



National Audit Office



REPORT

Reducing the harm from illegal drugs

Home Office

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Key facts

9%

the estimated percentage of the population aged 16-59 in England and Wales who report taking illegal drugs each year, equivalent to three million people

£20bn

the estimated annual cost to society of illegal drug use (at December 2021)

40%

real-terms reduction in spending on adult drug and alcohol treatment between 2014-15 and 2021-22

The harm caused by illegal drugs is rising:

2,846 deaths from drug misuse in England in 2021, an increase of 80% since 2011

360 drug-related homicides in England and Wales in 2021-22, an increase of 58% compared with 2011-12 and representing around half of all murders

The government's 2021 drug strategy – *From harm to hope* – committed additional funding and has led to new partnerships:

£903 million additional funding allocated by departments over 2022-23 to 2024-25, including £768 million to enhance treatment and recovery services; £105 million to help disrupt the supply of illegal drugs; and £30 million for initiatives to reduce long-term demand

106 new partnerships with local areas, bringing together representatives from criminal justice and health sectors, to provide a coordinated response to implementing the strategy

Progress implementing the strategy has been mixed:

1,417 'county lines' closed in 2022-23, which is a 15% increase on the previous year

1,224 new alcohol and drugs workers recruited in 2022-23, already exceeding the target of 950 new staff by 2024-25

14% total underspend on strategy funding allocations in 2022-23 due to delays in implementing projects and disbursing funding

Summary

- 1** The distribution, sale and consumption of illegal drugs causes significant harm to individuals, families and communities. In 2021, almost 3,000 people in England died because of drug misuse and thousands more suffered complex health problems. The government also estimated that around three million people in England and Wales take illegal drugs at a cost to society of approximately £20 billion a year. The drugs trade generates significant levels of violence and is believed to be responsible for around half of all murders in England and Wales.
- 2** Tackling the problems caused by illegal drugs is complex. It involves disrupting the organised gangs which supply and distribute drugs, and providing effective treatment and recovery services to help people with addictions. Central and local government bodies are involved, ranging from police and law enforcement agencies, who seek to disrupt organised crime, to local authorities and service providers, who offer treatment and support to people with a drug addiction. The Home Office leads on UK drug legislation, UK borders and organised crime, policing and crime reduction in England and Wales. The Department of Health & Social Care (DHSC) is responsible for overseeing the substance misuse treatment and recovery sector.
- 3** Illegal drugs are not a new problem. Successive governments have sought to reduce the supply of drugs and lessen their impact on individuals and society. Despite these efforts, the government recognised that the situation was deteriorating, with deaths related to drug misuse increasing by 80% between 2011 and 2021. The Home Office and DHSC therefore asked Dame Carol Black to undertake an independent review to inform government's thinking on what more could be done to tackle the harms from illegal drugs.

4 In July 2021, Dame Carol concluded that “the current situation is intolerable” and “the public provision we currently have for prevention, treatment and recovery is not fit for purpose, and urgently needs repair”.¹ In response to Dame Carol’s recommendations, the government published a new 10-year drugs strategy – *From harm to hope* – (the strategy) in December 2021.² The strategy focuses on breaking drug supply chains, creating a “world class treatment and recovery system” and achieving a “generational shift” in the demand for illegal drugs. The government announced a £900 million increase in funding for 2022-23 to 2024-25 and committed to long-term targets to reduce drug use and drug-related crime and deaths. The government established the cross-government Joint Combating Drugs Unit (JCDU) to co-ordinate and oversee the development and implementation of the strategy. In addition to the Home Office and DHSC, the other departments involved are the Ministry of Justice (MoJ), the Department for Work & Pensions (DWP), the Department for Levelling Up, Housing & Communities (DLUHC), and the Department for Education (DfE).

The scope of our report

5 It is almost two years since the government introduced its latest drugs strategy and less than 18 months remain in the current funding period to March 2025. This report examines whether the government is well positioned to achieve the strategy’s 10-year ambitions. It covers:

- the development of the 2021 drugs strategy, its objectives and funding (Part One);
- progress in implementing the strategy (Part Two); and
- the approach to achieving the strategy’s long-term outcomes (Part Three).

6 It is too early to conclude whether the 2021 strategy will reduce the harm from illegal drugs. It will take time for new funding and interventions to address a complex set of issues, and many of the indicators used to measure progress lag behind activity. This report therefore assesses whether departments are making the planned progress in implementing the strategy, and whether the JCDU has an effective approach to understanding the impact it is having and managing the risks to achieving the strategy’s aims. It does not examine the effectiveness of interventions at the local level.

