Minutes of the Pharmaceutical Services Negotiating Committee meeting

on 24th and 25th June 2020

Zoom virtual meetings

Present: Reena Barai, Richard Bradley, David Broome, Mark Burdon, Peter Cattee, Ian Cubbin, Marc Donovan, Samantha Fisher, Mark Griffiths, Alice Hare, Jas Heer, Tricia Kennerley, Clare Kerr, Sue Killen (Chair), Sunil Kochhar, Margaret MacRury, Fin McCaul, Niamh McMillan, Has Modi, Garry Myers, Bharat Patel, Indrajit Patel, Prakash Patel, Umesh Patel, Jay Patel, Janice Perkins, Adrian Price, Sian Retallick, Anil Sharma, Stephen Thomas, Faisal Tuddy, Gary Warner

In Attendance: Simon Dukes, Shiné Brownsell, Alastair Buxton, Jack Cresswell, Mike Dent, Jessica Ferguson, Gordon Hockey, Zoe Long, Melinda Mabbutt, David Onuoha, Layla Rahman, Suraj Shah, Rob Thomas

Item 1 – Welcome from Chair

1.1 The Chair welcomed everyone to the meeting.

Item 2 – Apologies for absence

2.1 No apologies for absence were received for 24th or 25th June 2020.

Item 3 – Conflicts or declaration of interest

3.1 None.

Item 4 – Minutes of the May meeting

4.1 The minutes of the meeting which took place on 20th and 21st May 2020 were approved.

Item 5 – Matters Arising

5.1 The information in the agenda was noted.

Item 6 – Chief Executive Update

6.1 On Funding, the Chief Executive reported that the Department of Health and Social Care (DHSC) will be approaching PSNC with a funding offer, and that offer will be based on the mandate the DHSC receives from the Treasury. Only once PSNC receives that offer, can we then have a negotiating process on the quantum and process for reconciliation of the £370m advance already received.

6.2 On Restoration and Recovery, NHS England and NHS Improvement (NHSE&I) are working to get CPCF services back on track. They have emphasised that capturing innovation from the last three months is an important part of that restoration and recovery process. The Chief Executive has underlined to NHSE&I that there has been clear innovation from community pharmacy during the COVID-19 crisis, but limited resource has meant that the sector's focus has been on the front line core business, with little capacity or opportunity to develop new working practices in the same way as general practitioners, who benefitted from more secure funding and reduced

workload. NHSE&I accepts that argument but they are still pressing for opportunities to capture innovations.

6.3 NHSE&I hosted a meeting on 16th June 2020 on Restoration and Recovery to capture the beneficial changes in the sector over the last three months and to share experiences. There were 55 participants. PSNC, CCA, AIMp and the NPA gave a joint presentation on the role and activities of community pharmacy, built on the priorities arising from the last Committee meeting session. Two things were underlined - PSNC will continue working with the other pharmacy bodies on restoration and recovery; and PSNC will continue with the newly constituted joint meeting where PSNC, NHSE&I, and DHSC meet fortnightly to discuss outstanding issues on wider topics including restoration and recovery.

6.4 On use of technology, the Chief Executive asked for feedback on the support provided for Committee meetings and specifically on the iBabs platform. For this meeting, papers arrived later than usual but going forward the intention is to return to the usual standard of a full and complete pack circulated a week prior to the meeting.

Item 7 – Follow up from the previous meeting

7.1 Alastair Buxton and Gordon Hockey provided an update on work which has been undertaken since the PSNC Committee meeting in May. A summary from the group discussions is attached at Annex A.

Item 8 – Current work on CPCF services – Pharmacy Quality Scheme

8.1 It was noted that discussions with NHSE&I and DHSC on revised proposals for the PQS in 2020/21 are ongoing. A draft of the proposals for PQS Half 1 2020/21 were considered at the meeting. A summary from the group discussions is attached at Annex B.

Item 9 – Current and Future Funding

9.1 The Committee noted an introductory paper highlighting the proliferation of business models in community pharmacy and the implications for contract structure.

9.2 The Committee broke into working groups to discuss these broad themes using a paper on an alternative business model, authored by Garry Myers with the support of David Broome, Jas Heer, Sunil Kochhar and Fin McCaul.

9.3 The working groups considered questions on the specific model and more general questions raised by it and it was agreed that further analysis of the model itself and the more general questions raised by it would be undertaken by the office starting in the summer.

Item 10 – Future Structures and Organisation

10.1 The Committee reflected on Professor Wright's report and considered ways forward. The feedback from the group discussions are attached at Annex C.

