Derby City Council

COUNCIL CABINET
15 April 2013

ITEM 7

Report of the Cabinet Member for Adults Health and Housing

Alcohol treatment system retender – 2013/14

SUMMARY

1.1 The requirement to have a local alcohol harm reduction strategy – and related - alcohol treatment system – is still statutory due to the un-repealed Crime and Disorder Reduction Act 1998 (despite its amendment in 2012). Equally a significant proportion of the Public Health ring fence grant allocated to Derby City is contingent on sustainable performance against outcome framework measures reflecting alcohol related-hospital admissions and successful exits from treatment.

1.2 Considering alcohol related hospital admissions in general (Derby and England - see graph in appendix 4) from 2005/6 to 2010 for Derby there was a steady and sometimes significant increase in admissions (from 1,500 in 2005 to 2,125 in June 2010). Whilst there is no direct causal evidence to support this, since the introduction of the new alcohol treatment system in April 2010 Derby has observed a year on year dramatic decline in the number of alcohol related hospital admissions - from 2,125 in 2010 to 1,375 in December 2012 (an aggregate -14% decrease). The English national average has however increased by nearly 12% year on year.

1.3 Alcohol treatment in Derby clearly works and we currently invest £1.6 million in an integrated system covering all aspects of treatment and prevention (see appendix 3). There remains a significant challenge to alcohol related harm as the city has nearly 6,000 dependant drinkers and over 30,000 binge drinkers. These individuals place great strain on the wider health economy. These are defined in appendix 3.

1.4 As the alcohol treatment system also provides synergy for other vital activities in the city, namely housing related support interventions and the reduction of crime, it is essential that effective treatment is sustained in line with cross-party recommendations, legislation and the Derby Plan's long term vision.

1.5 Current contracts for alcohol services expire on 31st March 2014. A retendering exercise to secure a new treatment system needs to take place throughout 2013 to meet our numerous requirements.

RECOMMENDATIONS

2.1 To authorise the undertaking of a tendering exercise to deliver a new alcohol treatment system during 2013 – with no more than the same level of investment - so that new service delivery commences on 1st April 2014

2.2 To give delegated authority to Cath Roff (Strategic Director), Derek Ward (Director of Public Health) and the Cabinet member for Adults Health and Housing to authorise the publication of relevant tender documentation and to oversee the undertaking of the procurement exercise.

REASONS FOR RECOMMENDATIONS

3.1 An effective alcohol treatment system is both a statutory requirement (indirectly as part of a mandated local harm reduction strategy) and an example of best-value, spend to save practice. The approach taken in Derby since 2010 has demonstrated that continuing to provide treatment in this way reduces the economic burden to the city, reduces crime and antisocial behaviour and also improves the health and wellbeing of our residents

3.2 Derby's central government allocation – the Public Health grant – is currently contingent on the city providing effective alcohol treatment and achieving performance against the respective Public Health outcome framework measures

SUPPORTING INFORMATION

4.1 The Department of Health estimates that Derby's adult population has 32,500 drinkers who drink above the recommended limits; over 9,000 'high-risk' drinkers; 5,900 dependant drinkers; and 33,000 'binge drinkers'. Despite the recent unparalleled reduction in alcohol related admissions, in 2010/11 Derby's health economy spent £3.1 million on accident emergency attendances; £10.9 million on inpatient admissions; and £3 million on out-patient hospital actively - where alcohol was a contributory factor. Further examination shows that of the £10.9 million, £2.9 million of that was wholly attributable to drinking (intoxication, falls, liver disease, etc.) whereas £8 million was partially attributable to alcohol *i.e*. high blood pressure, cancer and other disease caused by drinking.

4.2 Considering alcohol related hospital admissions in general (Derby and England - see graph in appendix 4) from 2005/6 to 2010 for Derby there was a steady and sometimes significant increase in admissions from 1,500 in 2005 to 2,125 in June 2010. Whilst there is no direct causal evidence to support this, since the introduction of the new alcohol treatment system in April 2010 Derby has observed a year on year dramatic decline in alcohol related hospital admissions - from 2,125 in 2010 to 1,375 in December 2012 (an aggregate -14% decrease). The English national average has however increased by nearly 12% year on year.

4.3 If we consider the median cost of an alcohol related intervention in Derby (from the most expensive to the least) to be on average £364 per episode, then since June 2010 the saving we have made by reducing the rate of alcohol related admissions (based on the national growth rate) is estimated to be £8 million. The treatment system has in effect cost us £4 million over that period (at £1.6 million per year) demonstrating a return on investment (in hospital activity alone) of 1:2. This does not take into consideration the reduction in cost associated with reduced crime, antisocial behaviour, domestic violence and primary care (non-hospital) activity.

