

# 19/20

## Annual Report and Statement of Accounts



**Pharmaceutical  
Services  
Negotiating  
Committee**

PSNC promotes and supports the interests of all NHS community pharmacies in England. We are recognised by the Secretary of State for Health and Social Care as the body that represents NHS pharmacy contractors. We work closely with Local Pharmaceutical Committees (LPCs) to support their role as the local NHS representative organisations.



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**Visit:** <https://psncannualreport.com>

# 1

ar19/20



# Comments from the CEO and Chair

**PSNC's CEO and Chair reflect back on the year of the five-year deal and consider how the pandemic, that was just beginning in March 2020, has changed the pharmacy world.**

## Chief Executive's Comment

How different the world seemed a year ago, early in 2020, when we started to plan this annual report. The topic on everyone's minds then was the five-year CPCF deal: what it meant for the sector, and looking ahead to the rollout of more services. I hope the following pages get across the important work that went into securing that deal and into engaging with you all in the months after the announcement.

But of course, like so many other things in 2020, our plans to publish this report as soon as our accounts were finalised over the summer, were derailed. For the events that were taking place on the other side of the world in January last year were to shape our lives – both at work and at home – in unimaginable ways.

When COVID-19 reached our shores community pharmacy teams, as much as anyone in the NHS, found themselves in the eye of the storm. Patients came to you in their droves – some anxious about the virus and wanting advice; others desperately trying to stock-up on essential medicines; and more still who were unable to get general practice appointments.

By the end of March 2020, the point at which this annual report officially ends, we could see what the year ahead held in store. You were battling to keep services going and to keep your teams safe against a backdrop of staff absences due to isolation, huge operational challenges associated with social distancing, financial shocks, and all the while without adequate PPE or any certainty about what the future held.

It was clear that at PSNC our day job was to support you through the pandemic, and that is what we have tried to do, with good progress made on PPE funding, flexible working arrangements, emergency cashflow support, pharmacy key workers status, and a reduction in some of the usual administrative burdens placed on your businesses.

We have done all that we can to get you the help – both operational and financial – that you needed, and although we had some early wins, at the time of this report going to print we are still battling to make headway on funding to cover your COVID-19 costs. In the face of this uncertainty you have performed heroically – there simply is no more that you could have done to put patients first.

This report covers just some of our work during 2019/20 and early on in the pandemic, but I hope it gives a sense of the volume of critical work that we are doing and the headway that we are making on a wide range of issues.

We will continue to fight all these battles on your behalf, to get the warm words of politicians and NHS officials turned into tangible support, and to be as honest and open as we can with you about our progress.



**Simon Dukes | PSNC Chief Executive Officer**

# Chair's Comment

When I joined PSNC in September 2019 I was struck by the huge potential community pharmacy had to contribute even more to community care, and how much I was looking forward to helping secure greater recognition for the vital role that you play.

I didn't know then just how vital your role would become. Over the past year you have really underlined the value of what you do. I have been so proud to hear the stories of patient care that have come out of the COVID-19 pandemic, of pharmacies performing an ever-increasing array of clinical roles, and continuing to offer face-to-face high-quality care and advice, no matter the lack of financial support, the difficulties of securing proper protection for your teams or the movement of so many other health services online.

Without you, I'm sure that this pandemic would have brought the NHS to its knees. Many patients would quite simply have had nowhere to turn.

I also now have a much clearer understanding of the scale of the challenge facing you and all those working on your behalf at PSNC.

Here, as across the sector, we rely on a small but dedicated team working tirelessly to make the case for practical help and financial resources for all pharmacies.

Time and again they meet unreasonable objections and a failure to properly engage from Government and the NHS. In spite of this, they remain resolute, always on the lookout for pragmatic solutions, stronger evidence and more powerful arguments and alliances to try and get the right answers on your behalf.

PSNC is also an organisation that is not afraid to ask what they can do better, how can we improve? The findings of the Wright review, which were due to be published just as the period that this annual report covers ended, made clear that some positive changes should be made.

Changes for PSNC, changes for LPCs, and changes for the ways in which the entire sector come together to make their case. Overseeing transformational change, and putting in place the right governance, is a major challenge for any sector, and at time of writing a new group is only just beginning this work.

