

Representation to HM Treasury Autumn Budget 2024 and Spending Review

Executive Summary

Use of alcohol and other drugs lies behind key challenges faced by Government and society in the UK today, as a major factor in a range of crimes and pressures on the health and social care system, notably through hospital admissions, emergency department attendances and ambulance call outs. At the same time, there are new and developing issues around substance use, with lethal synthetic drugs emerging onto the UK market at a worrying scale, drug-related deaths at a historic high, and a step-change in higher risk drinking in the aftermath of the COVID-19 pandemic.

But we know that treatment for substance use issues works to **reduce crime** and pressure on the **health and social care** system, as well as increasing **employment**. It returns £3-£4 for every £1 invested, with the return increasing to £26 over ten years, as people maintain recovery and lead more fulfilling and productive lives.¹

In 2021, an independent review reported that ‘funding cuts have left treatment and recovery services on their knees’.² The sector has responded impressively to the subsequent increase in investment. Over 315,000 people have been engaged in treatment for their issues with alcohol or other drugs in the last 12 months, which is an increase of over 10% compared to March 2022.³ And just as the harm from substance use is concentrated in the most deprived areas, so the benefits of this investment are felt most in those communities.

This investment must be maintained if these gains are not to be lost again. Moreover, the processes to distribute and monitor funding should be simpler, and therefore more effective and efficient for both providers and Government.

Currently, there are multiple time-limited grants, with detailed and overlapping reporting mechanisms. This approach – and the timing of funding announcements – does not give local authorities confidence in the Government’s long-term commitment, and therefore only short-term arrangements are put in place. As a result, providers face challenges in planning ahead and offering their staff security, and so there are fundamental issues in recruiting and retaining staff when compared with other sectors of health and social care. Moreover, the current arrangements do not facilitate the provision of sufficient and sustainable specialist services, such as residential treatment.

There are opportunities, therefore, to ensure that funding delivers greater impact and value for money. Moreover, given these grants provide a significant proportion of providers’ total funding, the uncertainty around their future places whole organisations at risk, jeopardising not only the provision supported through each specific grant, but the overall sustainability of the sector.

To address this fundamental insecurity in the sector, we ask the Government to ensure that councils and other key decision-makers locally understand that treatment for people with substance use issues is an essential part of health and social care in the UK and will continue to be required in the future.

We welcome the Chancellor’s commitment to clear, timely funding decisions, and the certainty and



security offered to public sector workers in regards to pay. We look forward to seeing the same principles applied to the substance misuse treatment sector specifically, with timely and proportionate processes for funding that allow us to build a sector fit for the future.

We have identified five key recommendations for future treatment funding:

1. Spending plans should make and communicate a long-term commitment to providing treatment for substance use issues in the UK
2. Monitoring of funding and outcomes must be proportionate and appropriate
3. The Government should monitor budgets and impact across departmental boundaries, and support joined-up policymaking and service delivery across departments and organisations at a national and local level
4. Funding mechanisms should support the full range of evidence-based interventions to treat people with substance use issues
5. Funding models and oversight should support innovation in the treatment and recovery sector

About Collective Voice

Collective Voice is the alliance of voluntary sector drug and alcohol treatment and recovery providers. We believe that anyone in England with a drug or alcohol problem should be able to access effective, evidence-based, and person-centred support. We know that treatment and wider support has a transformative power for people with alcohol or other drug issues, their families, and communities.

The voluntary sector plays a key role in providing this support. We were created through the collective leadership of treatment and recovery charities to ensure that the knowledge and expertise of this field contributes to the development of policy and practice.

Background

The scale of substance use in the UK is considerable, as there are an estimated **608,416** people in England alone currently dependent on alcohol⁴, with **341,032** using heroin, other opiates or crack⁵ – not to mention other substances that are increasingly emerging.

These patterns of use of alcohol and other drugs lie behind a range of challenges facing Government and society.

