Public Health England

Protecting and improving the nation's health

SPOT the differences between PHE economic tools

For a broad overview of spend and range of outcomes — use the SPOT

- The SPOT provides a broad overview of spend against a selection of relevant outcomes, including those paid for from the public health grant. This allows local authorities to make comparisons across public health interventions, **but** it can have the effect of making clinical interventions, such as drug and alcohol treatment, seem expensive in absolute terms.

- The SPOT tool does not assess the relative cost-effectiveness of different interventions or assess how to get the best value for money. Public health teams are therefore strongly advised to consider and present SPOT analysis alongside evidence from the alcohol and drugs **Value for Money tools** (namely the Commissioning Tool) and with the evidence that investment in treatment is associated with immediate and long-term savings to the public purse, for example, every £1 spent on drug treatment saves £2.50 (Davies et al. 2009).

To consider the most cost-effective drug and alcohol treatment pathways — use the Commissioning Tool

- To help local authorities get the most cost-effective drug and alcohol treatment, PHE has produced a **Substance Misuse Commissioning Tool.** It focuses exclusively on the cost-effectiveness of the substance misuse treatment system within an authority, using spend data that is input by the local authority itself.

- The tool can help authorities explore ways in which the existing substance misuse budget can be spent to maximise cost-effectiveness. The analysis compares outcomes on a like-for-like basis so that comparisons of different interventions can be made.

PHE publications gateway number: 2016126
Published: July 2015

	SPOT (public health component)	Commissioning Tool
Overview	Developed by PHE's Health Economics Team as part of the 'Making the case for investing in prevention' programme. SPOT gives an overview of spend and outcomes at local authority level. It includes several measures from different outcomes frameworks, including the Public Health Outcomes Framework (PHOF). Adult alcohol, adult drugs and young peoples' alcohol and drugs services expenditure vs. outcomes are incorporated into the tool.	Developed by PHE's Alcohol, Drugs and Tobacco Division as part of its Value for Money of prevention, treatment and recovery interventions programme. The tool compares spend on the treatment system with outcomes recorded on the National Drug Treatment Monitoring System (NDTMS), specifically successful completion of treatment (ie leaving treatment free of substance(s) of dependency). The tool focuses on adult alcohol and adult drugs spend and outcomes only.
Aim	To support understanding of the overall relationship between spend and outcomes, by identifying areas of significant variance which are likely to require more in-depth analysis.	The aim of the Commissioning Tool is the same as the SPOT, though specifically relating to spend and outcomes of different types of treatments accessed by opiate users, non-opiate users and alcohol only.
Target audience	Health and wellbeing boards, council officers, councillors	Alcohol and drugs commissioners
Spend	The SPOT uses spend from the DCLG returns of local authority expenditure against the public health grant. Financial returns are made publicly available at different stages of the financial year and incorporated into the SPOT. Depending on the time of year, spend in the SPOT can represent revenue out-turn (RO) or revenue account (RA) allocation (respectively, actual or planned expenditure). For adult alcohol and drugs expenditure, the DCLG returns include all spend (structured	The tool requires adult alcohol and drugs unit cost (daily spend) data based on actual rather than planned expenditure for different interventions/settings: community pharmacological, community psychosocial, residential rehabilitation and inpatient detoxification. Those who know their unit costs can input this data directly. Commissioners can also use the inbuilt cost calculator to help them disaggregate their integrated

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	and non-structured). The data collection exercise is relatively new and, as such, differences can be expected in how local authorities report their expenditure, which may limit direct comparability.	substance misuse budgets into expenditure on drugs and alcohol structured and non-structured interventions/settings.
Average spend	Spend per person in each local authority calculated by dividing total spend by total resident population. The denominator is the same for every outcome in an authority, thereby making comparisons across public health and other interventions easy to make. This approach has limitations when applied to alcohol and drugs, however, as spend per person does not indicate what the level of treatment need (prevalence) in the population.	Spend per person in each treatment pathway in each local authority, broken down by opiate users, non-opiate users and alcohol only clients.
Outcomes	Regarding adult alcohol and drugs, the outcomes measured in the SPOT are: • successful completions (and no re-presentations within 6 months) for opiate, non-opiate and alcohol users in structured treatment • alcohol-related admissions to hospital • alcohol-specific admissions to hospital (persons) • alcohol-specific admissions to hospital (persons, <18)	Successful completion of structured treatment (ie leaving treatment free of dependency) broken down by: 1. Client group: opiate users, non-opiate users and alcohol only. 2. Pathway: combination of interventions/settings that make up a client's treatment journey (community pharmacological, community psychosocial, residential rehabilitation and inpatient detoxification).

