

**Independent Reasonable Assurance Report  
(ISAE 3000 Engagement)  
For the period from 1 April 2018 to 31 March 2019  
NHS North Lincolnshire Clinical Commissioning Group**

The Governing Body  
North Lincolnshire Clinical Commissioning Group  
Health Place  
Wrawby Road  
Brigg  
North Lincolnshire  
DN20 8GS

7 July 2020

**Independent Reasonable Assurance Report on NHS North Lincolnshire Clinical Commissioning Group's (CCG's) Mental Health Investment Standard Statement of Compliance for the year ended 31 March 2019**

**Introduction**

We were engaged by the Governing Body of NHS North Lincolnshire CCG (the CCG) to perform a reasonable assurance engagement on the CCG's Mental Health Investment Standard Statement of Compliance dated 3 July 2020 for the year ended 31 March 2019 (the MHIS Statement of Compliance). We were engaged in accordance with the engagement letter dated 14 August 2019, and the engagement terms included a limitation of liability as set out in paragraph 7.2 of the engagement letter.

**Scope**

The objective of this engagement is to provide an opinion on whether the CCG's MHIS Statement of Compliance has been the properly prepared, in all material respects, based on the criteria set out in the "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups" published by NHS England, dated November 2019.

From 2018/19 all CCGs are required to publish a statement after the end of the financial year to state whether they have met their obligations with regard to the mental health investment standard, i.e., whether their investment in mental health for the financial year either has or has not increased by a greater percentage than has their overall allocation. We have referred to this statement below as the "Mental Health Investment Standard Statement of Compliance").

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## **Management's responsibilities**

The CCG is responsible for the preparation and publication of a Mental Health Investment Standard Statement of Compliance after the end of the financial year to state whether it has met its obligations with regard to the mental health investment standard, i.e., whether its investment in mental health for the financial year ended 31 March 2019 either has or has not increased by a greater percentage than has its overall allocation.

The CCG is responsible for preparing a summary of expenditure in the form specified in NHS England Guidance "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups", and should prepare supporting papers to evidence the expenditure incurred.

The CCG is responsible for ensuring that the MHIS Statement of Compliance has been properly prepared based on the specified criteria contained within NHS England Guidance "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups".

The information used by management to calculate whether the Mental Health Investment Standard has been met is included in the Appendix to this report. Where errors identified from our work have been corrected by management, the revised calculations are also shown in the Appendix.

## **Our independence**

We have complied with the Code of Ethics for Professional Accountants issued by the International Ethics Standard Board for Accountants, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

In conducting our engagement, we confirm that we satisfy the criteria for assurance providers as set out in NHS England guidance, i.e., "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups" to carry out the assurance engagement.

## **Our responsibility**

Our responsibility is to report, in accordance with the ISAE 3000 standard, whether the CCG's MHIS Statement of Compliance has been properly prepared, in all material respects, based on the criteria set out in the "Assurance Engagement of the Mental Health Investment Standard Briefing for Clinical Commissioning Groups" published by NHS England.

We conducted our reasonable assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 Assurance Engagements other than Audits of Reviews of Historical Financial Information issued by the International Auditing and Assurance Standards Board and the guidance set out in NHS England's "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups". NHS England's guidance requires that we plan and perform this engagement to obtain a reasonable level of assurance.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about the fairness of the MHIS Statement of Compliance. 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 CCG's method of compilation of the Mental Health Investment Standard Statement of Compliance (as reported in the CCG's non ISFE template) and the headline calculations on which it is based; and
- the internal controls applied by the CCG 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 the percentage increase in spending on mental health in 2018/19 included in the headline calculations in line with NHS England guidance.
- Verifying the percentage increase in the CCG's allocation included in the headline calculations and checking that it is per published CCG allocations.
- 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 NHS England guidance.
- Verifying the factual accuracy of the MHIS Statement of Compliance based on work undertaken.
- Obtaining and considering written representations from the CCG, including:
  - that the CCG has provided us with all the information relevant to the engagement; and
  - confirmation that the CCG's measurement of the underlying subject matter against the applicable criteria and its 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 believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion, except as set out in the 'Basis for Qualified Conclusion' section below.

### **Inherent limitations**

Our objectives are to obtain reasonable assurance about whether the CCG's Mental Health Investment Standard Statement of Compliance for the period ended 31 March 2019 is properly prepared, in all material respects, based on the criteria set out in the "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups" 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 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.

In particular, we highlight that we have followed the guidance issued by NHS England in November 2019 that, for the purposes of giving our reasonable assurance opinion, we were not required to undertake any testing on the underlying information or systems maintained by third parties, such as the Business Services Authority, NHS providers and local authorities. Testing of the third-party information provided by the CCG was, therefore, outside the scope of this reasonable assurance engagement.

Our testing on the mental health expenditure included in the headline calculations and supporting schedules was done on a sample basis. The materiality level we calculated in relation to 2017/18 MHIS expenditure was £0.546million and in relation to 2018/19 MHIS expenditure was £0.572million.

### **Use of the reasonable assurance report**

This report is made solely to the Members of the Governing Body of the CCG. Our 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 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 CCG, as a body, for our work, for this report, or for the opinions we have formed.

While NHS England require the CCG to provide it with a copy of our report, this is provided on the basis that we do not owe a duty of care to NHS England, as set out in paragraph 2.4 of the engagement letter and in the guidance issued by NHS England.