I hope that another year will yield significant progress. It is a real privilege to have been welcomed into the community pharmacy sector. You are the backbone of primary care, and critical to the health and wellbeing of so many people across the country.

I'm looking forward to continuing to work with you and seeing what the next year brings for you all.

**Sue Killen** | PSNC Chair



## Contents

Comments from the CEO and Chair	2/3
The year at PSNC	4/5
Engaging contractors and learning	6/7
Five year contractual agreement	8/9
Representing through national crises	10/11
PSNC annual accounts 19/20	12/13
The year ahead	14/15

# 2

ar19/20

# The year at PSNC



## 2019

July

**Five-year deal** | After difficult negotiations HM Government agreed to make a five-year investment in community pharmacy. The deal secured £2.592bn per year for pharmacies, set out an ambitious programme of new services and avoided the planned funding cuts.

July

**CPCF contractor roadshows** | The PSNC team toured the country, delivering a series of roadshows for contractors so they could hear more about the five-year deal for the Community Pharmacy Contractual Framework (CPCF).

August

**BBC medicine shortages interview** | Following reports of shortages of HRT products, PSNC's chief executive appeared on multiple BBC programmes to discuss medicines supply issues.

September

**Drug reimbursement reforms** | PSNC published its response to a significant consultation by the Department of Health and Social Care (DHSC) on community pharmacy drug reimbursement reforms.

October

**MPs debate community pharmacy** | MPs across multiple political parties debated issues concerning community pharmacy, including pharmacy closures, medicines shortages and the five-year CPCF.

October

**PSNC policy on prevention** | Earlier in 2019, the Government had set out a green paper on prevention, outlining policy ideas to help prevent ill health. PSNC responded with suggestions for additional services that pharmacies could provide to support prevention.

November

**General election campaigning** | Along with the NPA and RPS – created resources to help contractors and LPCs promote community pharmacy to the many parliamentary candidates who stood in the general election in December 2019.





## Jo Churchill

Parliamentary Under Secretary of State for Health, October 2019

*'I am continually inspired, as everybody has been... by the compassion, dedication and commitment of those who work in the NHS family. I saw that myself last week when I met pharmacists and the chief exec of the Pharmaceutical Services Negotiating Committee at the Local Pharmaceutical Committee Conference. That underlined to me again what an essential part of the NHS the pharmacy is, working day in and day out on improving outcomes for patients and for the community, which lies at the heart of what they do.'*



### January

**CPCS off to a flying start** | Over 114,000 patients were referred to the Community Pharmacist Consultation Service (CPCS) in the first 10 weeks after the service launched.

### January

**First alert to coronavirus** | The first story about COVID-19 – which at the time was named the Wuhan Novel Coronavirus - featured on the PSNC website at the end of January 2020. At this time, two patients in England had tested positive for COVID-19.

### February

**CPCF Year 2 Agreement** | Arrangements for 2020/21 were agreed, including increased Transitional Payments, a renewed Pharmacy Quality Scheme (PQS) with banded payment structure and a commitment to further exploring travel vaccinations.

### March

**National clinical audit cancelled** | Following discussions with PSNC, NHS England and NHS Improvement (NHSE&I) waived the requirement for pharmacies to complete the National Antimicrobial Stewardship Clinical Audit for 2019/2020.

### March

**Radio 4** | PSNC's Chief Executive Simon Dukes featured on Radio 4 talking about issues facing the supply chain. Simon called for urgent investment in community pharmacies to support them through what was fast becoming an unprecedented situation.

### March

**More services postponed** | PSNC gained agreement from NHSE&I and the DHSC to postpone a number of services prioritising the pandemic response. This included the PQS, the Hepatitis C testing service and Pharmacy Integration Fund pilots.

### March

**Urgent cash injection agreed** | Following weeks of urgent negotiations with HM Government, ministers agreed to inject £300 million into the sector over the following two months in recognition of the significant cashflow pressures faced by pharmacies.

# 3

ar19/20



# Engaging contractors and learning

PSNC supported community pharmacy contractors through a period of transformation.

