

**Mental Health Investment Standard (MHIS) compliance statement**

All ICBs were required to plan to achieve the Mental Health Investment Standard in 2023/24 and to spend greater than or equal to the 2023/24 Mental Health Investment Standard target spend number provided by NHS England.

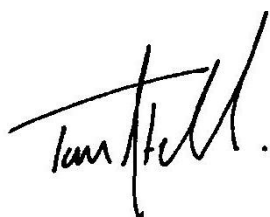
As the Accountable Officer of NHS Mid and South Essex ICB, I am responsible for the preparation of the Mental Health Investment Standard Compliance Statement (the "Statement") for the year ending 31 March 2024 and for the financial information on which the Statement is based. This includes the design, 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.

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 Mid and South Essex ICB originally stated that it had complied with the requirements of the Mental Health Investment Standard for 2023/24. However, following reconsideration of its supporting calculations, I now consider that it has not complied with the requirements.

As is common practice, the ICB made an estimate of outstanding charges to be received at the end of the 2023/24 financial year based on an analysis of spend already incurred. When the charges were received they were slightly below the estimated value, resulting in a small under achievement of £29k, and equating to 0.01% of the target spend value.

The 2023/24 target spend was £215,008k and the actual spend was £214,979.

**Tom Abell**

Accountable Officer

NHS Mid and South Essex ICB

# **Independent Reasonable Assurance Report of KPMG LLP to the Governing Body of NHS Mid and South Essex Integrated Care Board and NHS England in connection with the 2023/24 Mental Health Investment Standard compliance statement in respect of NHS Mid and South Essex Integrated Care Board for the year ended 31 March 2024**

## **Disclaimer of Opinion**

In accordance with the terms of our engagement letter dated 15 April 2024 (the "Engagement Letter"), we were engaged to perform an assurance engagement to report on the Mental Health Investment Standard ("MHIS") compliance statement (the "Statement") for the period ended 31 March 2024 of NHS Mid and South Essex Integrated Care Board (the "ICB") in the form of a reasonable assurance opinion about whether the ICB's statement has been properly prepared, in all material respects, in accordance with the Criteria set out in NHS England's published guidance '*Assurance Engagement of the Mental Health Investment Standard 2023/24*' (the "Guidance").

Due to the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we have not been able to obtain sufficient appropriate evidence to provide a basis for an opinion on whether the ICB's Statement for the year ended 31 March 2024 has been properly prepared, in all material respects, in accordance with the Criteria set out in the Guidance. Accordingly, we do not express an opinion on the ICB's Statement for the year ended 31 March 2024.

## **Basis for Disclaimer of Opinion**

In order to assess whether the ICB's Statement has been properly prepared, in all material respects, in accordance with the Criteria set out in the Guidance, a fundamental procedure is to assess, for a selection of mental health expenditure included in the Statement and supporting detailed expenditure summary, whether the expenditure met the definition of eligible mental health expenditure properly incurred as set out in the Guidance. However, management has not provided us with sufficient supporting information to demonstrate that the expenditure met the definition of eligible mental health expenditure properly incurred as set out in the Guidance and so we are unable to conclude our work for this procedure. We have been unable to perform alternative procedures to determine whether the expenditure included in the Statement and supporting detailed expenditure summary met that definition and so should be included in the total expenditure on mental health within the ICB's Statement.

As a result, we have been unable to obtain sufficient appropriate evidence to form a reasonable assurance opinion as to whether the ICB's Statement has been properly prepared, in all material respects, in accordance with the Criteria set out in the Guidance.

## **Emphasis of matter – ICB's non-compliance with the requirement of the MHIS for 2023/24**

Although we do not express an opinion on the ICB's Statement, we draw attention to the ICB's Statement which states that the ICB has not complied with the requirements of the Mental Health Investment Standard for 2023/24 as the actual spend was less than the ICB's Target Spend for the year, as confirmed by NHS England.

## **Responsibilities of the ICB and the ICB's Accountable Officer**

The 2023/24 priorities and operational planning guidance issued by NHS England states that a key action for integrated care boards is to "*continue to achieve the Mental Health Investment Standard by increasing expenditure on mental health services by more than allocations growth*".

In relation to this, 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 format and content of the statement should be in line with the specified wording in the Guidance

issued by NHS England. The Guidance states that “*If the spend on mental health is equal to or greater than the ‘target spend’, the ICB should state that it has complied with the requirements of the MHIS for 2023/24*” and “*If the spend on mental health is less than the ‘target spend’, the ICB should state that it has not complied with the requirements of the MHIS for 2023/24*”.

The ICB’s Accountable Officer is responsible for the proper preparation of the Statement for the ICB for the year ended 31 March 2024 in accordance with the Guidance, 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.

The ICB’s Accountable Officer is 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 are made available to us.
- additional information that we request from management for the purpose of the engagement.
- unrestricted access to persons within the ICB from whom we determine it necessary to obtain evidence.

In this report, references to “management” means the Accountable Officer of the ICB and those employees to whom the Accountable Officer of the ICB has properly delegated day-to-day conduct over matters for which the Accountable Officer of the ICB retains ultimate responsibility.

### **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 2024, applying the definitions used for programme budgeting set out in the Guidance.
- The ICB’s target spend for the year, as confirmed by NHS England (the “Target Spend”).

