



Report on the Mental Health Investment Standard Compliance Statement

Year ending 31 March 2019

NHS Cambridgeshire and Peterborough Clinical Commissioning Group

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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 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 (NHSE) has committed to invest in mental health, with increased funds provided for mental health services every year since 2010. For 2018/19 NHSE set all CCGs a key measure, the Mental Health Investment Standard (MHIS), to monitor the achievement of their increased investment, developing a MHIS Compliance Statement which clearly states whether the CCG has achieved its MHIS. NHSE also requires CCG's to obtain independent assurance on this 2018/19 Compliance Statement by local CCG auditors.

The MHIS Compliance Statement is a statement to the public from NHS commissioners of healthcare stating whether the commissioner has met the MHIS. The "Refreshing NHS Plans for 2018/19" guidance issued by NHS England and NHS Improvement requires that each CCG must meet the MHIS by increasing their investment in mental health in 2018/19 at a faster rate than their overall published programme funding.

CCGs 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 MHIS Compliance Statement in line with the terms of our engagement set out in our engagement letter dated 17 September 2019. It is issued in conjunction with our signed reasonable assurance report, which is published alongside the CCG's Compliance Statement and enables the Governing Body 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 - Briefing for Clinical Commissioning Groups (the "Guidance") issued by NHS England.

The output from our work is a conclusion that states whether the CCG's 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.

	£000's	Qualitative factors considered
Materiality	1,511	We have considered the impact of non trivial errors on the CCG's MHIS Compliance Statement
Trivial matters	55	

Conclusion

The CCG's draft Compliance Statement stated:

NHS Cambridgeshire and Peterborough CCG considers that it has complied with the requirements of the mental health investment standard for 2018/19

Our work on your MHIS Compliance Statement is complete and we issued an qualified, except for, opinion on your MHIS Compliance Statement. The text of our proposed reasonable assurance report can be found at Appendix B.

Subject to this, we are proposing to issue a qualified, except for opinion on your MHIS Compliance Statement.

The reasons for this are:

- when preparing the 2018-19 MHIS Return, you had incorrectly included Continuing Health Care spend on Learning Disabilities and Dementia, which should have been excluded per the guidelines issued by NHS England. The value of this expenditure was £5.517 million.
- in the 2017-18 Return, you had incorrectly included ineligible spend on Children's & Young People's Mental Health Services (CAMHS), which should be excluded per the Guidance. The impact of removing this spend was to reduce the eligible expenditure by £1.893 million.
- a thorough review of the CCG case load for 2017-18 identified eligible spend on Prescribing, Continuing Health Care and Older Adult Mental Health which had been incorrectly omitted. This increased eligible expenditure by £2.792 million.

None of these issues have an impact on you achieving the Standard in either of the years subject to audit.

Headlines (continued)

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

Key messages

In all material respects, your Mental Health Investment Standard Compliance Statement for 2018/19 has been properly prepared, in all material respects, in accordance with the Criteria set out in line with the requirements of the Guidance. However, as mentioned above, the CCG identified some items of spend which had been incorrectly excluded/included in the ISFE Returns, which they have agreed with NHS England should be adjusted and have re-based the 2019-20 target as a result.

Acknowledgements

We would like to thank 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
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 and the headline calculations on which it is based; • Considered the internal controls applied by the CCG 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 Statement as a basis for designing and performing procedures to respond to the assessed risks; • Verified the percentage increase spending on mental health in 2018/19 included in the headline calculations; • Verified the percentage increase in the CCG's allocation included in the headline calculations and checked that it was the same as the published CCG allocations; • Carried out testing on the mental health expenditure included in the headline calculations to check whether it met the definition of mental health expenditure properly incurred, as set out in the Guidance; and • 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. <p>The scope of our testing was the MHIS performance and mental health expenditure included in the headline calculation only and did not cover the reporting of spend against individual service lines or the degree of provider triangulation.</p> <p>We applied sample testing to:</p> <ul style="list-style-type: none"> • The 2017/18 mental health expenditure used by the CCG in the headline calculations; and • The 2018/19 mental health expenditure used by the CCG in the headline calculations. 	<p>Based on the results of our procedures, with the exception of the matters reported below, we confirm that for the year ended 31 March 2019, the MHIS Compliance Statement has been properly prepared in all material respects in line with the criteria set out in the Guidance.</p> <p>We noted a number of exceptions which are details we reported in our assurance report, as follows:</p> <ul style="list-style-type: none"> - when preparing the 2018-19 MHIS Return, you had incorrectly included Continuing Health Care spend on Learning Disabilities and Dementia, which should have been excluded per the guidelines issued by NHS England. The value of this expenditure was £5.517 million. - in the 2017-18 Return, you had incorrectly included ineligible spend on Children's & Young People's Mental Health Services (CAMHS), which should be excluded per the Guidance. The impact of removing this spend was to reduce the eligible expenditure by £1.893 million. - a thorough review of the CCG case load for 2017-18 identified eligible spend on Prescribing, Continuing Health Care and Older Adult Mental Health which had been incorrectly omitted. This increased eligible expenditure by £2.792 million. <p>A full list of all the non-trivial errors we identified from our work are set out in Appendix A.</p>