¹ Dame Carol Black, *Review of drugs part two: prevention, treatment, and recovery*, July 2021 (viewed on 18 July 2023). Available at: www.gov.uk/government/publications/review-of-drugs-phase-two-report/review-of-drugs-part-two-prevention-treatment-and-recovery

² HM Government, *From harm to hope: A 10-year drugs plan to cut crime and save lives*, December 2021 (viewed on 11 July 2023). Available at: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1079147/From_harm_to_hope_PDF.pdf

Key findings

Strategy vision and objectives

7 The 2021 strategy is based on thorough independent analysis of the actions needed to tackle the harms from illegal drugs. Dame Carol Black's analysis provided a detailed assessment of the scale of harm caused by illegal drugs and the weaknesses in the government's previous approach. The strategy responds to all but one of Dame Carol's recommendations and reflects consultation with stakeholders. Overall, it has been welcomed across government. However, some local service providers told us the strategy reinforces – rather than helps to address – the stigma attached to people who use drugs, and questioned whether it struck the right balance between dealing with people who use drugs through the criminal justice system versus directing them to treatment services (paragraphs 1.7, 1.8 and 2.2).

8 The government established new structures and provided a renewed focus on efforts to tackle the harm from illegal drugs. The government has set out its ambitions to reduce the harm from illegal drugs by 2031, including the outcomes that it is seeking to achieve. It established a ministerial role to provide leadership and has created the JCDU to encourage government departments to work together to achieve the strategy's aims. The government committed £900 million to implement the strategy and established 106 new local partnerships across England. These changes have strengthened cross-government working, establishing clear accountabilities for tackling substance misuse and encouraging collaboration between public health and police and crime commissioners (paragraphs 1.10 to 1.12, 2.2 and 2.6 and Figure 6).

9 The strategy has not yet led to a fundamental shift in departments' approaches or begun to address the complex causes of illegal drug use. The 2021 strategy focuses on the same core themes as the 2010 and 2017 strategies – to reduce demand, disrupt supply and improve treatment and recovery for the worst-affected individuals who use drugs. Departments have used nearly all of the new funding to continue or expand existing projects or, in the treatment sector, reverse some of the declines in funding seen over the last decade. For example, DHSC funding for adult substance misuse treatment to local authorities fell by 40% in real terms between 2014-15 and 2021-22, with 42 unitary authorities seeing falls of 50% or more. The JCDU and departments recognised that the current three-year funding allocation will not fully address all of the weaknesses diagnosed by Dame Carol Black. DHSC has sought to maximise the impact of the new funding by targeting initial allocations to local areas facing the greatest harm. However, addressing structural and complex issues involves a range of interventions from across government – including tackling homelessness and addressing mental health needs (paragraphs 1.5, 1.7, 1.8, 1.12, 1.13 and 3.9).

10 The strategy aims to reduce the demand for drugs, but government does not yet have the evidence to know how to do so. Despite previous strategies also seeking to reduce the demand for drugs, the departments did not have a strong evidence base on the type of interventions that are effective. In May 2022, the Advisory Council on the Misuse of Drugs concluded that the UK did not have a functioning drug prevention system and that significant investment was needed to rebuild prevention infrastructure and co-ordinate support services. The Committee of Public Accounts' report on *Alcohol treatment services* also highlighted that DHSC needs to better understand and do more to prevent people from needing treatment for alcohol and substance misuse.³ The Home Office allocated £0.05 million of the strategy's funding to research how to reduce drug use across society and DHSC allocated £0.3 million for research on the drivers of increasing drug use among children and young people. A new working group – chaired by the JCDU – will develop proposals for new initiatives to reduce drug use among children and young people, and will consider the need for new funding in 2025 (paragraphs 2.20 and 2.21 and Figure 9).

Progress to-date

11 The JCDU established effective arrangements to initiate the strategy but now needs to evolve its role. It has worked closely with departments to co-ordinate a cross-government response to implementing the strategy, including a joint bid to the 2021 Spending Review. It oversees progress and delivery risks through a new board structure and monitors delivery plans for each workstream. However, the JCDU has not yet assessed how it can work more effectively with central and local government partners to understand the impact of projects and judge what changes are needed to achieve the strategy's 10-year aims. It must sustain momentum in implementing the strategy, with local government looking to the JCDU to continue to provide leadership and clarity on the long-term response (paragraphs 2.2, 2.3, 3.9, 3.13 and 3.14 and Figure 10).

³ Committee of Public Accounts, *Alcohol treatment services*, Fifty-fourth Report of Session 2022-2023, HC 1001, May 2023.

