

**BOARD MEETING ON 6 JULY 2010
ALNWICK ROOM, MARRIOTT SUNDERLAND HOTEL, QUEENS PARADE,
SEABURN, SUNDERLAND SR6 8DB**

VALUE FOR MONEY (VfM)

Introduction

The NTA is attempting to quantify the Value for Money (VfM) of the entire drug treatment system since 2001. There have been a number of attempts both in the UK and abroad to quantify the value for money of drug treatment. All have come out in favour of drug treatment representing value for money but all have used different assumptions, sampling, time periods and have focussed on different areas of benefit.

Information held by the NTA in both the Adult Treatment Plan spend data and National Drug Treatment Monitoring System (NDTMS) gives unparalleled scope to cost the impact of treatment at a national level over a significant period of time. The cost benefit work is attempting to quantify four things:

- 1) an in-year cost benefit analysis in the investment in adult treatment between 2001-2009;
- 2) modelling changes in the treatment system to indicate where may be the most effective areas to spend/ withdraw the marginal pound;
- 3) a construction of a QALY value of drug treatment to set against NICE benchmarks of cost effectiveness;
- 4) the added value of the NTA.

Progress to date

A recent consultation event secured agreement from key stakeholders that the methodology and assumptions for aims 1-3 that the NTA propose to use are sound and defensible. The key areas that are being included for analysis are crime, health (including drug related deaths) reintegration and safeguarding. The value of the NTA (aim 4) will be calculated by assuming that the treatment system would have still grown in size without the NTA (due to the extra investment) but that improved waiting times, retention and planned completions are demonstrably linked to specific NTA initiatives. By working out the cost to society of an individual being actively using drugs for 1 week, it is possible to calculate the added value of all the extra individuals engaged, retained and recovered in treatment as a result of NTA input. Early thinking has been done as to how the techniques that have been developed can be used at a local partnership level to drive further improvement.

Areas for further development

The VfM work is ongoing, with early assumptions shared with the Cabinet office. All four areas are delivering positive results which will be shared with Board members via a presentation by Colin Bradbury, Head of Delivery.

Rosanna O'Connor
Director of Delivery
July 2010