Item 11 – Risk Register

11.1 The Committee was asked to consider the revised risk register. The amended version will be circulated to the Committee separately.

Item 12 – Looking ahead

12.1 The next PSNC Committee meeting is due to take place on the 9th and 10th September. However, the Chief Executive underlined that we would schedule an additional meeting before that if needed. The September date is intended to provide flexibility to host subcommittee

meetings over the summer. Committee updates continue to be provided every fortnight with the next expected on 7th July 2020.

12.2 The funding offer expected from DHSC will go to the Negotiating Team in the first instance and then to the full Committee shortly after.

12.3 The Restoration and Recovery work with DHSC and NHSE&I, will continue over the summer and developments will be reported back to the Committee.

12.4 Richard Brown is leading the PSNC Pharmacy Advice Audit, which is an important part of the annual review process. The Chief Executive will speak to Jeannette Howe about the review and timescales and will report back to the Committee.

12.5 The first reading in Parliament of the Medicines and Medical Devices Bill recently took place and the Legislation and Regulatory Affairs Subcommittee will look at what is next for Hub and Spoke.

12.6 The PSNC work on the impact of the UK's transition out of the EU will need to be reviewed in the light of the pandemic.

12.7 Professor David Wright's review will be discussed with LPCs at a conference on 8th July 2020. The outcome of that conference will likely generate work for PSNC. The Chief Executive underlined that we have been clear that we do not have the capacity in the PSNC Executive team to oversee this process, and that has to be acknowledged in outputs and expectations arising from the conference. We also need to look at how we want to use the LPC conference on 16th September 2020 in light of the comments from the review.

12.8 As a matter of urgency, the Chief Executive reported that PSNC needs to be proactive with regards to the Black Lives Matter agenda and issues emerging from it. We need to ensure we are aligned with the Royal Pharmaceutical Society's report on inclusion and diversity and able to provide guidance and support to LPCs.

12.9 Finally, we also need to look at what PSNC as an organisation looks like as a result of COVID-19 and as lockdown eases. The Resource Development and Finance subcommittee will be discussing issues including our meeting formats, staff working and wellbeing, the Hosier Lane office and the ground floor refurbishment.

Item 13 – Any other business

13.1 The Chair thanked Committee members and office staff for all their hard work. The Chair noted that there is a limit to what the office can do and thus we should prioritise. Any actions arising from the Wright Review will need to be addressed sensitively and we must assess what we are capable of delivering over the next 12 months.

Annex A

Session 1 – Follow up from the previous meeting

Discussion point 1:

a. Consider the information in the table below and highlight any additional changes which could be considered to the Terms of Service requirements.
It was suggested that the need to complete the DSP toolkit in 2020/21 should be removed or as a minimum, it should only be necessary to complete it once during the contract year (i.e. there shouldn't be a need to complete a late return for 2019/20 and also a return for 2020/21).

When the requirement for Level 2 Safeguarding training is introduced into the Terms of Service, if there is a need for refresher training, the timing of that requirement needed to be considered alongside the workload involved in the H2 PQS.

The need for regional flexibility in relation to compliance with CPCF requirements could be considered to allow local flexibility where there is a localised outbreak and lockdown.

It was also noted that some contractors are reporting problems with collections of medicines waste; where there are local issues, the contractor or LPC should raise this with the regional NHSE&I team. Increased reports of prescription direction as a result of changes to services during the lockdown period were also noted.

It was also suggested that a change to the NHS Charges Regulations should be sought to remove the requirement for patients that pay the NHS prescription charge to sign the rear of the FP10 form.

b. Consider the questions posed regarding the CPPQ (highlighted in grey).
All agreed that it was disappointing that NHSE&I and DHSC were not willing to suspend the CPPQ requirement this year, as a further way of reducing bureaucracy during the pandemic.

Many Committee members thought it was best to leave the requirement as it is for 2020/21, because the contractual year had already commenced, and some contractors had started to undertake their CPPQ, with the associated investment of time and money. Others supported the development of a shorter questionnaire, particularly if this could be part of the process to develop a new patient satisfaction measure for eventual introduction into the CPCF.

It was suggested that agreement should be sought on a reduction in the number of completed questionnaires which needed to be obtained from patients, to reflect the decrease in the number of people visiting pharmacies.

After verbal feedback was taken from the discussion groups, a vote was taken on the following question:

Q. Would you like to retain the current CPPQ requirements this year or move to a shorter questionnaire mid-year? Retain current CPPQ (15); Move to shorter questionnaire mid-year (10); Abstentions (4).