## CPCF Roadshows

Following the most significant change to the Community Pharmacy Contractual Framework (CPCF) in years, the PSNC policy team hosted free Sunday roadshow events across England (and online) to outline the context of the deal and what it meant for pharmacies. The events gave contractors and their teams an opportunity to ask questions directly of those who negotiated it and learn what to expect for the future.

## Briefings and factsheets

We published a series of documents to help explain the detail of the five-year CPCF: a short summary, FAQs, a service pilots matrix, and information on funding changes. Guidance on contractual requirements and other changes was released throughout the year, whilst PSNC's Community Pharmacy News (CPN) magazine had regular factsheets on common dispensing issues.

## Healthcare collaboration

As part of an evolving NHS landscape, community pharmacy needs to embrace change and work with others. Contractors had to be proactive in coordinating engagement with emerging Primary Care Networks (PCNs), and PSNC supported them through a range of explanatory and advisory materials. Our Future of Pharmacy Animation described how pharmacy is changing and proved a useful tool in showing stakeholders what the sector can do.

Collaboration is primarily a local endeavour so LPCs were essential to driving this forward. In 2019/20, PSNC launched a Local Integration Discovery Tool to measure progress and identify what support LPCs needed. It was also a key theme at the LPC Conference: delegates learned about joined-up working and considered local action plans.

## Pharmacy representation review

With this transformation underway, pharmacy academic Professor David Wright was invited to lead a review into contractor representation and support. The Professor was tasked with making recommendations to optimise the roles of PSNC and LPC, ensuring the network is fit for the future. Engagement across PSNC, LPCs and the diverse contractor base came via surveys and interviews over the winter, with the final report scheduled for May 2020.

## Digital communications

Webinars and videos utilised our in-house experts to explain new things (such as PCNs and Serious Shortage Protocols), as well as providing refreshers on elements of the pharmacy contract. We also launched a 'CPCF Checklist' email series reminding contractors of what, when and how to implement CPCF changes.



**2.5m**  
website visits

**1.5m**  
reached by our tweets

**527**  
website news stories

**135**  
emails with a ~32% open rate

**61**  
PSNC Briefings  
11 CPN factsheets

**13**  
webinars and videos

**Mark Burdon** PSNC Regional representative and independent contractor

*'It was really encouraging to see so many contractors giving up their Sundays to learn more about the future of community pharmacy at PSNC's CPCF Roadshow events.'*

*The events explained the five-year deal and why it was agreed, and they also marked a first step in the sector coming together to ensure that new services will be a success for us, our local communities and the NHS.'*





4

ar19/20



# Five-year contractual agreement

**PSNC secured the first ever multi-year funding commitment to NHS community pharmacies. The deal guarantees funding levels until 2023/24 and outlines a clear vision for the expansion of clinical service delivery.**

## The negotiations

The NHS Long Term Plan and GP Contract published in early 2019 gave the first indications of what the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I) would be looking for from community pharmacy in the 2019/20 round of negotiations. Several months of difficult negotiations followed in which PSNC made the case for a long-term investment in the sector rather than more funding cuts, demonstrated the value of community pharmacy services to the NHS, insisted that pharmacies' costs and workload must be reviewed on an ongoing basis and argued that pharmacies would need help in releasing capacity.

**£2.592bn**


**£2.592bn per year from 19/20 to 23/24 and monthly transitional payments**

**NHS pathways**


**New service embedding pharmacy in NHS patient referral pathways**

**QS updates**


**Updates to Quality Scheme each year and incorporation into Terms of Service**

**5 year plan**


**A range of new services to be piloted and introduced over the five year contract**

**Annual review**


**Annual reviews each Autumn and consideration of reimbursement reform**

## Funding and payments

A key PSNC aim was to secure a multi-year funding settlement, and the five-year Community Pharmacy Contractual Framework (CPCF) agreement secured £2.592bn per year for community pharmacies in England. As well as providing pharmacy owners with a greater degree of certainty about the future this was a significant increase on the Government's planned funding levels. PSNC also safeguarded the pharmacy network by ensuring changes to funding distribution were made in a phased manner.

The deal plotted a route towards a more clinically focussed future for the sector and, to help contractors meet the costs associated with these changes, a series of monthly 'Transitional' payments were put in place. In exchange, we agreed to consider a range of reforms to reimbursement arrangements: these will not impact the agreed funding envelope and should help to smooth delivery of retained margin, but they need to be carefully considered. This began with a public consultation in summer 2019 with detailed discussions to follow.



