



Office for Health
Improvement
& Disparities

Drug Strategy Division
39 Victoria Street
London
SW1H 0EU

18 December 2024

Dear Liann Brookes Smith,

Indicative targeted funding to support improvements in the quality and capacity of drug and alcohol treatment and recovery in 2025/26

We are writing to provide detail on the indicative allocations and our delivery priorities for this next phase. In doing so we want to acknowledge that the investment in drug and alcohol treatment and recovery over the last three years has seen a significant increase in the number of people who are benefiting from support from drug and alcohol treatment and recovery systems. We want to thank you, your team, and your partnership for their efforts in building that capacity.

For 2025/26, as well as continued ambition in ***reducing levels of unmet need***, we welcome enhanced focus on ***the quality of your treatment and recovery offer*** for children, young people and adults with drug and alcohol treatment needs. The focus on quality will reduce attrition rates, improve the number and proportion of children, young people and adults making progress in treatment, support more adults to initiate and sustain recovery including through improved employment and housing support and ***reduce the number of people dying***. In turn, continued improvement in the range and quality of support being provided will make services more attractive, accessible, and effective.

In line with government policy, for 2025/26 we are amalgamating several grants that have been made available to support the drug and alcohol treatment and recovery agenda into a single Drug and Alcohol Treatment and Recovery Improvement Grant (DATRIG). The grants that will be consolidated are the Supplemental Substance Misuse Treatment and Recovery (SSMTR) grant, the Rough Sleeping Drug and Alcohol Treatment Grant (RSDATG), the Housing Support Grant (HSG), and the Inpatient Detoxification (IPD) grant.

If you received any or all these grants in previous years, then the amounts that we intend to make available to your system are included in Annex A and those grants that are consolidated are now included in the attached planning workbook.

For 2025/26, we will continue to have a separate Individual Placement and Support (IPS) grant and funding for IPS will continue to be allocated to the lead local authorities.

For areas receiving Rough Sleeping Drug and Alcohol Treatment (RSDAT) allocations, this element has now been signed off by Ministry for Housing, Communities and Local Government (MHCLG) ministers and published on www.gov.uk and are the **confirmed** allocations: [Rough Sleeping Drug and Alcohol Treatment Grant 2025 to 2026 funding allocations - GOV.UK](#).

SSMTR, HSG, IPD and IPS allocations are still subject to Department of Health and Social Care (DHSC) and Treasury approvals and as such final allocations could vary. Indicative allocations are being shared now to assist with the aligned planning process.

Until the allocations have been confirmed they are embargoed and should not be put in the public domain. You should share them within your providers, operational partnership, and the combatting drugs partnership, but where you do so please 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 2025/26 on the understanding that the government's intention is to invest the same amount in cash terms with you as you received in 2024/25 for the SSMTR, IPD, and Housing Support components, as well as for IPS via a continued separate grant. Funding for the 2025/26 rough sleeping drug and alcohol treatment (RSDAT) component has been secured by MHCLG and is subject to a modest reduction which we hope we will be manageable locally. OHID will be working with LAs receiving this funding element around managing the reduction. The details are included in Annex A and the planning template that is attached alongside this letter.

As with previous years, the funding provided through the DATRIG will be dependent on: maintaining or building on existing investment in drug and alcohol treatment and recovery from the Public Health Grant and that your system remains part of an inpatient detoxification regional or sub-regional consortia.

Further conditions will be set out in a single Memorandum of Understanding that will combine all relevant grant components and accompany the grant agreement.

Along with this letter we are sending you templates to start your planning ahead of the final confirmation of all funding elements.

We expect that the plans you submit should be developed in consultation with your providers, and a wide range of other stakeholders including people with lived and living experience, the police and crime commissioner, the local health and social care system, probation and NHS health and justice colleagues. If you are an area that receives rough sleeping drug and alcohol treatment, and housing support, funding, we expect you to plan your services with housing and homelessness colleagues outside of Public Health as has been the case in previous years.

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 your understanding of the funding and planning process, and nationally and regionally OHID want (and expect) to work closely with you and your partners across the coming years to continue to support the rebuilding of a world class drug and alcohol treatment system.

We 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,

<p>Andrew Brown Head of Drug and Alcohol Improvement Support Drugs Division, OHID</p>	<p>Jez Stannard Head of Rough Sleeping, Housing and Employment Support Programmes Drugs Division, OHID</p>
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ANNEX A

Indicative local authority allocations for the Drug & Alcohol Treatment, Recovery & Improvement Grant (DATRIG) and for Individual Placement & Support (IPS) for 2025/26

The table below outlines the indicative allocations for Sandwell these are subject to embargo until confirmed by DHSC.

SSMTR - Supplementary Substance Misuse Treatment & Recovery

HS - Housing Support

IPD - Inpatient Detoxification¹

RSDAT - Rough Sleeping Drug & Alcohol Treatment

IPS - Individual Placement & Support²

Grant component	Indicative	Confirmed
SSMTR	£1,127,256	
HS	-	
IPD	£55,086	
RSDAT		-
DATRIG	£1,182,342	
IPS	£166,322	

¹ IPD allocations are calculated at a LA level, but consortium leads will receive and manage this element of the grant on behalf of the members.

² In 2025/26 IPS funding will continue to be offered as a standalone grant separate from DATRIG. IPS allocations are calculated at a lead LA level and lead LAs will continue to receive this grant on behalf of the areas the local IPS service covers.