

Independent reasonable assurance report in connection with the 2024/25 MHIS compliance statement to the Board of NHS Cheshire and Merseyside Integrated Care Board and NHS England for the year ended 31 March 2025

To: The Board of NHS Cheshire and Merseyside Integrated Care Board and NHS England

This reasonable assurance report (the "Report") is made in accordance with the terms of our engagement letter dated 12 December 2025 (the "Engagement Letter") for the purpose of reporting to the Board of NHS Cheshire and Merseyside Integrated Care Board ("the ICB") and NHS England in connection with the ICB's Mental Health Investment Standard compliance statement dated 17 April 2026 for the year ending 31 March 2025 (the "Statement"), which is attached. As a result, this Report is not suitable for any other purpose.

Responsibilities of the ICB

The 2024/25 priorities and operational planning guidance issued by NHS England stated that: "The Mental Health Investment Standard (MHIS) will apply to ICBs and continue to be subject to an independent review. For 2024/25, the MHIS requires ICBs to increase spend on mental health services by at least ICB programme allocation base growth (prior to the application of the convergence adjustment)."

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 "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 2024/25 – briefing guidance (the "Guidance") issued by NHS England.

The ICB's Accountable Officer is responsible for the preparation of the Statement(s) for the ICB for the year ending 31 March 2025, 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 ending 31 March 2025, which is consistent with the definitions used for programme budgeting, as set out in the guidance.
- the ICB's target spend for the year, as confirmed by NHS England.
- what constitutes eligible mental health expenditure for the purpose of the MHIS and the Statement.

The ICB'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.
- unrestricted access to persons within the ICB 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 the 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 ISQM1 (UK) 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 its draft MHIS compliance statement showing the eligible MHIS expenditure and target spend for 2024/25, 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 that 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 expenditure calculations on which it is based
- considered the internal controls applied by the ICB 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 Statement of Compliance as a basis for designing and performing procedures to respond to the assessed risks
- verified if the total 2024/25 spend is equal to or above the target spend as provided by the national mental health finance team
- carried out procedures 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 the 'Assurance engagement of the mental health investment standard 2024/25 – Briefing Guidance' issued by NHS England
- verified the factual accuracy of the compliance statement based on the procedures set out above.

We have examined the records of the ICB, performing such procedures on a sample basis so as to obtain information and explanations that 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 that, in our view, materially affect the Statement and was 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 on to disclose all misstatements, fraud or errors that might exist.

[Inherent limitations](#)

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 is intended for the sole benefit of the members of the Board of the ICB, as a body, in accordance with Part 5 of the Local Audit and Accountability Act 2014.

It is not expected for accountants to review clinical opinions.

Our audit work has been undertaken so that we might state to the members of the Board of the ICB those matters we are required to state to them in an auditor's report and for no other purpose. Our audits of the ICB's financial statements are not planned or conducted to address or reflect matters in which anyone other than such members of the Board of the ICB 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 Board of the ICB 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 ICB and the members of the Board of the ICB, or NHS England or to any other party, whether in contract, negligence or otherwise in relation to our statutory audits of the ICB's financial statements.

Conclusion

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

In our opinion, NHS Cheshire and Merseyside ICB'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 2024/25– briefing guidance published by NHS England.

Restriction of Use of Our Report

This report is made solely to the Board of the ICB, as a body, and NHS England, as a body, in accordance with the terms of our tripartite agreement and solely for the purpose of reporting in connection with the 2024/25 Mental Health Investment Standard compliance statement of NHS Cheshire and Merseyside ICB. Our work has been undertaken so that we might state to the Board of the ICB and NHS England those matters we are required to state to them in a reasonable assurance report and for no other purpose. Our report must not be made available, copied or recited to any other party without our express written permission. 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 ICB and the members of the Board of the ICB, as a body, and NHS England, as a body, for our work, for this report or for the conclusions we have formed. We specifically disclaim any liability for any loss, damage or expense of whatsoever nature, which is caused by reliance on our report by any other party who may receive our report.

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20 April 2026