12 The new local partnerships are improving collaboration but are at different levels of maturity and the JCDU does not yet understand how this is impacting the provision of local services. Following the introduction of the strategy, all local areas created a Combating Drugs Partnership, nominating a senior responsible owner to co-ordinate and lead their response. The JCDU provided guidance to the partnerships but has no formal powers to direct them. Progress since has varied, with only 30% of partnerships completing a local delivery plan by the JCDU's deadline of December 2022, and there are wide variations in the bodies involved. The JCDU understands the extent of these local variations but has not fully assessed the impact on the provision and quality of local services, although department-led evaluations have started to assess this. The JCDU's evaluations have found that the partnerships had enabled greater collaboration between stakeholders, improved local accountability and created a strong sense of local commitment (paragraphs 1.11 and 2.4 to 2.6).

13 Progress implementing the strategy is mixed. Departments can demonstrate tangible progress in some areas of the strategy. For example, the Home Office has increased activity to reduce the supply of drugs and local government has recruited 1,224 new drug and alcohol workers, already exceeding the target of 950 new staff by 2024-25. However, departments have made slower than expected progress implementing some projects, which meant that not all of the 2022-23 funding allocation was used. Departments underspent by £22 million (15%) across the treatment and recovery workstream and by £8 million (64%) on the reducing demand workstream. The DHSC's delays in finalising the allocation of the public health grant in 2022-23 and 2023-24 have also made it more difficult for local authorities to commission new services and recruit staff. Local service providers also highlighted that inflationary pressures and cost of living price rises had affected their ability to recruit and retain staff, and provide treatment and recovery services. In April 2023, the JCDU, working with departments, recognised the risks, rating four of the five strategy ambitions for the treatment and recovery workstream as 'amber' or 'red' (paragraphs 2.9, 2.11, 2.12, 2.16, 2.17, 2.19 and 2.26).

Achieving the strategy's aims

14 Tackling the harm from illegal drugs represents a significant long-term challenge. Local authorities have welcomed the new funding provided for 2022-23 to 2024-25 but cautioned that a long-term response is needed to replace lost services and support people with complex needs. Through our engagement with local government bodies, we identified a range of challenges to achieving this:

- **Uncertainty over longer-term funding:** the government has committed funding until 2024-25, in line with the end of the current Spending Review period. The lack of certainty after 2025 restricts the ability of local authorities to recruit and plan strategically, with some already asking service providers to plan to reduce services beyond 2025 in the face of uncertain funding.
- **Administrative resource constraints:** shortages in administrative and commissioning staff can place pressure on local authorities' ability to bid for central government funding and comply with monitoring arrangements. This also creates risks to the quality and value for money of services being commissioned.
- **Workforce gaps:** there are staff shortages in the treatment and recovery sector, with shortfalls of medical professionals such as clinical psychologists and psychiatrists. It will take time to rebuild the capacity and expertise needed to achieve benefits, such as reducing caseloads, and provide tailored, expert support.
- **Difficulty co-ordinating a cross-sector response:** tackling criminal gangs or dealing with vulnerable people requires a joined-up central-local government response. People with complex needs come into contact with a range of services, which cut across departmental responsibilities, including those connected with mental health, homelessness, employment, accommodation and justice. These services need to provide integrated support to minimise the risks of gaps and overlaps and provide the necessary support to vulnerable people and their families.
- **An insufficiently targeted approach:** 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 (paragraphs 3.5, 3.9, 3.12, and 3.13 and Figure 10).

15 Achieving impacts will take time – the JCDU and departments face a challenge to understand and demonstrate the impact that the strategy has made by 2025, when they need to bid for funding at the next Spending Review. The JCDU has worked with departments to set out the strategy’s 10-year aims and developed a series of measures to assess impacts, including the progress it is seeking to achieve by 2024-25, which is the end of the initial funding period. The Home Office is making progress against activity-based targets to disrupt the supply of illegal drugs. However, the JCDU does not yet know how strategy funding is affecting outcome targets, such as reducing drug use, and establishing this will be difficult. Given the complexity of the issues, it will be challenging to determine a causal link between strategy initiatives and changes in outcome indicators such as the level of drug use, crime, and drug-related deaths. It may be difficult for the JCDU to identify and demonstrate the impacts of drugs strategy funding by 2024-25, given the delays in allocating funding and the lag between recruiting new staff and seeing the impact on services. The JCDU will have limited outcome data to measure progress in the first three years and local variations will take time to show in national indicators (paragraphs 2.9, 2.24 to 2.28 and 3.9).