Many **crimes** are linked to use of alcohol or other drugs. It has previously been estimated that 66% of theft from shops is drug-related⁶, and 52% of homicides are drug-related⁷. Pilot testing found that 59% of those tested under suspicion of domestic abuse were positive for cocaine and/or opiates,⁸ and in two-fifths of violent incidents, the victim believed the offender(s) to be under the influence of alcohol.⁹

Alcohol and other drugs are similarly central to **anti-social behaviour**. In 2023-24, 22% of people in England said there was a very or fairly big problem in their area with people using or dealing drugs. 10.5% of all anti-social behaviour witnessed was specifically identified as being related to using or dealing drugs, and 9.3% related to drinking alcohol.¹⁰

We also know that use of alcohol and other drugs lies behind a significant number of **health** conditions. In 2022-23 alone, there were 262,094 estimated admissions where the main reason for admission to hospital was attributable to alcohol. That figure rises to 942,260 if we add in secondary diagnoses related to alcohol.¹¹ This places additional pressure on an already stretched health and social care system.

Most strikingly, there were 4,907 deaths related to drug poisoning registered across England and Wales in 2022. This is a growing issue: the mortality rate for deaths related to drug poisoning has been getting worse since 2012.¹² There are urgent concerns that these figures will only continue to get worse with the emergence of synthetic drugs, notably nitazines and xylazine, which are considerably more dangerous than heroin and can be more easily manufactured and transported.

People struggling with substance use can also find it hard to maintain **employment**, exacerbated by stigma and discrimination in the workplace.¹³ It has been estimated that over 80% of people who use heroin or crack cocaine are in receipt of benefits.¹⁴

Substance use issues also lie behind risks and costs in **education and children's social care**. There are an estimated 478,000 children living with a parent with problematic use of alcohol or other drugs in England¹⁵, and a third of case reviews related to alcohol or other drugs.¹⁶ In 2022-23, there were 24,073 suspensions from school in England due to alcohol or other drugs, and 590 permanent exclusions.¹⁷

But we also know that **treatment works** in helping people turn their lives around, reducing crime, reducing pressure on health services, increasing employment, and reducing inter-generational harms. Being in treatment for use of alcohol or other drugs reduces offences by 33%.¹⁸ Assertive outreach teams that work with 'high impact users' of emergency services can claim to reduce hospital admissions by two-thirds, and to reduce emergency department attendances by over a half.¹⁹

Our recommendations for the future

The processes applied to the distribution and monitoring of funding affect the way in which services are delivered on the ground. The current processes have led to challenges for the treatment sector in making sure everyone who could benefit from treatment is able to access the full range of evidence-based interventions at a time, place and setting appropriate for them. This means that the funding is not as effective or efficient as it should be, fewer people benefit, and it takes longer to deliver the impact we can achieve with individuals, families and wider communities.

We would ask that the Government implement the recommendations of the National Audit Office's report from October 2023, *Reducing the harm from illegal drugs*.²⁰

In addition, we make the following specific recommendations to HM Treasury to inform the approach to both this autumn's Budget and the Spending Review.

1. Spending plans should make and communicate a long-term commitment to providing treatment for substance use issues in the UK

Current funding for treating people with substance use issues is welcome and enabled the sector to recruit 2,400 more staff by September 2023, helping us support the 332,213 people who have started treatment since April 2022.²¹

However, new funding has been distributed from DHSC to local authorities as time-limited grants, which poses challenges in delivering a stable, sustainable service. Each year, the nature of the provision is determined by the announcement shortly before the new financial year, limiting the opportunity for providers or commissioners to take a strategic, long-term view of how to treat people with substance use issues.

Whether through specific ringfenced grants such as the Supplementary Substance Misuse Treatment and Recovery grant or the main Public Health grant itself, funding for treatment is seen as fundamentally uncertain by key figures in local authorities. Whereas local authority finance directors see other policy areas as an enduring commitment, albeit with the level and type of service responding to changing need and resource, we have been informed that treating people with substance use issues is seen as outside of local authorities' 'core' business, and therefore wholly dependent on each year's grant announcement.