The Guidance sets out what constitutes eligible mental health expenditure for the purpose of the MHIS and the Statement. The Criteria we use to form our opinion are NHS England’s Criteria as set out at <https://www.england.nhs.uk/long-read/assurance-engagement-of-the-mental-health-investment-standard-2023-24/#criteria-to-be-used-for-the-statement> (the “Criteria”).

### **Our responsibilities**

Our responsibility is to conduct our engagement in accordance with International Standard on Assurance Engagements (UK) 3000, *Assurance Engagements Other Than Audits Or Reviews Of Historical Financial Information* (“ISAE (UK) 3000”) issued by the Financial Reporting Council and to independently express a reasonable assurance opinion to the Governing Body of the ICB and NHS England.

However, due to the significance of the matter described in the *Basis for Disclaimer of Opinion* section of our report, we were unable to obtain sufficient appropriate evidence to provide a basis for a reasonable assurance opinion as to whether the ICB’s Statement for the year ended 31 March 2024 has been properly prepared, in all material respects, in accordance with the Criteria set out in the Guidance.

For the purpose of the engagement, we have been provided by the ICB with a copy of the ICB’s MHIS compliance statement showing the eligible MHIS expenditure and its Target Spend for 2023/24, together with a more detailed expenditure summary. The Accountable Officer of the ICB remains solely responsible for the Statement and the detailed expenditure summary.

### Our separate responsibilities in relation to the ICB's financial statements

Our audit work on the financial statements of the ICB 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 ICB's external auditor. Our audit report on the financial statements of the ICB is intended for the sole benefit of the members of the Governing Body of the ICB, 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 ICB those matters we are required to state to them in an auditor's report and for no other purpose. Our audit of the ICB's financial statements is not planned or conducted to address or reflect matters in which anyone other than such members of the Governing Body of the ICB, as a body, 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 Governing Body of the ICB, as a body, for our audit work, for our audit report, or for the opinions we have formed in respect of that audit.

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 ICB and the members of the Governing Body of the ICB, as a body, or NHS England or to any other party, whether in contract, negligence or otherwise in relation to our statutory audit of the ICB's financial statements.

### **Independence, professional standards and quality management**

Our firm applies International Standard on Quality Management 1 (UK) *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* ("ISQM (UK) 1"), issued by the FRC, which requires the firm to design, implement and operate a system of quality management including policies or 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 Institute of Chartered Accountants in England and Wales ("ICAEW") Code of Ethics, which includes independence, and other ethical requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour, that are at least as demanding as the applicable provisions of the International Ethics Standards Board for Accountants ("IESBA") International Code of Ethics for Professional Accountants (including International Independence Standards).

### **Summary of work**

A reasonable assurance engagement involves planning and performing procedures to obtain sufficient appropriate evidence to give reasonable assurance over the Statement. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the Statement whether due to fraud or error. Our work is directed to those matters which, in our view, materially affect the Statement and is 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 identify or disclose all misstatements, fraud or errors that might exist.

The procedures that we planned to perform were as follows:

- Ascertaining the method of compilation of the Statement and the MHIS expenditure figures on which it is based;

- Considering the internal controls applied by the ICB over the preparation of the Statement and the MHIS expenditure figures, and evaluating the design of those controls relevant to the engagement to determine whether they had been implemented;
- Identifying and assessing the risks of material misstatement in the Statement as a basis for designing and performing procedures to respond to the assessed risks;
- Agreeing the total 2023/24 spend to supporting calculations; and assessing whether it is equal or above the Target Spend as confirmed by NHS England;
- Agreeing the factual accuracy of the Statement based on the procedures set out above; and
- Carrying out testing on a selection of the mental health expenditure included in the Statement and supporting detailed expenditure summary to assess whether it met the definition of mental health expenditure properly incurred, as set out in the Guidance.

Our testing in relation to the final procedure listed above was subject to the limitations described in the *Basis for Disclaimer of Opinion* section of our report and so we were unable to form an opinion on the ICB's Statement.

#### **Inherent limitations**

In the preparation of the Statement, the ICB may make clinical opinions in estimating the proportion of spend which relates to mental health needs, as defined by NHS England in the Guidance, and therefore how much is to be included in the total expenditure on mental health for the year. Under the Guidance we are not required to perform, nor have we performed, any work to assess whether any such clinical opinions, or whether the classifications of services set out by NHS England in the Guidance, are appropriate.

The Criteria set out in the Guidance has been developed and published by NHS England. As a result, the ICB's Statement may not be suitable for another purpose.

#### **Intended use of our report**

Our report has been prepared for the Governing Body of the ICB and NHS England solely in accordance with the terms of our Engagement Letter. We have consented to the publication of our report on the ICB's website for the purpose of the ICB showing that it has obtained an independent assurance report in connection with the ICB's Statement.

Our report was designed to meet the agreed requirements of the ICB and NHS England determined by the ICB's and NHS England's needs at the time. Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the ICB and NHS England for any purpose or in any context. Any party other than the ICB and NHS England who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk. To the fullest extent permitted by law, KPMG LLP will accept no responsibility or liability in respect of our report to any other party.

KPMG LLP

#### **KPMG LLP**

*Chartered Accountants*

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3 July 2025