

August 2020

PSNC Briefing 025/20: PSNC Priorities and Negotiations Action List

This briefing provides an update for community pharmacy contractors, LPCs and others about PSNC's negotiations progress and current priorities. It sets out some of the key topics under live negotiation and describes some of the bigger picture objectives that PSNC is working towards.

As ever, there is a huge amount of work to do and PSNC continues to work on behalf of all community pharmacy contractors in collaboration with the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I). We have some clear asks and we hope some of the things under discussion will be settled reasonably quickly, but others need legislative changes and/or collaboration with other sectors, and will take longer. On all topics we will announce decisions and details to contractors as soon as we are able to.

Note: This document sets out some of PSNC's current ambitions and priorities – as these are still under negotiation, they may not reflect the final agreed position and should be read with this in mind.

Note: LPC Conference 2020

At the [LPC Conference in September](#), delegates from PSNC and LPCs will discuss how we can work together to achieve some of PSNC's aims over the next 6-12 months. To inform that conversation, LPCs are invited to submit to PSNC thoughts on what its key future priorities should be. These can be sent to chiefexec@psnc.org.uk by **COP on Friday 4th September**. Ideas on LPC priorities are also welcome. LPCs should not feel obliged to do this, but we welcome all views and will use any points of consensus to help inform the September discussions, where LPCs will have another chance to share views. This document may provide a useful starting point for any LPCs wishing to send us ideas or comments.

PSNC Funding Objectives

PSNC has written to DHSC and the Parliamentary Under-Secretary of State for Prevention, Public Health and Primary Care seeking an urgent review of the [five-year Community Pharmacy Contractual Framework \(CPCF\)](#). PSNC still supports all elements of the five-year deal and wishes to continue with the roll out of the services set out within it. However, the pharmacy service has changed so significantly over the past year (with changes of the sort we had planned to implement only in the later years of the five-year deal) without progress on the capacity-releasing elements of the five-year CPCF that we now believe funding must be uplifted to keep pace with developments.

In putting together a bid for a funding uplift, PSNC has highlighted to officials and the Minister:

- **The vital work being done by pharmacies:** despite the economic challenges, community pharmacy staff have done everything within their capabilities as clinicians to support the communities they serve.
- **The pressures that COVID-19 has placed upon the sector:** there are now a huge number of informal patient consultations taking place in pharmacies (as evidenced by the [PSNC Pharmacy Advice Audit](#)) with much of this additional work being displaced from general practice, and beyond what could reasonably be expected as part of the Terms of Service.
- **The critical issue of systemic underfunding of the sector:** the two largest pharmacy chains have announced significant cost-cutting and reorganisation measures and we believe more pharmacies will be forced to close their doors in the months ahead.

- **The efficiency squeeze being placed on community pharmacies:** this has been drastic and comes both from the CPCF and externally, including regulatory factors.

In summary, PSNC is seeking an urgent uplift to the agreed CPCF funding in recognition of the very great financial pressures facing community pharmacies and the critical and valuable work they are doing. Alongside these funding discussions, we want to work with HM Government on a shared vision for pharmacies in whatever our 'new normal' is.

COVID-19 Related Negotiations

In the early months of the pandemic in the UK, PSNC made representations to HM Government about the immense pressure pharmacies were under. These representations included financial data and case studies, supplemented each month with further cost data from the sector. This has resulted in urgent funding injections worth a total of £370m to the sector to ease cashflow, as well a £15m a month addition to margin from June to September 2020.

PSNC, DHSC and NHSE&I are now in negotiations, which involve HM Treasury, about reconciliation ('writing-off') of this advance funding against the sector's significant COVID-19 related costs. PSNC is seeking funding to cover a range of costs including monies spent on staffing and PPE. Our aim is for contractors' costs to be fully recompensed – both those already accrued and those still to come. PSNC is also continuing to seek financial protection for any pharmacies forced to close temporarily during the COVID-19 pandemic.