## New consultation service

The launch of the NHS Community Pharmacist Consultation Service (CPCS) on 29th October 2019 was a significant milestone. This newly agreed Advanced service saw patients referred into community pharmacy by the NHS 111 phone service with plans to expand to include referrals from NHS 111 Online and from GP practices. The CPCS aims to help relieve pressure on the wider NHS and speed up patient access to treatment by making use of pharmacists' core knowledge and skills. It further embeds pharmacies in NHS pathways.

### Providing CPCS: A pharmacist's perspective

*'The introduction of the new NHS CPCS should be an exciting development for community pharmacies across England: it is a positive development in our journey towards becoming providers of more clinical services.'*

*Over time the service will enable us to take the lead role in managing people with minor conditions on behalf of the NHS. This will have a positive impact in reducing pressure on urgent care services and, crucially, it will give us a core clinical role at the heart of primary care, with GPs and other services relying on pharmacies and sending their patients directly to us. PSNC will be using our success to make a business case for further investment in the service and the sector in future years.'*

**Gary Warner**

Chair of PSNC's  
Service Development  
Subcommittee  
and independent  
community pharmacy  
contractor

July 2019

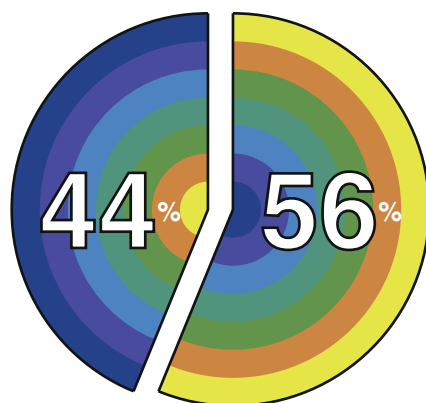
### CPCS Early Data: The first ten weeks of service

114,275

patients were referred from NHS 111 to CPCS



44% of  
referrals  
were for  
low acuity  
/ common  
illness



56% of  
referrals  
were for  
urgent  
medicine  
supplies

### Quality scheme update

The Quality Payments Scheme became the Pharmacy Quality Scheme (PQS); a minor change but one that set a better tone for discussions with wider stakeholders. To help drive progress and improvement, PSNC agreed that the gateway and quality criteria for PQS will change on an annual basis, with some, such as obtaining Healthy Living Pharmacy status, becoming CPCF Terms of Service requirements during 2020/21. Aspiration payments were introduced to ease the financial burden whilst pharmacy teams worked towards the criteria.

### Service pilots

The sector has long been making the case for the range of services that pharmacies are funded to offer to be expanded and, as part of the CPCF deal, we were able to draw up a timeline for a range of new services to be piloted and introduced over the course of the five years. These services should help to further embed the sector within the NHS as well as offering improved care to patients and the public.

### Year two: 20/21

In late February 2020, PSNC finalised the arrangements for the second year of the deal with DHSC and NHSE&I. Key arrangements included: confirming new post-discharge medicines and Hepatitis C testing services, setting timelines for the next PQS review point and changes to the Terms of Service, and announcing the piloting of additional public health services. COVID-19 then led to some changes to this plan, as PSNC argued that coping with the pandemic needed to become the top priority.

# 5

ar19/20



## Representing through national crises

**PSNC made sure community pharmacy was provided for during no-deal Brexit planning and, later, the COVID-19 response.**

### Brexit planning

With Britain's exit from the European Union imminent, PSNC used its Community Pharmacy Brexit Forum to keep lines of communication open between community pharmacy, the medicines supply chain and the Department of Health and Social Care (DHSC).

Brexit dominated the political agenda and most of PSNC's engagement with politicians about contingency arrangements. MPs were interested in the Serious Shortage Protocol (SSP) legislation and wider issues relating to shortages, asking Parliamentary Questions on both subjects.

Some of these included references to PSNC's concerns, and in one answer the Minister referred to our Brexit Forum.