Discussion point 2:

a. Would contractors want the opportunity to provide remote services to patients from locations other than the pharmacy and would PSNC want to seek this new flexibility?

There were mixed views on this, but overall Committee members recognised the need for the sector to adopt the use of new technology and to allow flexible working by contractors, where they wished to use such opportunities. From a presentational perspective, it was important that the sector was seen to be adopting such technology and approaches, as is happening in most other parts of society.

b. Are there any potential problems with this approach or future consequences which should be considered?

Contractors would have to consider the need for secure access to relevant patient record systems and the information governance and privacy arrangements which would be needed alongside this.

It was also questioned whether in due course, the widespread provision of remote services off the pharmacy premises could strengthen the arguments of some people that there was a need to reduce the number of community pharmacies.

Where new CPCF services are agreed, there should be an assumption of being able to provide them remotely, but an individual assessment should be undertaken as part of negotiations to identify whether there was a need for specific conditions to apply to that service.

c. If you support changes being made to allow the provision of remote services to patients from locations other than the pharmacy:

> **i. should this only apply during the pandemic or should it be an enduring change?**
> **ii. should any restrictions be placed on the way this flexibility can be used, e.g. remote services are only provided during the opening hours of the pharmacy, so a face-to-face consultation can be organised, if required or a remote approach can only be applied to specific services.**

Some Committee members favoured experimenting with this approach during the pandemic and then considering whether the flexibilities should become enduring.

There would be a need for any staff providing remote services to have access to the necessary IT systems and patient records, so a safe service could be provided.

Restricting the times at which remote consultations could be undertaken off the premises, e.g. only during opening hours, was not thought to be necessary and applying such restrictions could reduce patient access to services. It was however suggested that there should be a restriction to ensure services were being provided from within the UK.

After verbal feedback was taken from the discussion groups, a vote was taken on the following question:

Q. Would you like contractors to be able to provide remote services to patients from locations other than the pharmacy? Yes, but only during the pandemic (6); Yes, on an ongoing basis (19); No (2); Abstentions (3).

Discussion point 3:

a. Are there more changes that the Committee would want to see to the opening hours provisions of the regulations?

b. Is the Committee willing to consider procedures that make it easier for NHSE&I to direct opening hours on, for example, Bank Holidays?

Successfully changing core hours is generally seen to be very challenging, so greater flexibility in that process would be welcomed.

Committee members were keen to secure the flexibilities set out in the paper but recognised there may be a need to accept some changes in relation to directed opening on bank holidays to achieve a compromise.

NHSE&I needed to understand that there would sometimes be blocks to opening on bank holidays, such as staff contracts, not providing for working on those days. It was also important that plenty of notice is given to contractors if they are to be directed to open.

Session 2 – Current work on CPCF services – Pharmacy Quality Scheme (PQS)

1. Are there any amendments which would need to be made to the proposed H1 scheme before PSNC could reach agreement on it? If yes, provide details.
Committee members were content with the current proposals. It was noted that much of the heavy lifting on the items in the checklist has already been undertaken by contractors; this is also recognised by NHSE&I and DHSC.

After verbal feedback was taken from the discussion groups, a vote was taken on the following question:

Q. Do you accept the H1 PQS requirements set out in the agenda? Yes (28); No (1); Abstentions (0).

2. Would you like to apply a flat or a volume related payment structure for the H1 scheme?
Most Committee members favoured a flat payment structure for the H1 scheme, as most of the requirements, bar the individual staff assessments, did not vary in terms of workload quantum between different contractors.

After verbal feedback was taken from the discussion groups, a vote was taken on the following question:

Q. Would you like to flat funding in H1 (i.e. all contractors get the same amount) or a volume related payment (weighted to reflect the variable workload of individual staff assessments)? Flat funding (26); Volume related funding (4); Abstentions (0).

3. If volume related is preferred, is the DHSC example an acceptable model? If no, please suggest an approach which would be acceptable.
The DHSC model hadn't arrived at the point of the discussion and most Committee members favoured a flat funding approach.

4. Would you like to distribute more funding to the H2 scheme, rather than equal distribution between the two halves? If yes, do you have a view on the percentage allocation to be made to the two halves?
Most Committee members favoured an equal split of funding between the two schemes. It was also noted by many, that an Aspiration payment for the H2 scheme would be welcomed by contractors.