Fees

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)	£10,000	£10,000

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.

Misstatements in expenditure

The Assurance Engagement of the Mental Health Investment Standard - Briefing for Clinical Commissioning Groups guidance issued by NHS England and NHS Improvement (the "Guidance") states that, for the purposes of the MHIS, eligible mental health expenditure is expenditure on mental health correctly reflected in the financial ledger for the financial year (under the normal financial reporting requirements) which is consistent with the definitions used for programme budgeting. The Guidance states that the 2017/18 detail should be obtained from the 2018/19 planning template (final submission) and the 2018/19 detail should be obtained from the final non ISFE submission for that year.

The CCG prepared its Expenditure Summary for 2017/18 and 2018/19 for the purposes of calculating its increase in MHIS expenditure in 2018/19 and the format of its MHIS Compliance Statement. The figures included in this Expenditure Summary were not the same as those included in the submissions to NHS England due to the CCG revisiting the 2017-18 Return upon receipt of the 2018-19 guidance, which then cast doubt on the figures reported in the 2017-18 ISFE. Details of the adjustments made can be seen in the table below.

All non-trivial misstatements in the Expenditure Summary which we identified during our testing are set out in detail below, together with the overall impact on the CCG's MHIS expenditure for each financial year.

Detail	2017/18 Expenditure Statement £'000	2018/19 Expenditure Statement £'000
<p>1 Inclusion of Learning Disabilities and Dementia Expenditure in 2018-19 When preparing the 2018-19 MHIS Return, you identified that you had incorrectly included Continuing Health Care spend on Learning Disabilities and Dementia, which should have been excluded per the guidelines issued by NHS England. The value of this expenditure was £5.517 million.</p>	n/a – LD and Dementia was correctly excluded from the 2017-18 Return.	-£5,517
<p>2 Ineligible inclusion of Children's and Young People's Mental Health Expenditure in 2017-18 You also identified you had incorrectly included ineligible spend on Children's & Young People's Mental Health Services (CAMHS), which should be excluded per the Guidance. The impact of removing this spend was to reduce the eligible expenditure by £1.893 million.</p>	-£1,893	n/a – correctly treated in 2018-19
<p>3 Omission of Valid Spend in 2017-18 You undertook a thorough review of the CCG case load for 2017-18 which identified eligible spend on Prescribing, Continuing Health Care and Older Adult Mental Health which had been incorrectly omitted. This increased eligible expenditure by £2.792 million.</p>	£2,792	n/a – correctly treated in 2018-19
Overall impact	£899	-£5,517

Overall impact of misstatements in expenditure

The overall impact of the errors we identified was a £0.873 million increase in the CCG's 2017/18 MHIS expenditure and a £5.517 million decrease in the CCG's 2018/19 MHIS expenditure. This equates to an 7.06 percent reduction in the CCGs mental health investment in 2018/19 and an overall investment in mental health of 3.66 percent in 2018/19.

Based on these revised figures the CCG's draft Compliance Statement remains correctly stated.