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	• alcohol-specific admissions to hospital (men) • alcohol-specific admissions to hospital (women) • alcohol-related mortality (persons) • alcohol-related mortality (men) • alcohol-related mortality (women) • alcohol-specific mortality (persons) • alcohol-specific mortality (men) • alcohol-specific mortality (women)	
Cost-effectiveness	SPOT is not a cost-effectiveness tool; it is a diagnostic tool providing a high-level overview of spend and outcomes. SPOT uses a nominal 'SPOT year'. The spend data for that year is typically the spend data for the most recent financial year. The outcome data for that year is the latest available outcome data, which may have some lag depending on the specific data source. Ideally, one would expect to spend and then measure the impact on future outcomes. However, in SPOT, the outcomes precede the spending. This is purely pragmatic and can be justified in two ways: (1) users have	The current version of the tool contains 2014/15 NDTMS data. It is advised that 2014/15 spend data is inputted for comparability. However, as it is unlikely that unit costs would change substantially annually, more recent data may be inputted if this were easier to obtain. Cost-effectiveness in the Commissioning Tool is defined as spend per successful completion of treatment. However, CEA is provided at a lower level for combinations of treatment making up the treatment pathway of different types of clients with varying level of complexities.

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	the latest data available, and (2) previous spend probably correlates well with current spend, and future outcomes probably correlate well with past outcomes. It is worth noting that the SPOT does not distinguish spend per person by opiate/non-opiate outcome. Opiate clients are typically more complex and can require more intensive treatment. This is likely to mean that areas with a high proportion of opiate clients will appear to be comparatively spending more to achieve outcomes.	
Drivers	Spend per local authority resident and the outcomes.	There are three key drivers of cost-effectiveness in the tool: daily cost, average number of days receiving an intervention and the proportion of successful completions.
Benchmarking	The default chosen comparator is one of the nearest neighbours to a local authority on a number of measures. However, users can select any local authority to compare themselves against.	The benchmarking for opiate and non-opiate users is a comparative average based on the expected performance of areas of similar complexity profiles to the selected authority. Measures of 'complexity' include, among others, type of drug used, age, housing status. Adjusting by complexity of population enables local areas to compare against a benchmark that is more attuned to the complexity of their substance misusing population than the crude national rate. Benchmarking for alcohol only clients is a national average based on levels of consumption at the start of treatment – statistical analysis has

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		shown that no other variables significantly predict likelihood of success for this cohort.
Value for money/ Return on investment	The SPOT does not estimate value for money or return on investment; it provides a high-level overview of spend and outcomes. NICE provide Return on Investment tools that allow for the comparison of the cost-effectiveness of a range of interventions. In addition, PHE is commissioning several more ROI projects including tools for mental health and diabetes (please contact HealthEconomics@phe.gov.uk for more information). The SPOT can make spend on treatment seem comparatively high as it does not consider the benefits that spend achieves. Investment in substance misuse treatment is associated with substantial immediate and long-term savings to the public purse (eg from crime reductions and health improvements) and is good value for money (every £1 spent on drug treatment saves £2.50; and for every 100 alcohol dependent people treated, 18 A&E visits and 22 hospital admissions are prevented).	The Commissioning Tool does not estimate value for money or return on investment; it is a cost-effectiveness tool. To support the 2017/18 commissioning cycle, The Value for Money Team in the Alcohol, Drugs and Tobacco Division will provide several tools in the Autumn, including an updated commissioning tool and a Social Return on Investment (SROI) which will estimate the benefits associated with investment in treatment. For more information see: https://www.ndtms.net/ValueForMoney.aspx

First published: July 2016