### Early coronavirus response

Guidance for healthcare professionals on coronavirus – or COVID-19 – began in early 2020. PSNC quickly called on DHSC and NHS England and NHS Improvement (NHSE&I) to support pharmacies as they responded to the pandemic. The contractual requirement to complete a national clinical audit was waived and, at the end of March, PSNC secured £370 million in advance funding.

Efforts were diverted to the COVID-19 response, with PSNC providing updates via CEO video messages, a negotiations action list outlining our ambitions, and regular email updates.

We also launched a COVID-19 Rapid Action Team of LPC Chief Officers from every region of England, which became a vital communication channel between national and local organisations.

### Medicines supply issues

Both Brexit and COVID-19 highlighted the fragility of medicine supply chains, and PSNC spent a significant amount of time briefing national media contacts on the root causes of medicine supply issues.

In April 2019 the continuing increase in the number of price concessions was highlighted across BBC radio stations, leading to articles in several national newspapers. We also helped tailor patient messaging for Asthma UK and the Epilepsy Society.

PSNC kept a close eye on the generics affected by global changes, utilising our contacts in the supply chain and DHSC to try to protect pharmacies against sudden price rises.

SSPs were first used in October to help manage Fluoxetine supply and, after criticism in Parliament, PSNC worked with the other national pharmacy organisations to address misconceptions, briefing MPs and Peers on what SSPs would be used for and the safeguards in place to protect patients.



**£300m**  
COVID-19 advance  
funding

**£104m**  
price concession  
additional payments

**106**  
pharmacy press  
PSNC mentions

**46**  
pharmacy mentions  
in Parliament

**28**  
other media PSNC  
mentions

**5**  
Serious Shortage  
Protocols (SSPs)

## Stephen Thomas PSNC member and Deputy Superintendent Rowlands Pharmacy

*'PSNC's Brexit Forum was quickly recognised as an invaluable way for Government to connect with community pharmacy, rapidly becoming one of their primary routes of communication with the sector. The forum group co-ordinated the discussion of a wide range of key issues, looking for solutions to protect the UK medicines supply chain and reduce the impact of Brexit on pharmacy workload.'*



# 6

ar19/20

# PSNC Annual Accounts 19/20

## Income and expenditure account

Year ended 31 March 2020	2020	2019
	£	£
<b>Income</b>		
Levies from LPCs received and outstanding	3,342,214	3,343,236
<b>Expenditure</b>		
<b>Administration</b>		
Staff employment	2,202,151	2,155,708
Rent, rates other property costs and interest	174,966	180,637
Printing, stationery, postage and telephone	53,739	55,005
Travelling and meeting expenses	253,119	183,650
Sundry expenses	255	3,688
	<u>2,684,230</u>	<u>2,578,688</u>
<b>Finance</b>		
Audit fees	9,420	8,820
Depreciation	133,955	164,892
Profit on disposal of fixed assets	(3,775)	-
	<u>139,420</u>	<u>173,712</u>
	(2,823,650)	(2,752,400)
	<u>518,564</u>	<u>590,836</u>
<b>Service</b>		
Professional fees	185,035	263,493
	<u>185,035</u>	<u>263,493</u>
<b>Communications</b>		
Public relations	69,189	17,553
PSNC News	5,529	7,056
Conferences	16,378	(10,670)
	<u>91,096</u>	<u>13,939</u>
	(276,131)	(277,432)
<b>Operating surplus brought forward</b>	242,433	313,404
<b>Special levy for Judicial Review</b>		
Deferred income brought forward	-	18,937
Judicial review costs	-	(69,674)
	<u>-</u>	<u>(50,737)</u>
<b>Other income</b>		
Interest receivable	4,172	2,188
Net trading deficit	(9,236)	(2,830)
Other income	1,128	3,169
	<u>238,497</u>	<u>265,194</u>
<b>Surplus before tax</b>	238,497	265,194
Tax charge	962	(482)
<b>Surplus after tax</b>	<u>239,459</u>	<u>264,712</u>

## Notes on the accounts

- The 2019/20 Financial Statements for PSNC were audited and prepared by our Chartered Accountants Sawin & Edwards LLP. The above is a summary of the performance and position of the organisation.
- PSNC's accounts show a surplus of £239k in 2019/20 compared to £265k in 2018/19. This is despite having a flat levy from Local Pharmaceutical Committees in both years and is due to the continuing focus on cost control across the organisation. The Committee again challenged the office with a negative budget, which has been over-achieved. PSNC's main source of income remains levies gathered from LPCs. All LPCs have paid their invoices in full. Other income generated is minimal.



