**Community Pharmacies: An update on the five-year deal and CPCF arrangements**

**Introduction**

PSNC negotiates with the Department of Health and Social Care (DHSC) and NHS England and NHS Improvement (NHSE&I) on behalf of all NHS community pharmacies in England. Back in 2019, a 5-year funding and services plan for pharmacies was agreed, subject to joint annual reviews to be conducted by all partners. The agreed arrangements for pharmacies are known as the Community Pharmacy Contractual Framework ([CPCF](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/819601/cpcf-2019-to-2024.pdf)).

Each year, negotiations are held about the details of the CPCF for the upcoming year. PSNC, DHSC & NHSE&I recently completed this process for 2021/22 (or Year 3 of the 5-year deal), and that agreement, along with some more general updates on the sector, is the focus of this briefing.

**Background information on pharmacies**

The 11,400 community pharmacies in England provide a range of core services for patients and local communities including:

* Dispensing of prescriptions and appliances.
* Signposting patients to other sources of care and support.
* Participation in public health campaigns (e.g. COVID-19 vaccination promotion).
* Disposal of unwanted medicines.
* Support for self-care.

In addition, community pharmacies also provide a range of nationally commissioned services such as **flu vaccinations** and the **New Medicine Service (NMS).** Flu vaccinations were particularly successful last year with pharmacies having administered more than 2.76 million vaccinations in 2020/21, which was over a million more than in the previous season.

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During the COVID-19 pandemic several additional services were added to this list including the **COVID-19 Lateral Flow Device Distribution Service** (giving people easy access to COVID-19 tests), the **Pandemic Delivery Service** (which ensured vulnerable people could have their medicines delivered to them while they shielded and deliveries could also be made to people told to self-isolate by NHS Test and Trace) and **COVID-19 vaccinations** (with over 700 pharmacy vaccination sites now live).

**Impact of COVID-19 on pharmacies**

Like all parts of the health service, community pharmacies have been under significant pressure during the COVID-19 pandemic. At times they were the only primary care centres open to give face-to-face advice to local communities. PSNC’s [**audit**](https://psnc.org.uk/wp-content/uploads/2021/05/PSNC-Pharmacy-Advice-Audit-2021-A-summary-of-findings.pdf) in January 2021 found that of the 58 million people seeking informal healthcare advice from pharmacies every year, almost half would have tried to visit their GP if attending their local pharmacy had not been an option.

Like many businesses, pharmacies also had to put in place new policies and working arrangements to become COVID-secure. Our [**audit**](https://psnc.org.uk/wp-content/uploads/2021/05/PSNC-Pharmacy-Advice-Audit-2021-A-summary-of-findings.pdf) showed that during the second peak of the pandemic the equivalent of 14 million patients per year were seeking advice on COVID-19 from their pharmacy, resulting in a significant extra time burden for pharmacy teams.

Pharmacies received emergency loans in 2020 to help with cashflow at the start of the COVID-19 pandemic, but Government refused all requests to write those off given the ongoing financial pressures on the sector. Instead, following successful lobbying by many MPs, pharmacy owners were able to claim for the COVID-19 costs over the summer: the vast majority of claims are now being paid, but some businesses will still struggle with cashflow as they start to pay back the 2020 loans.

**New pharmacy services**

Alongside coping with the pandemic and delivering on all the above services, pharmacies have been offering a range of important and relatively new services over the past two years, including:

* **Community Pharmacist Consultation Service (CPCS):** pharmacies make emergency supplies of medicines or give advice to people on minor conditions, following NHS 111 or GP referral.
* **Discharge Medicines Service (DMS):** all pharmacies offer advice about newly prescribed medicines to patients referred by NHS Trusts after discharge from hospital.
* **Hepatitis C Testing Service:** supporting NHS aims to eliminate Hepatitis C.

As part of the 2021/22 arrangements for pharmacies, two new national services will be launched, alongside some significant developments to the New Medicine Service (NMS). All three of these services are optional for pharmacies to offer.

**Hypertension case-finding service** (from October 2021)

Supporting the NHS Long Term Plan ambitions for prevention of cardiovascular disease, from October pharmacies will be able to offer blood pressure testing. This service will have 2 stages. The first is identifying people at risk of hypertension and offering to measure their blood pressure. The second stage, where clinically indicated, is offering ambulatory blood pressure monitoring (ABPM) over a 24-hour period. The blood pressure test results will then be shared with the patient’s GP to inform a potential diagnosis of hypertension. This is an important service, but given the current capacity pressures we expect pharmacies may take some time to implement it.

