



Office for Health  
Improvement  
& Disparities

Addictions and Inclusions  
Office for Health  
Improvement & Disparities  
Department of Health and  
Social Care  
39 Victoria Street  
London  
SW1H 0EU

Dear James Williams,

***Indicative additional funding to support improvements in the quality and capacity of drug and alcohol treatment 2022/23 to 2024/25***

I am writing to provide you with some detail of the indicative sums your local authority will be eligible to receive through a Section 31 grant to support the improvements described in the December 2021 drug strategy. These indicative allocations are being shared now to aid your planning but are still subject to Departmental and HM Treasury approvals.

Please note that because these figures haven't been confirmed they are embargoed and should not be put into the public domain. You can share them within your drug and alcohol partnership, but where you do so make it clear that they are subject to confirmation and that they remain embargoed until that point.

For your local authority you should start to plan for the following investment over the next three years.

	2022/23	2023/24	2024/25
Supplemental funding for substance misuse treatment and recovery	£390,000	£420,000	£690,000
Inpatient Detoxification Grant	£37,006	£37,006	£37,006

As you will have seen in the drug strategy, as well as offering every local authority at least as much additional funding as last year, the government intends to build on this in a phased way through enhanced funding for up to 50 areas starting in 2022/23, with another 50 areas receiving enhanced funding in 23/24 and the remaining areas starting in 24/25. There is a note on the methodology used attached to this letter.

In your local authority this enhanced funding starts from 2023/24.

As with last year, the funding will be dependent on maintaining existing (2020/21) investment in drug and alcohol treatment from the Public Health Grant. The Inpatient Detoxification Grant will be awarded to regional or sub-regional consortia. Further conditions will be set out in a Memorandum of Understanding that will accompany the grant agreement.

Given the scale of additional funding and the expectations that government have set out around local accountability, you will want to think about the commissioning capacity that you'll require now and in the future.

This enhanced funding will enable your partnership to go above and beyond what you have achieved this year and will contribute towards achieving the hard outcomes that are described in the new drug strategy and Dame Carol Black's vision for drug treatment and recovery systems.

Along with this letter we are sending you details of the planning templates that we will expect you to develop local metrics and plans against, and of the menu of interventions you should build those plans around. We hope that this will aid your thinking ahead of the final confirmation of the funding allocation.

We expect that the plans you submit should be developed in consultation with a wide range of stakeholders including the police and crime commissioner, the local health and social care system, probation and NHS health and justice colleagues.

Some areas will also be receiving separate funding to improve treatment for people who sleep rough, or are at risk of sleeping rough, through the rough sleeping drug and alcohol treatment grant. Where this is the case, we ask that areas please consider it in their local plan. We'll ensure that the need for alignment across the funding streams is reflected in the planning templates and proformas.

The Office for Health Improvement and Disparities stands ready to support you and your team as you develop ambitious plans to support people who use drugs and alcohol, and contribute to improving outcomes for them, their families and the wider community. We will be setting up webinars to support understanding about the grants and planning, and nationally and regionally OHID want (and expect) to work closely with you and your partners across the coming years to support the rebuilding of a world class drug and alcohol treatment system.

I will write to you again to confirm the allocation that we are offering and setting out a clear timeline for applications to be submitted.

Yours faithfully,

Rosanna O'Connor  
Director, Addiction and Inclusion

<https://www.gov.uk/government/organisations/office-for-health-improvement-and-disparities>

## **ANNEX - NOTE ON METHODOLOGY**

### ***How we are phasing and allocating drug strategy funding over the next three years***

Additional funding to support the drug strategy ambitions is being distributed in a phased way, in 3 funding tranches over the next three years.

### ***Our approach to ranking local authorities***

Our approach uses four indicators to rank upper tier local authorities (LAs) and assign them into a funding tranche.

The indicators are:

- i) prevalence of opiate and/or crack cocaine use
- ii) rate of drug-related deaths from drug misuse
- iii) rate of drug-related crime
- iv) index of multiple deprivation

A ranking is given to each LA for each indicator, and the highest ranked LAs are the ones that have the poorest outcomes for this measure.

The ranking of the four indicators are then averaged to derive a composite rank score. This is the final rank score for a LA that determines which of the 3 funding tranches they are allocated to. There are 50 LAs in each tranche. Each LA remains in the same tranche over the 3 years.

### ***'Enhanced' funding areas***

The first tranche in 2022-23 will be for the LAs with the highest levels of need. These areas' funding will then grow significantly over the following two years. This will allow those LAs to deliver on Dame Carol Black's vision for a world class treatment and recovery system, with the intention of the following tranches of LAs following in due course.

### ***'Universal' funding areas***

The drug strategy committed to ensuring that all LAs, regardless of what tranche they are in, are eligible to receive at least the same amount of additional funding that they received in 2021-22.

For the areas what are not in the first tranche, we will

- v) roll over the method we used to allocate the 2021-22 universal funding, and
- vi) add to this with an allocation based on the number of adults they had in substance misuse treatment between 2019 and 2021.