## Balance sheet

Year ended 31 March 2020	2020	2019
	£	£
<b>Fixed assets</b>		
Tangible assets	3,790,357	3,898,493
Investments	2	2
	<u>3,790,359</u>	<u>3,898,495</u>
<b>Current assets</b>		
Debtors	193,738	128,516
Cash at bank and in hand	1,116,635	1,008,367
	<u>1,310,373</u>	<u>1,136,883</u>
<b>Current liabilities</b>		
Creditors; amounts falling due within 1 year	553,425	663,205
	<u>553,425</u>	<u>663,205</u>
<b>Net current assets</b>	756,948	473,678
<b>Total assets less current liabilities</b>	<u>4,547,307</u>	<u>4,372,173</u>
Creditors: amounts falling due after 1 year	(1,823,800)	(1,884,470)
<b>Provisions for liabilities and charges</b>		
Deferred tax	-	(3,655)
	<u>2,723,507</u>	<u>2,484,048</u>
<b>General fund</b>		
Balance at 1 April 2019	2,484,048	2,219,336
Surplus for the year	239,459	264,712
<b>Balance at 31 March 2020</b>	<u><u>2,723,507</u></u>	<u><u>2,484,048</u></u>

## Cash flow statement

Year ended 31 March 2020	2020	2019
	£	£
<b>Cash flows from operating activities</b>		
Surplus for year before tax	238,497	265,194
<i>Adjustments for:</i>		
Depreciation	153,191	187,722
Profit on disposal of fixed assets	(3,775)	-
<i>Changes in:</i>		
Trade and other debtors	(65,222)	98,366
Trade and other creditors	(109,115)	(313,610)
Cash generated from operations	<u>213,576</u>	<u>237,672</u>
Tax paid	(2,693)	(4,820)
Net cash from operating activities	<u>210,883</u>	<u>232,852</u>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets	(45,055)	(18,880)
Proceeds from sale of fixed assets	3,775	-
Net cash used in investing activities	<u>41,280</u>	<u>(18,880)</u>
<b>Cash flows from financing activities</b>		
Repayment of bank loans	(61,335)	(58,275)
Net cash from financing activities	<u>(61,335)</u>	<u>(58,275)</u>
<b>Net increase in cash and cash equivalents</b>	108,268	155,697
<b>Cash and cash equivalents at beginning of year</b>	1,008,367	852,670
<b>Cash and cash equivalents at end of year</b>	<u><u>1,116,635</u></u>	<u><u>1,008,367</u></u>

- The largest item of expenditure has remained administration costs, in particular staff employment. Year on year cost savings have been made in expenditure for legal and other consultancy services and in general administration such as reduced printing and postage expenses.
- PSNC's balance sheet has strengthened as a result of the cost savings made across the organisation. Debtors did increase solely due to the timing of payments being received, shortly after the year end any outstanding levy invoices were collected in full.
- Current liabilities have reduced because of fewer levies received in advance when compared with last year and lower provisions required for Committee Member expenses and legal consultancy costs.

# 7

ar19/20



## The year ahead

Plans for community pharmacy in 2020/21 include the rollout of new national services and proof of concept piloting, and of course the impact of COVID-19 in the UK is expected to be significant.

### A year of transition

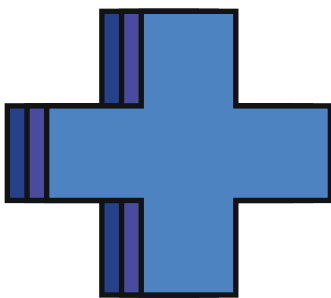
2020/21 was set to be the first full year of the five-year deal for community pharmacies. This would have been a transition period, bringing a number of new clinical services (e.g. the Discharges Medicine Service) on stream over the course of the year whilst preparing the way for others (e.g. piloting additional public health services).

From a funding perspective, the Transitional Payments – introduced to recognise work engaging with local Primary Care Networks (PCNs), implementing new working practices and staff training to support new services – were set to increase for 2020/21, with the intention for it to steadily be re-allocated to new services.