16 The JCDU has not established sufficient evaluation capability for a programme of this size and complexity. Delivery departments are responsible for evaluating projects undertaken through the strategy. The JCDU’s role is to bring these together to understand impacts and progress in delivering a complex, cross-departmental strategy. However, the JCDU has no formal authority to influence departmental project evaluations and has limited evaluation resources, with only one person responsible for overseeing the evaluation of the programme. The JCDU will draw on departmental assessments of the impact of funding in the prioritised local areas and the quality of local interventions, including examples of innovative approaches. It is therefore reliant on departmental evaluations of strategy-funded projects but has not yet established a full picture of this work. Further, the Home Office has not yet established how to evaluate the total impact of work on the supply of drugs and drug-related crime. The JCDU is undertaking further evaluations and developing its approach to assessing the strategy’s impact but still faces a significant challenge to understand these impacts before the next Spending Review and understand operational issues, such as the extent to which the strategy’s performance measures create perverse local incentives (paragraphs 2.28 and 3.3 to 3.11).

17 The JCDU does not yet have a long-term plan for achieving the strategy’s aims. It has focused on the funding period to 2024-25, monitoring progress against delivery plans for the three workstreams and assessing the risks to the strategy’s ambitions. The JCDU has not yet developed a plan beyond 2025 to build on progress in the first three years. It has begun preparations for another joint bid at the 2025 Spending Review, establishing the steps that are needed, but its evaluation work is behind schedule. To support planning, it will need to better understand the impact of initiatives, and how they are contributing to desired outcomes, so it can judge how to modify the existing approach (paragraphs 3.8 to 3.10 and 3.14).

Conclusion on value for money

18 In 2021 the government estimated that the harm caused by illegal drugs costs society £20 billion each year. Its 2021 drugs strategy, led by the cross-government Joint Combating Drugs Unit, has provided new impetus to efforts to address these harms, and committed £900 million to 2024-25. The strategy has established new partnerships across central and local government, and local authorities are taking steps to rebuild the workforce that was lost over the past decade. But these measures alone will not address all of the barriers to achieving a long-term reduction in drug use, deaths and related crime. The issues are complex and will require a sustained long-term response.

19 To inform government's response, the JCDU and relevant departments need to develop a deeper understanding of the impacts of government spending, working closely with local service providers to understand and help address the practical challenges they face. The JCDU and departments need to be realistic about what is achievable in the first three years and assess how to adapt their approach to achieve the strategy's 10-year outcomes. In doing so, the JCDU should seek to provide confidence to local government that this is a long-term commitment. It must also urgently develop a plan to reduce the demand for illegal drugs. The current lack of emphasis on preventing illegal drug use means that departments risk only addressing the consequences, rather than the causes, of harm. The government will only achieve value for money if it builds on the initial momentum of the new strategy and develops a longer-term, funded plan that delivers a joined-up, holistic response.

Recommendations

20 These recommendations are intended to help the JCDU and departments build on the strategy's early momentum and support the achievement of the planned outcomes over the next 10 years.

- a** The JCDU should work with departments to agree its role over the remainder of the 10-year strategy to ensure that roles and responsibilities are clear and its limited resources are directed in the most effective way.
- b** The JCDU and departments should work with HM Treasury to agree what is achievable before the next Spending Review. They should determine how to realistically demonstrate the impact of funding in the first three years, considering the lag time before interventions affect outcome data, the time needed to set up and evaluate interventions and the difficulty of assessing localised responses in national metrics. They should consider more in-depth assessments of local authorities included in the first phase of funding allocations, comparing their progress against other areas.

- c** The JCDU and departments should strengthen their approach to evaluating impacts and understanding ‘what works’ by:
- developing and publishing a long-term evaluation plan, supported by sufficient resources, to develop a deeper understanding of the impacts of strategy funding; and
 - reviewing the extent to which the programme’s performance measures create perverse incentives for service delivery, and consider whether there is sufficient emphasis on quality of services and long-term recovery.
- d** The JCDU and departments should maximise the impact of local partnerships by developing a deeper understanding of local variations, identifying innovative practice, areas that are lagging behind others and what is needed to strengthen responses. They should also consider how to engage other parts of government to develop a ‘whole system’ response, considering all of the factors that affect the demand for drugs and support effective recovery.
- e** The JCDU and departments should develop and publish a long-term plan to deliver the 10-year strategy. As part of planning for the next Spending Review, the JCDU and departments should assess how the next phase of the programme builds on the first three years and fixes the problems previously diagnosed by Dame Carol Black. The JCDU should use a theory of change to develop a compelling, evidence-based case for the long-term benefits and value for money of tackling the harms caused by illegal drug use to inform funding decisions at the next Spending Review.
- f** The JCDU and departments should work with HM Treasury to provide greater certainty on future funding for the strategy. This includes:
- exploring the potential for indicative commitments over the life of the strategy; and
 - DHSC identifying and resolving the reasons for delays in allocating funding to local authorities and streamlining its processes to provide as much time as possible to plan and commission new services after 2024-25.