

Independent Reasonable Assurance Report

ISAE (UK) 3000 Engagement

For the period from 1 April 2021 to 31 March 2022

NHS Hull Clinical Commissioning Group

The Governing Body
Humber and North Yorkshire Integrated Care Board
Health House
Grange Park Lane
Willerby
HU10 6DT

And NHS England

17 February 2023

Independent Reasonable Assurance Report on NHS Hull Clinical Commissioning group's (CCG) 2021/22 Mental Health Investment Standard Compliance Statement to the Governing Body of Humber and North Yorkshire Integrated Care Board and NHS England for the year ended 31 March 2022

Introduction

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 28 November 2022 (the "Engagement Letter") for the purpose of reporting to the Governing Body of Humber and North Yorkshire Integrated Care Board (the "ICB") and NHS England in connection with the Hull CCG's Mental Health Investment Standard compliance statement dated 17 February 2023 for the year ended 31 March 2022 (the "Statement"), which is attached. As a result, this Report is not suitable for another purpose.

NHS Improvement became part of NHS England in July 2022. Prior to this date guidance was provided by NHS England and NHS Improvement. Throughout this engagement letter we will make all references to NHS England, rather than to both bodies as previously constituted.

Scope

The objective of this engagement is to provide an opinion on whether the CCG's Mental Health Investment Standard (MHIS) Compliance Statement has been properly prepared, in all material respects, based on the criteria set out in the "Assurance engagement of the mental health investment standard 2021/22" published by NHS England.

The planning guidance for 2021/22 issued by NHS England 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 (the "Guidance") issued by NHS England.

Responsibilities of the ICB

The ICB's Accountable Officer is responsible for the preparation of the Statement(s) for the ICB's predecessor CCG 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
- 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; and

- unrestricted access to persons within the ICB from whom we determined it necessary to obtain evidence.

Our responsibility

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)), Assurance engagements other than audits or reviews of historical financial information. ISAE (UK) 3000 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 1 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.

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 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 reasonable assurance engagement in accordance with ISAE (UK) 3000 involves performing procedures to obtain evidence about the fairness of the MHIS Compliance Statement. The nature, timing and extent of procedures selected depend on our judgement, including the risk of material misstatements, whether due to fraud or error, in the MHIS Statement of Compliance. In making those risk assessments, we considered:

- the ICB's method of compilation of the Mental Health Investment Standard Compliance Statement and the headline calculations on which it is based; and
- the internal controls applied by the ICB over the preparation of the statement and the headline calculations and the design of those controls relevant to the engagement to determine whether they have been implemented.

Our reasonable assurance engagement included:

- verifying that the total 2021/22 spend is equal or above the target spend as provided by NHS England;
- carrying out sample testing 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 Guidance;
- verifying the factual accuracy of the MHIS Compliance Statement based on work undertaken; and

- obtaining and considering written representations from the ICB, including confirming:
 - that it has provided us with all the information relevant to the engagement; and
 - the measurement of the underlying subject matter against the applicable criteria and the preparation of the headline calculation on which the statement is based, including confirmation that all relevant matters, are included in the Mental Health Investment Standard Statement of Compliance and supporting calculations.

We have examined the records of 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 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. Whilst 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 objectives are to obtain reasonable assurance about whether the Mental Health Investment Standard Statement of Compliance for the period ended 31 March 2022 is properly prepared, in all material respects, based on the criteria set out in the "Assurance engagement of the mental health investment standard 2021/22" published by NHS England.

Reasonable assurance is a high level of assurance, but is not a guarantee that a review conducted in accordance with the ISAE (UK) 3000 standard will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the MHIS Statement of Compliance.

Our testing on the mental health expenditure included in the headline calculations and supporting schedules was done on a sample basis.

Our audit work on the financial statements of the demised 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 Governing Body of the CCG, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014. Our audit work has been undertaken so that we might state to the members of the Governing Body of the CCG 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 Governing Body of the CCG, as a body, may be interested for 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 CCG and the members of the Governing Body of the CCG, as a body, 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 the CCG and the members of the Governing Body of the CCG, as a body, or the successor ICB, as a body, 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.

Use of the reasonable assurance report

This report is made solely to the members of the Governing Body of the ICB and NHS England. Our work has been undertaken so that we might state to the members of the Governing Body of the ICB and NHS England those matters we are required to state to them in accordance with NHS England Guidance and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Governing Body of the ICB, as a body, for our work, for this report, or for the opinions we have formed.

Opinion

Qualified Conclusion

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

Except for mental health prescribing expenditure, in our opinion NHS Hull CCG's Mental Health Investment Standard compliance statement has been properly prepared, in all material aspects, in accordance with the criteria set out in the Assurance engagement of the mental health investment standard 2021/22, Guidance published by NHS England.

Basis for Qualified Conclusion

We have undertaken our review of the CCG's Statement of Compliance having regard to the criteria set out by NHS England in its Assurance engagement of the mental health investment standard 2021/22, Guidance published by NHS England.

We have identified the following issue that indicates that the CCG's Statement of Compliance has not been properly prepared in accordance with NHS England's Guidance:

- Mental health prescribing (£3.019 million 2021/22, £3.080 million 2020/21): the 2021/22 mental health prescribing figure is based on applying percentages from the previous year's spend on mental health drugs to total estimated prescribing expenditure in 2021/22. The figures are derived from NHS Business Services Authority (BSA) information. The CCG, however, has not made an adjustment for multi-use drugs. We note that the CCG has adopted a consistent approach in this respect to previous years.



Mark Kirkham
Partner

For and on behalf of Mazars LLP

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17 February 2023

Enclosure

NHS Hull Statement of Compliance 2021/22 dated 17 February 2023