In addition to funding, discussions are ongoing on the following topics:

An NHS Emergency Supply Service, to be switched on locally as needed: This is a service for patients whose GP practice is closed, allowing them to continue receiving their medicines without a prescription. The service will be switched on locally as needed.

Funding protection for closed pharmacies: Where a pharmacy has to temporarily close due to COVID-19, PSNC is seeking income protection for contractors.

Original Pack Dispensing: PSNC wants to see pharmacies allowed to operate original pack dispensing policies to reduce their dispensing workload. This would need a fair reimbursement policy.

Amendments to Terms of Service to accommodate social distancing, to retain flexibility in the provision of pharmaceutical services and to allow remote provision of more services: PSNC would like to see more flexibility with regard to some elements of the CPCF, to allow contractors to provide services as safely as possible in a pandemic.

Flu Vaccination Season 2020/21

Despite discussions on the [flu vaccination service for 2020/21](#) beginning many months ago, the final service specification for the community pharmacy service is still going through the final stages of NHSE&I's internal approval process. There is (and has been for many months) considerable urgency both at PSNC and NHSE&I regarding the service, and we have underlined to NHSE&I the critical importance of this service being up and running from the beginning of the vaccination season.

PSNC's key negotiation points for this season are:

- **Funding:** PSNC has argued for an uplift to service fees this year recognising the extra costs of providing the service safely in a pandemic.
- **Consent:** As with the provision of any pharmacy service, the patient must consent to being vaccinated. PSNC has proposed moving from signed consent to a verbal consent model.

- **Personal Protective Equipment:** New Public Health England (PHE) guidance on the personal protective equipment (PPE) to use when vaccinating was issued near the end of August 2020 and PSNC is seeking funding to cover contractors' PPE costs as part of wider negotiations on COVID-related funding.
- **Flexibility in delivery models:** We have sought flexibilities in the way contractors can provide the service, to make it easier for pharmacies to undertake significant numbers of vaccinations this year, including provision in the pharmacy (outside the consultation room but elsewhere within the premises); off-site provision within the vicinity of the pharmacy; and provision for vaccinating staff in care homes and domiciliary (housebound) patients.

Further CPCF Negotiations

It is now time to have the annual review discussions on the CPCF that were agreed as part of the five-year CPCF deal. This year, alongside the wider discussions on the need for a funding uplift for community pharmacy, negotiations are ongoing on a number of specific services. In all discussions PSNC's aim is to ensure that the rollout of new services is incentivised and manageable for contractors, while giving them a fair return for the work and costs associated with them.

Hepatitis C Testing Service: this service was delayed at the start of the pandemic but the service specification and funding arrangements are expected to be published imminently.

Discharge Medicines Service: this service will support patients who have been discharged from hospital and had changes made to their medication. PSNC now expects the service to launch in January 2021 and the service specification and funding arrangements are currently being finalised.

The Community Pharmacist Consultation Service (CPCS): NHSE&I is very keen to extend this service to include direct referrals from GP practices. This would mean an increase in patients being referred to pharmacies. PSNC is discussing the feasibility of this and also its objectives for the CPCS, including extending the service to allow pharmacies to offer it to patients on a walk-in basis.

Changes to the Terms of Service, including Healthy Living Pharmacy requirements: the previously agreed changes to the Terms of Service are being finalised, with DHSC drafting the regulations for these changes and NHSE&I leading work on writing associated guidance. These include a requirement to keep a pharmacy's NHS website entry and Directory of Services profile up to date, all pharmacies meeting the Healthy Living Pharmacy (HLP) standards, all pharmacies being able to use the Electronic Prescription Service (EPS), having access to the NHS Summary Care Record (SCR) and having a shared premises NHSmail account. Further information on the timing of these new requirements becoming mandatory will be provided shortly.

If you have queries on this PSNC Briefing or you require more information, please contact the [PSNC Communications Team](#).