



In an open letter to PSNC, (Pharmacy Service Negotiating Committee) revealed at a meeting hosted by pharmacy minister Alistair Burt on 17th December 2015, the government announced that funding for community pharmacy in 2016/17 will be cut by £170m. The cut is a reduction of more than 6% in cash terms. The letter was signed by the Director General, Innovation, Growth and Technology, Department of Health (DoH) and the Chief Pharmaceutical Officer. This letter marked the start of their consultation on proposed changes to community pharmacy with PSNC and other pharmacy and non-pharmacy bodies, including patient and public representatives. The decision to publish the letter is unprecedented, and in stark contrast to the secrecy that the NHS has always insisted on for negotiations in the past. With this in mind, our view of the letter and the consultation process is that it is flawed because;

- Initiated out of the blue
- Very little detail
- No explanations
- Ill-conceived and inconsistent
- No impact assessment
- No evidence base
- No route for public comment
- Unfounded assumptions about the current efficiency of community pharmacy
- No acknowledgement of changes required in other parts of the system

Community pharmacy offer patients one of the most accessible options for face-to-face contact with a healthcare professional; we are community-based, with long opening hours and no appointments necessary. Community pharmacies are a key resource for communities with 95% of people living and working within 20 minutes of a pharmacy. This accessibility offers high levels of choice and convenience in where and how to access pharmacy services, including online. As a result, community pharmacy has been responsive to changes in service-user demand.

Pharmacists and their support staff are highly trained healthcare professionals, using their expertise in medicines to deliver clinical services, help people stay well and self-care, liaise with and signpost to other providers, and facilitate seamless patient pathways. We have a number of Healthy Living Pharmacy's (HLP) which provide a vital contribution to healthy high streets as a central hub for public health services.

Over the last decade community pharmacy has become a more accepted member of the NHS family. NHS branding, better alignment of contractual models and integration with other services have been factors in achieving this. Hence, community pharmacy is a vital amenity for patients and the public. Pharmacy teams help people to stay healthy and well, and provide crucial clinical services when they are needed. Community pharmacy is an ambitious, entrepreneurial and innovative sector embedded in every city, town and village in the country. We share the Government's stated ambitions for the sector to play an even greater role at the heart of the NHS, and want to work in partnership to achieve them. The current set of proposals will not deliver the outcomes that the Government is demanding as they are ill-conceived and inconsistent.





The proposals presented by the DoH for community pharmacy mention a 6% reduction in the Global Sum in the second half of 2016/17. Pharmacy Contractors have demonstrated over the years that they have contributed significantly to achieving both better outcomes for patients, and also supporting improved efficiency in the provision of NHS services. It has also been made clear by the Department in the last few years that the way the funding settlement and Drug Tariff pricing have been operated and the effective purchasing of medicines by community pharmacy contractors has resulted in a considerable saving on the national drugs budget of over £1.8 billion. Community pharmacy is proud of that record in driving efficiency, and has in effect delivered efficiency savings of 4% year-on-year. Therefore, making sudden, arbitrary cuts in funding to the sector is inconsistent with stated Government policy.

Seven-day working is also mentioned in the proposals. The seven-day NHS is already a reality in community pharmacy with many providing this service for many years. For example, locally, working with NHS England, we have developed services such as a Pharmacy First Emergency Supply Service which helps prevent patients from going without their medicines or having to access out-of-hours medical services or A&E when they run out of their repeat medication. This service is providing better outcomes for patients as missing medication could have serious consequences for them and result in unplanned admissions to hospital. Clearly this community pharmacy service is helping to reduce pressure on already overstretched NHS services. The service only operates when GP surgeries are closed – i.e. during the evenings, weekends and bank holidays.

The proposals will deliver another blow to quality of care for patients which may prove the final strain on an already overstretched health and social care system. There are national communications, and White Papers signposting patients to their local community pharmacy. The aim of this is to relieve pressure on other healthcare settings, particularly when they are at capacity. With financial cuts to public health, social care and a recruitment and retention crisis in the GP practice workforce and increasing demand on accident and emergency or out-of-hours services, the proposals are counter-intuitive and counter-productive. For example, the proposals made suggest that the key to achieving better integration of pharmacy in the NHS is to move pharmacists away from their accessible locations in high streets, shopping centres & suburban shopping areas and into care homes, surgeries and urgent care settings. This flies in the face of the community pharmacist being available on demand, without appointment to support patients in treating minor illnesses, getting the most from their medicines and providing effective, evidence-based health advice.

The letter and consultation document contain significant assumptions about the potential for hub and spoke dispensing to deliver efficiency savings, and a failure to clearly distinguish between hub and spoke and centralised dispensing has been a particular cause for concern. We do not believe hub and spoke is a fundamental game-changer in terms of the economics of the sector and strongly challenge these assumptions. There is no evidence for the claims of financial efficiency savings. The experience of our members suggests that capacity, not cost, can be released when the model is working optimally. Large investments and long lead times are needed for implementation where companies consider that hub and spoke arrangement could work for their businesses in the future, and there are complex legal and professional issues to be resolved. We have significant concerns about the potential





unintended consequences of moving to industrial-scale centralised dispensing, ranging from the risks of reduced competition within the supply chain and of consequent market failure through to the loss of interaction between patients and healthcare professionals within a centralised dispensing model.

In essence the proposals will

- Decrease patient access to medicines support and advice
- · Increase patient safety risks
- Diminish community assets and risk job losses
- Destroy the long-term potential of community pharmacy
- Undermine existing health improvement plans and recent initiatives to integrate and develop community pharmacy services (for example in vanguard sites, PM Challenge Fund projects etc.)

What we need as five commitments to enable community pharmacy to be fully integrated within a modern, efficient and accessible health and care system

- Stop the planned disinvestment in community pharmacy in 2016/17
- Agree a sustainable long-term settlement with the sector
- Invest in service transformation in the same way as for other parts of the NHS
- Put in place a joint, coordinated approach to planning investment and implementing change, in partnership with national community pharmacy bodies
- Deliver the reforms that are required in other parts of the system, and in legislation, to enable community pharmacy to play its full role

## Some of these can be delivered through

- ➤ Take action to ensure local commissioning of community pharmacy services is managed effectively, in line with standard national frameworks, evidence and best-practice;
- ➤ Enable and enforce the use of EPS (including for CDs) and electronic repeat dispensing
- Secure a firm commitment from Public Health England and Local Government to invest in the public health services offered by community pharmacy
- Give community pharmacy professionals full read/write access to shared care records
- Implement original pack dispensing
- Change regulations to allow community pharmacy professionals to deliver advanced services outside the pharmacy
- Allow generic substitution
- Remove the bureaucratic burdens of administrating prescription charges
- Stamp out prescription direction