Form of assurance report

Independent Assurance Report in connection with the 2018/19 Mental Health Investment Standard compliance statement to the governing body of NHS Cambridgeshire and Peterborough CCG for the year ended 31 March 2019

To the Governing Body of NHS Cambridgeshire and Peterborough CCG

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 17 September 2019 (the "Engagement Letter") for the purpose of reporting to the Governing Body of NHS Cambridgeshire and Peterborough CCG (the "CCG") in connection with the CCG's Mental Health Investment Standard compliance statement dated xx/xx/xx for the year ended 31 March 2019 (the "Statement"), which is attached. As a result, this Report may not be suitable for another purpose.

Responsibilities of the CCG

The Refreshing NHS Plans for 2018/19 planning guidance issued by NHS England and NHS Improvement 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 programme funding".

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 - Briefing for Clinical Commissioning 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 2019 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 years ended 31 March 2019 and 31 March 2018, which is consistent with the definitions used for programme budgeting, as set out in the Guidance
- Percentage increase in spend on mental health in the year ended 31 March 2019
- CCG allocation increase in 2018/19.

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.

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

- Ascertained the method of compilation of the Statement and the headline calculations on which it is based;
 - Considered the internal controls applied by the CCG 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 compliance statement as a basis for designing and performing procedures to respond to the assessed risks;
 - Verified the percentage increase spending on mental health in 2018/19 included in the headline calculations;
 - Verified the percentage increase in the CCG's allocation included in the headline calculations and checked that it was the same as the published CCG allocations; and
 - Carried out testing on the mental health expenditure included in the headline calculations to check whether it met the definition of mental health expenditure properly incurred, as set out in the Guidance.
- 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 MHIS performance and mental health expenditure included in the headline calculation only and does not cover the reporting of spend against individual service lines or the degree of provider triangulation.

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.

Form of assurance report (continued)

Qualified conclusion

In our opinion, except for the effects of the matters described in the Basis for qualified conclusion section of our report, NHS Cambridgeshire and Peterborough 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 - Briefing for Clinical Commissioning Groups guidance published by NHS England.

Basis for qualified conclusion

NHS Cambridgeshire and Peterborough CCG's Mental Health Investment Standard compliance statement is based on NHS Cambridgeshire and Peterborough CCG's (the "CCG") headline calculations of their eligible mental health expenditure in 2017/18 and 2018/19. We identified three errors in the expenditure figures included in the CCG's calculations where the expenditure had not been calculated in accordance with the Guidance issued by NHS England. For 2017/18 the CCG had included the incorrect CAMHS Figures, and also identified that the Prescribing Costs did not originally cover the full year. For 2018/19 the CCG identified that expenditure on continuing healthcare relating to dementia was incorrectly included. All of these issues were identified by the CCG as part of the preparation of the working papers for the audit.

If the CCG's headline calculations had been amended for the non-trivial errors we identified, the 2017/18 mental health expenditure would increase by £873k and the 2018/19 mental health expenditure would decrease by £5.517 million.

The amended figures for both years do not affect the accuracy of the CCG's Mental Health Investment compliance statement which states that NHS Cambridgeshire and Peterborough CCG considers that it has complied with the requirements of the Mental Health Investment Standard for 2018/19.

Other Matter

The CCG's compliance statement is based on the CCG's headline calculations of their eligible mental health expenditure in 2017/18 and 2018/19. As required by the Guidance, the 2017/18 expenditure figures are based on the expenditure figure from the CCG's 2018/19 planning template (final submission) and the 2018/19 figures are based on the 2018/19 final non ISFE submission. Both these returns were not subject to any form of assurance from a third party. NHS England has advised CCGs that the final submission for the 2017/18 figures is now "locked down" and cannot be amended. As such there may be a difference between the mental health expenditure figure included in the CCG's 2018/19 planning template (final submission) and the expenditure figures calculated for the purposes of the CCG's 2018/19 MHIS compliance statement.

Use of our report

This Report is made solely to the Governing Body of the CCG, as a body, in accordance with the terms of our Engagement Letter and solely for the purpose of reporting in connection with the 2018/19 Mental Health Investment Standard compliance statement of NHS West Suffolk CCG. Our work has been undertaken so that we might state to the Governing Body of the CCG 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, except that a copy may be provided to NHS England to whom we owe no duty of care. 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 CCG and the members of the

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[Signature]

Grant Thornton UK LLP
Bishopsgate, London
xx July 2020



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