

Report on the Mental Health Investment Standard Compliance Statement

Year ending 31 March 2023

NHS Staffordshire and Stoke-on-Trent ICB

February 2024



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[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 ICB'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 NHS commissioners 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 and now ICBs) stating whether the CCG has met the MHIS.

NHSE requires ICB's to obtain independent assurance on their 2022/23 Compliance Statement by local ICB auditors by the end of February 2024. ICBs are required to publish their Compliance Statement, which states whether the ICB 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 2022/23 MHIS Compliance Statement, in line with the terms of our engagement set out in our engagement letter dated 10th August 2023. 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 2022/23 – Briefing for clinical commissioning groups (the "Guidance") issued by NHSE.

The output from our work is a conclusion that states whether the ICB's 2022/23 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 ICB'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	5,130	We have considered the impact of non trivial errors on the ICB's MHIS Compliance Statement
Trivial matters	256.5	

Conclusion

The ICB's draft Compliance Statement stated:

NHS Staffordshire and Stoke-on-Trent ICB considers that it has complied with the requirements of the mental health investment standard for 2022/23. The 2022/23 target spend was £203,781k and actual spend was £205,194k..

Our work on your MHIS Compliance Statement is complete.

We have issued an unmodified opinion on your 2022/23 MHIS Compliance Statement.

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

Key messages

In all material respects, your Mental Health Investment Standard Compliance Statement for 2022/23 has been properly prepared, in all material respects, in accordance with the Criteria set out in line with the requirements of the Guidance. We did not identify any non-trivial errors from our testing.

Acknowledgements

We would like to thank ICB 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
Compliance with the criteria	<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 ICB 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 ICB’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 2023, NHS Staffordshire and Stoke-on-Trent ICB’s MHIS Compliance Statement has been properly prepared in all material respects in line with the criteria set out in the Guidance.</p> <p>We have not identified any non-trivial errors from our testing.</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)	£55,000	£55,000

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.

Form of assurance report

Independent reasonable assurance report in connection with the 2022/23 MHIS compliance statement to the Board of NHS Staffordshire and Stoke-on-Trent ICB and NHS England for the year ended 31 March 2023

To: Board of NHS Staffordshire and Stoke-on-Trent ICB and NHS England

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 10th August 2023 (the "Engagement Letter") for the purpose of reporting to the Board of NHS Staffordshire and Stoke-on-Trent ICB ("the ICB") and NHS England in connection with the ICB's Mental Health Investment Standard compliance statement for the year ended 31 March 2023 (the "Statement"), incorporating spend by its predecessor CCGs (the "CCG(s)") which is attached. As a result, this Report is not suitable for any other purpose.

Responsibilities of the ICB

The planning guidance for 2022/23 issued by NHS England stated that: "The Mental Health Investment Standard (MHIS) will apply to ICBs and continue to be subject to an independent review. For 2022/23, the MHIS requires ICBs to increase spend on mental health services by more than ICB programme allocation base growth (prior to the application of the convergence adjustment)."

ICBs are required to publish a statement after the end of the financial year to state whether they consider that they have met their obligations with regard to the MHIS (the "Statement"), including spend by their predecessor CCG(s) in quarter 1. 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 2022/23 – Briefing Guidance (the "Guidance") issued by NHS England.

The ICB's Accountable Officer is responsible for the preparation of the Statement(s) for the ICB for the year ended 31 March 2023, including spend by its predecessor CCG(s) in quarter 1, 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 2023, which is consistent with the definitions used for programme budgeting, as set out in the guidance.
- The ICB's target spend for the year, as confirmed by NHS England.
- The guidance sets out what constitutes eligible mental health expenditure for the purpose of the MHIS and the Statement.

The ICB's accountable officer 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 UK Standard on Assurance Engagements (ISAE (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 ISQM1 (UK) 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 Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants which is 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 draft MHIS compliance statement showing the eligible MHIS expenditure and target spend for 2022/23, including spend by their predecessor CCGs in quarter 1, 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 and the expenditure calculations on which it is based
- considered the internal controls applied by the ICB and its predecessor CCGs over the preparation of the Statement and the headline calculations 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 Mental Health Investment Standard Statement of Compliance as a basis for designing and performing procedures to respond to the assessed risks
- verified if the total 2022/23 spend is equal to or above the target spend as provided by the national mental health finance team

- carried out procedures on the mental health expenditure included in the headline calculations and supporting schedules to check whether it meets the definition of mental health expenditure properly incurred as set out in the relevant Group Accounting Manual and the 'Assurance engagement of the mental health investment standard 2022/23 – Briefing Guidance' issued by NHS England
- verified the factual accuracy of the compliance statement based on the procedures set out above.

We have examined the records of the ICB and its predecessor CCGs, 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 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 ICB/CCGs are 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 ICB's/CCGs' external auditors. Our audit report on the financial statements is intended for the sole benefit of the members of the Board of the ICB, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014.

Form of assurance report

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 ICB those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of the ICB's/CCGs' financial statements are not planned or conducted to address or reflect matters in which anyone other than such members of the Board of the 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 ICB and the members of the Board of the 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 ICB and the members of the Board of the ICB, or NHS England or to any other party, whether in contract, negligence or otherwise in relation to our statutory audits of the ICB's/CCGs' financial statements.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

In our opinion, NHS Staffordshire and Stoke-on-Trent ICB's Mental Health Investment Standard compliance statement has been properly prepared, in all material respects, in accordance with the criteria set out in the Assurance Engagement of the Mental Health Investment Standard 2022/23 – Briefing Guidance published by NHS England.

Use of our report

This report is made solely to the Board of the ICB, as a body, and NHS England, as a body, in accordance with the terms of our tripartite agreement and solely for the purpose of reporting in connection with the 2022/23 Mental Health Investment Standard compliance statement of NHS Staffordshire and Stoke-on-Trent ICB. Our work has been undertaken so that we might state to the Board of the ICB and NHS England those matters we are required to state to them in a reasonable assurance report and for no other purpose. 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 and the members of the Board of the ICB, as a body, and NHS England, 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.