4.4 Rudimentary analysis of our treatment data indicates a 184% increase in the numbers of individuals treated for alcohol dependence from 2009/10 to 2011/12 - with an increase in the percentage of successful exits from 42% to 69% respectively. Similarly in 2008/09 there were 2,710 alcohol related crimes reported in Derby City. For the same period in 2012/13 that had reduced to 765. A widely accepted and evidence based formula for 'numbers needed to treat' that illustrates what we need to do in order to secure successful outcomes from alcohol treatment indicates that in 2008/9 we needed to treat on average 2.4 individuals for 1 successful exit. This number has now reduced (in 2011/12) to 1.4 demonstrating the current efficacy of the treatment model.

4.5 With a cost per successful completion of alcohol treatment (unit cost) reducing from £4,919 in 2009 to £1,826 in 2011 – and decreasing year on year – coupled with an effective Return On Investment and wider social return on investment, there is a compelling multi-factor rationale for retendering for, securing and sustaining effective alcohol treatment in Derby City. This can be undertaken effectively using the council's procurement department supported by Public Health commissioners to realise a new payment by results contracting framework that is congruent with – and displays economies of scope with – our current drug treatment system.

OTHER OPTIONS CONSIDERED

5.1 Do nothing *i.e*. end all alcohol treatment. This is out of the question in reality due to the statutory obligations under the Crime Disorder Reduction Act 1998

5.2 Reduce level of investment. This would in essence destabilise an already effective and efficient treatment model by reducing essential components. The model gains efficiency year on year indicating that to meet the challenge of the burgeoning alcohol problem the same level of investment is required to sustain the level of return on investment and gain. Zero growth - in actual terms is a reduction in investment and keeping the level of investment the same is equally a zero growth option.

5.3 Increase level of investment. This is not currently necessary due to the synergies and economies of scope and scale by having an aligned Drug treatment system and housing related support interventions

This report has been approved by the following officers:

Legal officer	Emily Feenan

Financial officer	Eloise Keeble (procurement lead)
Human Resources officer	Liz Moore
Estates/Property officer	
Service Director(s)	Derek Ward –Director of Public Health
Other(s)	Richard Martin – Assistant Director of Public Health

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Background papers:	None
List of appendices:	Appendix 1 – Implications Appendix 2 – Glossary of terms Appendix 3 – Current components of alcohol treatment system Appendix 4 – graph illustrating reductions in alcohol related admissions and investment

Appendix 1

IMPLICATIONS

Financial and Value for Money

1.1 The cost of the new treatment system is estimated to be the same as the existing treatment system: £1.6 million per year over a 3 year contracting cycle - with the possibility of 2 twelve month extensions. Sustaining treatment is a prima facie case of value for money and 'spend to save' logic.

Legal

2.1 The contracts will be let by Derby City Council using the new Public Health contracting framework. Provision of alcohol related harm strategic activity is a statutory requirement under the Crime and Disorder Act 1998 (and 2012 amendment)

Personnel

3.1 Current alcohol treatment services are not provided by DCC staff; it therefore not anticipated that there will be a TUPE transfer of staff into or out of the DCC as a result of this retendering exercises. There may be a transfer of staff from existing suppliers of alcohol treatment suppliers to new suppliers of such services following the retendering exercise and DCC will work with existing suppliers to facilitate the provision of relevant employee liability information to interested bidders.

Equalities Impact

4.1 An equalities impact risk assessment is in place for the current treatment system and will be refreshed as part of strategic planning, public consultation and the commissioning process

Health and Safety

5.1 None

Environmental Sustainability

6.1 Not applicable

Property and Asset Management

7.1 No liabilities exist for Derby City Council with respect to property or assets

Risk Management

8.1 A full risk assessment has been undertaken – risk register – detailing the wider economic, health and political implication of not securing a new treatment system

Corporate objectives and priorities for change

9.1 The alcohol treatment system serves to discharge the council's corporate function in respect of the newly acquired Public Health directorate, the Health and Wellbeing board priorities and the Sustainable Communities (Derby Plan) strategic objective relating to reducing alcohol harm

Appendix 2

Glossary of terms

Hazardous drinker
Hazardous drinking is defined as when a person drinks over the recommended weekly limit of alcohol (28 units for men and 21 units for women).