PSNC also hoped to work with NHS England and NHS Improvement (NHSE&I) and the Department of Health and Social Care (DHSC) to progress changes that would help contractors to release capacity.

### Planned CPCF developments for 20/21

#### New services



**Discharge Medicines Service**  
when patients leave hospital

**New Pharmacy Quality Scheme**  
supporting high quality care

**Hepatitis C Testing Service** to  
support eradication ambitions

#### Improved integration

**Pharmacies offering advice to patients**

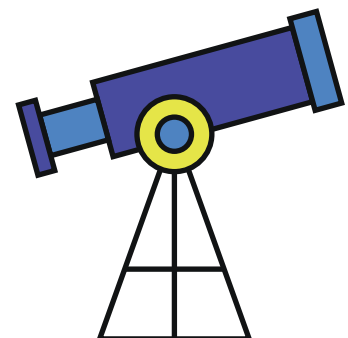
**CPCS referrals (urgent supply)**  
from NHS 111 online



**GP practice referrals**  
to CPCS

#### Looking ahead

**Pilots for blood pressure testing, stop smoking referrals for patients discharged from hospital and sore throat test for Strep A**



## The COVID-19 pandemic

At the very end of 2019/20, what began as a novel coronavirus across the other side of the world became a global pandemic with community pharmacy teams in England diverting significant resources to help respond to this healthcare crisis. PSNC in turn focused all its attention on helping contractors to get through the crisis – negotiating emergency advance funding and Bank Holiday funding, and seeking measures to help pharmacy to protect their teams and core services.

A number of changes to the CPCF were made in March 2020 to ease the workload pressure on pharmacies, and these were revisited later in the year with further announcements made in December 2020.

PSNC has been concerned throughout the pandemic about the considerable operational and financial challenges that pharmacies have been facing. We began an exercise to capture contractors' costs which has been ongoing throughout the pandemic, and this survey has been used in two funding bids – one on COVID-19 costs, and one seeking an uplift to core CPFC funding – put to Ministers. We still await the outcomes of these bids.

## CPCF year two: PSNC negotiating team views

*'The coming financial year will see a number of really positive service developments for community pharmacies, not least the launch of a new national service focused on helping people to understand and use their medicines post-discharge.'*

*But for pharmacies, none of this will be easy.*

*The challenges in delivering all that Government wants from us within a flat funding envelope are already evident.'*

**Bharat Patel**

PSNC Vice-chair and  
independent community  
pharmacy contractor

**Clare Kerr**

Head of healthcare  
policy and strategy at  
McKesson UK

*'Year two will be another crucial year for the sector.'*

*We need to build on the platform that we have built and continue to show Government that we are serious about helping them to meet their objectives.*

*The new Discharge Medicines Service (DMS) and the extension of referrals to the CPCS will give us some key opportunities to do that, while also continuing to build an important evidence base giving us leverage for the future.'*

## Laying groundwork for investment

An annual review process was agreed as part of the five-year Community Pharmacy Contractual Framework (CPCF) deal, and as well as our finding bids PSNC has begun work to prepare for the first of these, which we expect to feed into negotiations about Year 3 (2021/22). This will be our opportunity to demonstrate the costs and capacity challenges that pharmacy is facing to make the case for further investment in the sector.

Systemic underfunding of the sector combined with the efficiency squeeze being placed on community pharmacies is reaching a critical point, and PSNC will continue to make the case for further investment in the sector, using data to back up its bids, and working with the other national pharmacy organisations to strengthen our case. Contractors can expect ongoing requests for help gathering evidence and data to support this work, and thank you to the very many contractors who have already helped us with these.

## Looking ahead

It is clear that the COVID pandemic will be with us for some time, and at PSNC our focus is going to remain on supporting contractors through that: battling for the funding and support that you need, while also making sure that you can take advantage of all the opportunities it presents.

The pandemic has highlighted more than ever the important role that NHS community pharmacies play at the heart of the NHS: patients need and value your advice and open-door policy; GPs and other health services want you to keep patients from their doors; the public want you to have a role in vaccinations. We will be fighting for recognition of all of this, and more.



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