It is almost as if, until a grant allocation is confirmed for each year, there is a sense that there might not be *any* provision for people with a substance use treatment need. Yet the need for treatment has never been clearer, as outlined above, with over 340,000 people estimated to be currently using heroin or crack, and over 600,000 dependent on alcohol.

Clear and secure funding is essential to provide the stability and care that should be at the core of effective treatment. It generally takes people with opiate problems over three years of treatment to complete this successfully²², and we know that stability of provision is essential to make a difference for people who use substances, their families and the wider community. The therapeutic relationship between client and staff is at the heart of treatment, but it is challenging to build this with high staff turnover and unstable contacts, which are the inevitable result of time-limited grant funding.

Local authorities have generally distributed this funding to providers through contract variations, which do not offer the same notice period and protection as 'core' service contracts, and therefore are more at risk of sudden changes.

Local authority commissioners have told us that from September 2024 they will already be making plans to cut services funded by the annual grant, and will start the process of altering contracts before the end of the calendar year, unless they receive clarity on the specific funding allocation their local authority will receive.

Similarly, providers of treatment, when preparing for April 2025, must begin consultation with staff by the end of November 2024 to manage potential redundancy processes and timescales. Staff are aware of these timelines, and this makes current delivery challenging, as staff will naturally look to

other sectors to find employment that is less at risk.

For individual organisations, these supplementary grants can constitute a third of their overall funding, and so the uncertainty around their future places the whole organisation at risk, which would jeopardise not only the provision supported by each specific grant, but the overall sustainability of the sector.

The funding, therefore, when distributed in this way, does not deliver the impact and value for money that it could and should.

We welcome the Chancellor's commitment to more timely announcements of funding allocations and we appreciate that the Government cannot provide complete certainty of funding allocations for extended periods of time. However, the way in which treatment funding is distributed is as fundamental to these challenges as the timing of decisions. We therefore ask the Government to ensure that councils and other key decision-makers locally understand that **treatment for people with substance use issues is an essential part of all health and social care systems**, and will continue to be required in the future.

2. Monitoring of funding and outcomes must be proportionate and appropriate

There are several grants, projects and contracts that currently fund treatment and related services in England. Each of these grants uses a different method to calculate local authority eligibility and the amount each will receive. They also ask for different data and monitoring information, which are to be returned at varying frequency through different routes.

In addition, there are several evaluation and research projects in place to determine the effectiveness of the previous Government's drugs strategy.

Collective Voice and the providers that form part of this alliance have actively engaged in all these processes, including sitting on the Addiction Mission Priority Setting Partnership steering group, which seeks to determine priorities for future research.

Nevertheless, there may be opportunities to rationalise the number of different grant schemes and harmonise reporting and monitoring processes, to reduce the administrative burden placed both on local authorities and providers of treatment. The resource committed to these processes – and therefore not to frontline delivery – is significant and the processes should be designed to ensure there is value for money for the taxpayer. After three or more years of some of these processes, the specific learning is not yet clear, nor how this might have been applied to subsequent grant-giving and oversight.

3. The Government should monitor budgets and impact across departmental boundaries, and support joined-up policymaking and service delivery across departments and organisations at a national and local level

The issues that people develop around substance use are not simply about substances. We know that someone's chances of recovering from substance use issues are increased if they have stable

accommodation, supportive personal relationships, and are engaged in training or employment.²³

Our services provide people with support on all these issues, but they cannot do this on their own. Effective support for people with substance use issues will always require coordination across a range of themes, and potentially therefore a range of departmental budgets.

At present, there is a tendency to create separate projects and analysis to address different elements of someone's life, when the reality is that these elements are all interlinked and cannot be addressed effectively in isolation from each other.

This means that the positive impact of our services does not see benefits accrue to one specific organisation or department. If someone gains control of their substance use and is supported into work, the benefits bill for the DWP reduces, the individual is less likely to commit crime, and therefore the costs to the criminal justice system are reduced, and they're likely to be healthier, reducing the burden on the NHS.