Binge Drinker
It is also possible to drink hazardously by binge drinking, even if you are within your weekly limit. Binge drinking involves drinking a large amount of alcohol in a short space of time – eight units in a day for men and six units in a day for women.

Harmful drinking – **high risk drinking**
Harmful drinking is defined as when a person drinks over the recommended weekly amount of alcohol and experiences health problems that are directly related to alcohol

Dependant drinker
Alcohol is both physically and psychologically addictive. It is possible to become dependent on it. Being dependent on alcohol means that a person feels that they are unable to function without alcohol, and the consumption of alcohol becomes an important, or sometimes the most important, factor in their life

Appendix 3

The existing alcohol treatment system is integrated and multi-component - covering all Department of Health recommended interventions expected to be available in localities in England. These are described below (and further detailed in the associated table). The intention for the newly commissioned model is that it will similarly span the four core high impact change components.

Hospital Admissions

The hospital alcohol liaison team (HALT) forms part of a Rapid Assessment and Intervention unit at Royal Derby Hospital. This approach engages individuals who attend hospital with an alcohol related issue and specifically targets the more costly high impact users (who are subsequently diverted to less costly community based treatment).High Impact Users are defined as those individuals accessing A&E on 3 or more occasions within a 12 month interval (currently estimated to be100 individuals with an associated annual health economy cost of £1million).

Criminal Justice

Alcohol-focused criminal justice interventions form a small but significant part of the treatment system and have a wide-reaching impact. Their delivery is integrated with the City's Drug intervention programmes and includes court orders (Alcohol Treatment Requirement and Alcohol Specific Activity Requirement orders) and an Alcohol Diversion Schemes

The use of criminal justice routes as a means to influence behaviour is critical to ensure the alcohol treatment system capitalises on this control element. The research project will assist in identifying and removing blocks which currently preclude these interventions being utilised to their fullest effect.

Community Services

Community treatment services span structured treatment and enhanced brief interventions – similarly Department of Health high impact changes. This approach significantly enhances outcomes and ensures groups who most require alcohol interventions have the greatest gains and can be proactively targeted. Community services also provide a single point of access for all alcohol services and offer rapid access to treatment. In general practice an alcohol taskforce pilot will continue to be evaluated with recommendations presented at the June 2013 Joint Commissioning Group (JCG) as to the future commissioning intentions.

Inpatient Detoxification and residential rehabilitation

Inpatient detoxification is an integral part of the substance misuse treatment system. A joint commissioning arrangement with City and County Public Health Substance Misuse Teams maximises efficiencies with this outcome.

The table below identifies the individual services and providers that comprise the current alcohol treatment system

Provider	Current Contract End date	Description/ comments
Addiction Dependency Solution (ADS)	**31/03/2014**	**Alcohol Taskforce - Pilot**
Acute Hospital *3 month extension	**30/06/2013***	**Substance Misuse Midwifery**
Aquarius	**31/03/2015**	**Specialist Safeguarding**
DCFC/DCCC Sports & Leisure	**31/03/2015**	**Community Programme**
Tender awarded contract not yet signed	**31/03/2016**	**Parent & Carer**
Woodlands	**31/03/2014**	**In Patient Detox - Part of regional contract**
Prevention	**31/03/2014**	**Communications strategy/Structure/Set Up**
Addiction Dependency Solution (ADS)	**31/03/2014**	**DAMS**
Derbyshire Health Care FT (DcHFT)	**31/03/2014**	**SCAMS/HALT**
Phoenix Futures	**31/03/2014**	**After Care**
	£1,617,057	

In relation to the scope and time scales associated with tendering for a new, but largely similar alcohol treatment system, a broad outline of the activities to be undertaken are listed below:

January 2013

Finalisation of scoping report

February 2013

Commissioning of research partner

March 2013

Approval at JCG – gained 5th March 2013

Undertaking of primary research (Phases 1-5)

April 2013

Seek approval at Cabinet – 17th April 2013

Evaluation of primary research and development of strategic harmful/hazardous drinker interventions

May – July 2013

Conduct Customer and Public Consultation (research phase 6) to rigorously test interventions and approaches

August 2013

Commence open tender for service providers to deliver interventions at a local level

November 2013

Selection of preferred providers based on tender outcome scores

Seek approval at Cabinet to award contract/s.

January 2014

Preferred provider implementation meetings
April 2014

Formal launch and go live date for new interventions.

Appendix 4 (see graph of alcohol admissions and cost savings)