**Smoking cessation service** (from January 2022)

Smoking remains a leading cause of illness in England, and a factor in COVID-19 outcomes. From January, NHS Trusts will be able to refer patients discharged from hospital to pharmacy to continue their smoking cessation care pathway. Pharmacies will offer medication and behavioural support, in line with the NHS Long Term Plan care model for tobacco addiction.

**New Medicine Service** (from September 2021)

The NMS, which supports patients who have been newly prescribed a medicine to get the maximum benefit from it, has been extended with a range of new patient and carer cohorts now eligible for the service. This will benefit people prescribed a new medicine for hypercholesterolaemia; osteoporosis; gout; heart failure; glaucoma; Parkinson’s disease; epilepsy and urinary incontinence or retention.

The service can also now be offered to support parents / guardians / carers of children and adults newly prescribed eligible medicines who could benefit from the service, but where the patient is not able to provide informed consent.

**Pharmacies and quality**

In addition to these services, most pharmacies will take part in the **Pharmacy Quality Scheme (PQS)** which supports the delivery of the NHS Long Term Plan by rewarding community pharmacies for achieving set quality criteria. In 2021/22 many of pharmacy’s quality objectives focus on priorities supporting recovery from COVID-19. This will include actively promoting COVID-19 vaccinations, specifically in Black, Asian, minority ethnic and low uptake communities, and offering inhaler technique checks to people prescribed a new inhaler who missed out on checks due to COVID-19.

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* Pharmacy teams will carry out an **anticoagulant audit**.
* They will collaborate with Primary Care Networks on increasing uptake of **flu vaccinations**.
* Patients prescribed **antibiotics** will be reviewed to help ensure safe and effective use.
* Pharmacy teams will proactively discuss **weight management** with patients.
* Patients without personalised **asthma action plans** will be referred for support.
* Pharmacy teams will talk to people about the **environmental benefits** of safe disposal of used or unwanted inhaler devices.

**Regulatory and other CPCF changes**

Various regulatory and associated changes will be made or are planned. These will mostly impact pharmacies, but they may change working practices, and some might ultimately lead to changes and improvements in the ways that patients receive pharmaceutical services. In particular:



* Changes will be made to the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations 2013 to include a pandemic provision: this relates to the protection of staff and patients in a pandemic.
* There is also agreement to continue conversations with DHSC on regulation of the dispensing and supply of medicines, taking into account novel ways of undertaking these services.
* We will also progress discussions on a suitable process to investigate allegations of prescription direction: this helps to ensure that patients retain free choice of which pharmacy to use.
* DHSC has also confirmed its intention to progress legislation on original pack dispensing of medicines, and the wider use of hub and spoke technology.

In addition, the **Pharmacy Access Scheme (PhAS)** will be revised from January 2022. The scheme seeks to ensure that all patients have access to a pharmacy, even in remote areas.

**CPCF funding**

When the five-year deal was agreed, community pharmacy funding was set at £2.592bn per year. Government also committed to working with PSNC on measures that would help to release capacity in the sector. Delivering all the services within that constrained funding envelope was always recognised to be a challenge for the sector, and with COVID-19 pressures and the lack of progress on capacity-releasing work for pharmacies, the situation is now even more challenging than had been anticipated.

PSNC has been arguing strongly for an uplift in core pharmacy funding to take into account the chronic underfunding that the sector is experiencing, and in recognition of the significant financial and capacity challenges that all pharmacies are currently dealing with. Unfortunately, the Government has rejected any uplift to the CPCF funding this year. This will pose considerable challenges for many pharmacy businesses as they try to embrace the positive service changes this year, while also managing cashflow as they pay back COVID-19 loans.

**Summary**

Building on the phenomenal performance of community pharmacies throughout the COVID-19 pandemic – juggling a range of new services while also managing the impact of the pandemic and supporting increasing numbers of walk-in patients – there are some really exciting elements to the plan for Year 3 of the CPCF Five-Year deal. Among these are the commissioning of the new Hypertension Case-Finding and Smoking Cessation Services, as well as the extension of the New Medicine Service.

However, the lack of any uplift to core funding for the sector is concerning and will have consequences: further pharmacy closures are inevitable, and many more pharmacies will be under greater pressure to survive, significantly impacting their ability to deliver the new services that our patients and the NHS really need.

Pharmacies have shown their resilience over the past year, but we will continue to seek fair support for them, and assuming that is achieved, the sector looks forward to continuing to support NHS goals, and to working with emerging local health structures.