Therefore, when considering investment and impact at a national level, Government and HM Treasury should ensure they look across departmental boundaries and categories of activity. Investment in substance misuse treatment, monitored and distributed by the Department of Health and Social Care, delivers significant benefits for the Home Office, Ministry of Justice, Department of Work and Pensions, and other departments.

We also encourage the Government to ensure it considers the full range of potential impacts of policies before implementing them, to reduce the chance that one policy undermines the intention of another.

At a local level, all organisations that can contribute to and benefit from a service should be involved in its design and monitoring, but at present substance use can be seen as somewhat isolated from the wider health and social care system, or indeed other elements of provision coordinated by local authorities, such as children's social care or housing. For this reason, partnership structures such as Combating Drugs Partnerships have been helpful in breaking down barriers and encouraging stakeholders to see issues at a strategic, system-wide level, and should be maintained and supported by Government.

4. Funding mechanisms should support the full range of evidence-based interventions to treat people with substance use issues

Some recent grants for treatment and other services related to substance use issues have focused on specific groups or issues, notably homelessness and rough sleeping, and people in contact with the criminal justice system. While such a focus has been welcome and understandable, the approach from Government could do more to support the sector to provide the full range of evidence-based interventions to the full range of people who would benefit from these services. Government should ensure that local authorities place sufficient emphasis on issues of inclusion and accessibility, and this is appropriately resourced.

The National Audit Office noted that ‘reductions in treatment services over the past decade have meant there is insufficient focus on targeting different cohorts of people affected by drugs, such as children and young adults, women and people from different ethnic backgrounds. These groups may have differing needs and require tailored support to encourage engagement with treatment services’.²⁴

There is also a risk that the Government’s focus on engaging in treatment more people who specifically use opiates may lead to others not benefiting from this offer, and an underestimation of the impact already delivered through the drugs strategy. There were over 31,000 more people accessing treatment for alcohol or other non-opiates in the 12 months to June 2024 than there were in 2021-22, before the additional funding came into the sector. A focus solely on people who use opiates would miss the potentially life-changing work engaged in by all these people.

In terms of specific interventions, residential treatment should be an integral – and accessible – part of the menu of options available to people seeking treatment for their substance use. It is clear that this element of the sector is not thriving, or even sustainable, under current funding and procurement arrangements. Units are not spread according to need across the country, and there is a lack of specialist provision that caters for some of the most vulnerable in our society, such as adolescents and women escaping intimate partner violence. Government should provide clear leadership to develop and implement a commissioning model that ensures the availability of – and equitable access to – this evidence-based intervention.

Moreover, there is an opportunity to improve treatment in prisons. Dame Carol Black’s review of drugs, which made the case for re-investment, only covered community treatment settings, but 46,551 adults were accessed alcohol and drug treatment in prisons and secure settings over the past year²⁵, and these services could benefit from comparable steps to ensure there is effective, efficient treatment provision, given the difference that this can make to reoffending rates.

5. Funding models and oversight should support innovation in the treatment and recovery sector

If we are to provide effective, accessible services for all, we need provision that is diverse, responsive and innovative. The third sector is well-placed to deliver these services, but the funding and commissioning systems applied by central and local government should be conscious of the need to maintain this diversity of provision and approach. Funding models should encourage partnership where appropriate, and reward innovation.

As an essential part of this commitment to promote innovation and the development of evidence, the Government should maintain its commitment to the Addiction Mission. This project was established in recognition that when compared with other areas of health and social care, research is less embedded in provision of treatment for substance use issues.

Our providers, as third sector organisations, are uniquely placed to be flexible and to innovate – but current structures, processes and culture mean that they have not always found it straightforward to link with the NHS, funding bodies and universities to develop and support research. The Addiction Mission is designed to support and develop the infrastructure around treatment research, and we would strongly encourage the Government to continue to invest in its work.

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