ethics which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

For the purpose of the engagement we have been provided by the ICB with a copy of their predecessor CCG's draft MHIS compliance statement showing the predecessor CCG's eligible MHIS expenditure and target spend for 2021/22, together with a more detailed expenditure summary. The Accountable Officer of the ICB remains solely responsible for the Statement.

We performed a reasonable assurance engagement as defined in ISAE (UK) 3000. The objective of a reasonable assurance engagement is to perform such procedures [on a sample basis] as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a positive conclusion on the Statement.

A summary of the work that we performed is as follows:

- Ascertained the method of compilation of the Statement;
- Considered the internal controls applied by the CCG over the preparation of the Statement and the actual and target MHIS spend figures included therein, and evaluated the design of those controls relevant to the engagement to determine whether they had been implemented;
- Identified and assessed the risks of material misstatement in the Statement as a basis for designing and performing procedures to respond to the assessed risks;
- Verified the 2021/22 target spend to figures issued by NHSE&I;
- Agree the actual spend to the CCG's expenditure summary and supporting records;
- Carried out testing on the actual spend to check whether it met the definition of mental health spend properly incurred, as set out in the relevant Group Accounting Manual and the Guidance.; and
- Verified the factual accuracy of the compliance statement and whether the total spend is equal to or above the target spend based on the results of the procedures set out above.

We have examined the records of the predecessor CCG held by the ICB, performing such procedures on a sample basis so as to obtain information and explanations which we considered necessary having regard to the guidance issued by NHS England and NHS Improvement and received such explanations from the management of the ICB in order to provide us with sufficient appropriate evidence to form our conclusion on the Statement.

The scope of our testing covered the total MHIS expenditure included in the Statement only and does not cover the reporting of spend against individual service lines in the expenditure summary.

Our work was directed to those matters which, in our view, materially affect the Statement and was not directed to the discovery of errors or misstatements that we consider to be immaterial. While we perform our work with reasonable skill and care, it should not be relied upon to disclose all misstatements, fraud or errors that might exist.

Inherent Limitations

Our audit work on the financial statements of the CCG is carried out in accordance with our statutory obligations and is subject to separate terms and conditions. This engagement will not be treated as having any effect on our separate duties and responsibilities as the CCG's external auditors. Our audit report on the financial statements is intended for the sole benefit of the members of the Board of the successor ICB, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014.

It is not expected for accountants to review clinical opinions.

Our audit work has been undertaken so that we might state to the members of the Board of the CCG's successor ICB those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of the CCG's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members of the Board of the successor ICB may be interested in such purpose. In these circumstances, to the fullest extent permitted by law, we do not accept or assume any responsibility to anyone other than the successor ICB and the members of the Board of the successor ICB for our audit work, for our audit reports, or for the opinions we have formed in respect of those audits.

To the fullest extent permitted by law we do not and will not, by virtue of our reports or otherwise, assume or accept any duty of care or liability under this engagement to its successor ICB and the members of the Board of the successor ICB, or NHS England or to any other party, whether in contract, negligence or otherwise in relation to our statutory audits of the CCG's financial statements.

Form of assurance report

Conclusion

We have undertaken our review of the CCG's Statement of Compliance having regard to the criteria set out by NHS England and NHS Improvement in its Assurance engagement of the Mental Health Investment Standard 2021/22 - Briefing for clinical commissioning groups. Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

In our opinion, NHS Bristol, North Somerset and South Gloucestershire CCG's Mental Health Investment Standard Compliance Statement is properly prepared, in all material respects, in accordance with the criteria set out in the Assurance engagement of the Mental health Investment Standard 2021/22 – Briefing for clinical commissioning groups published by NHS England and NHS Improvement.

Use of our report

This report is made solely to the Board of the ICB successor to the CCG, as a body, and NHSE, as a body, in accordance with the terms of our tripartite agreement and solely for the purpose of reporting in connection with the 2021/22 Mental Health Investment Standard Compliance Statement of NHS Bristol, North Somerset and South Gloucestershire CCG. Our work has been undertaken so that we might state to the Board of the ICB successor to the CCG, and NHSE those matters we are required to state to them in a reasonable assurance report and for no other purposes. Our report must not be made available, copied or recited to any other party without our express written permission. To the fullest extent permitted by law, we do not accept or assume responsibility or accept any duty of care to anyone other than the ICB successor of the CCG and the members of the Board of the ICB, as a body, and NHSE, as a body, for our work, for this report or for the conclusions we have formed. We specifically disclaim any liability for any loss, damage or expense of whatsoever nature, which is caused by reliance on our report by any other party who may receive our report.

