



Independent Reasonable Assurance Report in connection with the 2019/20 Mental Health Investment Standard compliance statement to the governing body of NHS Morecambe Bay CCG for the year ended 31 March 2020

To: Governing Body NHS Morecambe Bay CCG and NHS England

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 5 January 2021 (the "Engagement Letter") for the purpose of reporting to the Governing Body of NHS Morecambe Bay CCG (the "CCG") and NHS England in connection with the CCG's Mental Health Investment Standard compliance statement dated 15 April 2021 for the year ended 31 March 2020 (the "Statement"), which is attached. As a result, this Report may not be suitable for another purpose.

Responsibilities of the CCG

The planning guidance for 2019/20 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 2019/20 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 2019/20..... in every case will be subject to independent auditor review."

Each CCG is 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"). 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 2019/20 - Briefing for Clinical Commissions Groups (the "Guidance") issued by NHS England.

The CCG's Accountable Officer is responsible for the preparation of the Statement for the year ended 31 March 2020 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 2020, which is consistent with the definitions used for programme budgeting, as set out in the Guidance
- The CCGs 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 CCG'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; and
- unrestricted access to persons within the CCG 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 (ISAE) 3000 (Revised), *Assurance engagements other than audits or reviews of historical financial information*. ISAE 3000 (Revised) 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 CCG with a copy of their draft MHIS compliance statement showing the CCG's eligible MHIS expenditure and its Target Spend for 2019/20, together with a more detailed expenditure summary. The Accountable Officer of the CCG remain solely responsible for the Statement.

We performed a reasonable assurance engagement as defined in ISAE 3000 (Revised). 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 MHIS expenditure figures on which it is based;
- Considered the internal controls applied by the CCG over the preparation of the Statement and the MHIS expenditure figures, 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 compliance statement as a basis for designing and performing procedures to respond to the assessed risks;
- Verified the total 2019/20 spend to supporting calculations; and that it is equal or above the target spend as provided by NHS England.
- Carried out testing on the mental health expenditure included in the Statement and supporting expenditure summary to check whether it met the definition of mental health expenditure properly incurred, as set out in the Guidance.
- Verified the factual accuracy of the compliance statement based on the procedures set out above

We have examined the records of the CCG, 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 CCG 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

The preparation of the Statement requires judgments to be made by the CCG, including some for which clinical expertise is required to be applied to determine the extent to which expenditure is within scope of the Mental Health Investment Standard. In line with the expectations set by NHS England within the *Assurance engagement of the Mental Health Investment Standard 2019/20 – Briefing for Clinical Commissioning Groups* where clinical judgment is required to be applied the adequacy of this judgment is not within the scope of our assurance engagement.

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 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 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.

Conclusion

In our opinion, NHS Morecambe Bay CCG'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 2019/20 - Briefing for Clinical Commissions Groups, guidance published by NHS England

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