### **Qualified opinion – except for**

In our opinion NHS North Lincolnshire CCG's Mental Health Investment Standard Statement of Compliance for the period ended 31 March 2019 is properly prepared, in all material respects, based on the criteria set out in the "Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups" published by NHS England, except for the matters identified in the basis for qualified opinion paragraphs below.

### **Basis for qualified opinion – except for**

We highlight the matters detailed below in respect of which our opinion is qualified.

- **Mental health contract with Lincolnshire Partnership NHS Foundation Trust (£0.498million 2017-18):** following a GP practice merger in 2017-18 North Lincolnshire CCG took on responsibility for a number of patients from Lincolnshire West CCG. As result North Lincolnshire CCG also took on responsibility for funding the proportion of the mental health contract Lincolnshire West CCG had commissioned from Lincolnshire Partnership NHS Foundation Trust in respect of these patients. We have reviewed the payment made to Lincolnshire Partnership NHS Foundation Trust but we have not been able to obtain assurance that the expenditure is solely in relation to mental health and does not also include dementia and learning disabilities.

- **Continuing health care (CHC) (£6.088million 2017/18, £7.877million 2018/19):** CHC spend is derived from the Broadcare system which is categorised between mental health, physical disabilities and learning disabilities. The CCG has included all categories and an amendment has been made to remove the learning disabilities and physical disabilities categories. We note, however, that an individual included in the mental health category could have multiple needs, including dementia. In addition, there is an unexplained variance of £0.032million between the mental health CHC expenditure in the ledger and the supporting year end accruals working paper. Expenditure in the ledger is higher.
- **Section 117 Referrals (£4.429million 2017/18 £3.91million 2018/19):** In the amended figures referred to in the appendix the CCG has excluded learning disabilities Section 117 referral spend from the MHIS totals. The guidance is unclear whether all Section 117 spend should be included or whether spend relating to learning disabilities should be excluded. The CCG has chosen to exclude learning disabilities Section 117 spend from its return. Although we note the uncertainty of what should and should not be included within Section 117 spend, we note that it would not have a significant impact on the percentage increase between years as the CCG has adopted a consistent approach each year.
- **Non-contract Activity (£0.392 million 2017/18 £0.730 million 2018/19):** the CCG has included non-contracted spend with mental health providers within the MHIS totals. We are, however, aware that there may be activity included that does not relate to mental health.

The MHIS totals have not been amended for the above qualification points as they reflect uncertainty about the figures provided rather than the identification of misstatements.

### **Other matter**

The CCG's MHIS Statement of Compliance is based on the headline calculations of eligible mental health expenditure in 2017/18 and 2018/19. As required by the guidance, the CCG's original submission comprised the 2017/18 expenditure from the 2018/19 planning template (final submission) and the 2018/19 expenditure from the final non-IFSE submission for that year. Neither of these returns were subject to any form of assurance at the time of submission, and NHS England has indicated that the 2017/18 figures have been published and are unable to be changed. For the purposes of our reporting, where we have identified errors in the original submissions and these have been agreed with the CCG, the figures on which the MHIS Statement of Compliance have been recalculated are as shown in the 'Revised' column of the attached Appendix.



*Mark Kirkham*

Mark Kirkham (Jul 7, 2020 09:26 GMT+1)

Mark Kirkham  
Partner  
For and on behalf of Mazars LLP  
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3 Wellington Place  
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7 July 2020

**Enclosure**

NHS North Lincolnshire CCG's MHIS Statement of Compliance dated 3 July 2020.

## APPENDIX

### SUMMARY OF THE CALCULATION OF THE MENTAL HEALTH INVESTMENT STANDARD

Following our work and identification of errors, the CCG has revised the MHIS totals for both 2017/18 and 2018/19, as shown in the following table. We would highlight that our reasonable assurance report is not required to give any assurance on the classification of spend between the MHIS categories detailed in the NHSE guidance.

	<b>Original (1)</b> <b>£'000</b>	<b>Revised (2)</b> <b>£'000</b>
<b>2017/18</b>	27,018	18,213
<b>2018/19</b>	27,925	19,075
% increase in spend	3.36%	4.73%
% increase in programme growth per 2018/19 NHSE outturn submission	2.8%	2.8%

(1) Original figures submitted for audit, being derived from the required sources:

- 2017/18 – the 2018/19 NHSE planning submission; and
- 2018/19 – the 2018/19 NHSE outturn submission.

(2) revised totals, being amended for other errors identified from our work.

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3<sup>rd</sup> July 2020

### Statement of Compliance

The planning guidance for 2018/19 stated that each CCG must meet the Mental Health Investment Standard (MHIS) by which their 2018/19 investment in mental health rises at a faster rate than their overall published programme funding.

As the Accountable Officer of NHS North Lincolnshire CCG, I am responsible for the preparation of the Mental Health Investment Standard Compliance Statement (the "Statement") for the year ended 31 March 2019 and for the financial information that forms the basis of the calculation on which the Statement is derived. This includes the design, implementation and maintenance of internal control 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.

To the best of my knowledge and belief I have properly discharged my responsibilities, with regard to reporting against the Mental Health Investment Standard.

NHS North Lincolnshire CCG considers that it has complied with the requirements of the mental health investment standard for 2018/19.

Emma Latimer  
Accountable Officer  
NHS North Lincolnshire CCG

3<sup>rd</sup> July 2020

Chair: Dr Faisal Baig

Accountable Officer: Emma Latimer