Some groups had time for a short discussion on the proposed H2 requirements and the item on peer review of business continuity plans was not felt to be appropriate.

Putting in place a shared target on flu vaccination at this point in the year was thought to be practically inappropriate, as most PCNs are already planning for the flu vaccination programme, but community pharmacy is not engaged in all such discussions. There was also some support to retain the patient safety report within the H2 scheme.

After verbal feedback was taken from the discussion groups, a vote was taken on the following question:

Q. Would you like to distribute more funding to the H2 scheme, rather than equal distribution between the two halves? Yes (7); No (24); Abstentions (0).

Session 4 – Future Structures and Organisation

In six breakout groups, the Committee explored the 33 recommendations made by Professor David Wright and considered the questions posed in the agenda.

Some of the key issues identified as needing further discussion were:

- Proportional representation for different parts of the sector and whether this could be achieved, e.g. on the LPC Council;
- Skills and capacity of LPC Chairs – and logistics of appointing people;
- Fixed terms of service and whether this would disadvantage independents – also whether experience adds more value than training;
- How the changes and new structures would be funded and whether funding could come from other sources;
- Where savings will come from if contractor levies are not going to increase;
- The need to test the recommendations with the NHS;
- Questions about where independent governance should sit;
- Questions about the inclusion of employee representatives;
- The need for a roadmap and phased implementation;
- How final decisions would be made;
- The need for contractors to have oversight of this process and of new structures; and
- Questions about who will have a seat on the strategy and governance board.

The discussions also led to a list of questions to be posed to Professor Wright, as follows.

Outcomes and Funding

- How will these recommendations improve outcomes for the sector?
- Has he thought about other models and solutions in case this one is not acceptable?
- Do we need further modelling on the costs of all this? Is the cost analysis robust?
- Will current levies cover all the costs of the new structures?
- What sort of transformation fund does he envisage would be required to make these changes, and what ongoing funding?
- Who will decide on levies for CPE and CPLs in the future?
- Where will the extra funding for CPE come from?
- Could increased funding come from outside contractors?
- Should we consider a common levy to fund all the pharmacy trade and representative organisations?

Community Pharmacy England

- Which part of the proposed structure (on P37 of report) is the Secretary of State going to recognise as the 'leading entity'?
- How acceptable is this new structure to our customer – the NHS and HM Government?
- Who would own the new strategy and vision for community pharmacy?
- Would the negotiating team get their mandate from the Council or from the Governance Board?
- Is the Negotiations Strategy Committee not just a smaller version of PSNC as it is today?
- How will negotiating team members be released from their day jobs to do this?
- Where would outside expertise come from and how would it be fed into CPE?

Local Community Pharmacy Committees (LPCs/CPLs)

- How can we ensure engagement by all CPL members is equal?
- Will fair and transparent appointment processes change CPL behaviours?
- Who will pay for training for all CPL members?
- How will we review and change CPL sizes and coverage?
- How will independent pharmacies be supported if CPLs do not offer this?
- How will we ensure a good flow of new faces coming through CPLs?
- Can all learning be delivered through training – what about experience?

The CPL Council

- Why is this made up of LPC Chairs rather than being open to all LPC Members?
- Do you believe the democratic legitimacy of the Council is improved compared to the current structures, when independent contractors don't get to directly elect members to represent them in the new structure?
- How will we ensure that the sector as a whole is fairly represented on this Council, and that all parts of the sector are fairly represented on it and feel that to be the case, so break away groups are not formed?
- How will the new structure ensure the representativeness of the new organisation cannot be challenged and hence is accepted by the Secretary of State?
- What is his view on the time commitment needed for people to be on the Council?
- What is his view on the availability and experience at local level and the number of people who would be keen to take on this role?
- Should larger CPLs get more of a vote on the Council?

Governance and Strategy Board

- Does he have a composition in mind for the structure of the Board?
- What will the roles and responsibilities of Board Members be?
- As this is a proposal for the contractor representative body, why should there be employee/patient/other reps on it?
- How do we ensure the independence of the Board?

Timeframe, Next Steps and Other Questions

- What would he recommend on the timeframes for change – should this be done at speed or should we take our time?
- What does he think needs to be done over the next 12 months?
- Should there be a phased implementation of changes and what could that look like?
- Who should make the final decisions on change and what is the governance around this?
- How often should we have further reviews of the system?
- Regarding fixed terms of service on Committees, does this start from day one of the new structures or should existing service be taken into account?
- Have the recommendations been tested with DHSC / NHS?
- What legislative changes would be needed to implement these changes?