

Minutes of the Pharmaceutical Services Negotiating Committee meeting

held on 4th February 2021

via Zoom

Present: Reena Barai, Richard Bradley, David Broome, Mark Burdon, Peter Cattee, Ian Cubbin, Marc Donovan, Samantha Fisher, Mark Griffiths, Jas Heer, Tricia Kennerley, Clare Kerr, Sue Killen (Chair), Sunil Kochhar, Margaret MacRury, Rhys Martin, 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, Gary Warner

In Attendance: Simon Dukes, Shiné Brownsell, Alastair Buxton, Jack Cresswell, Mike Dent, Gordon Hockey, Zoe Long, David Onuoha, Layla Rahman, Suraj Shah, Gabriele Skieriute, Rob Thomas, James Wood

Item 1 – Welcome from the Chair

- 1.1 The Chair welcomed everyone to the meeting.
- 1.2 The Chair reflected on how many people had died from COVID-19 and the reports on the different strains; however, over 10 million people have already been vaccinated as of 3rd February. It is clear that vaccinations against COVID-19 will be regularly provided within communities. This has to be embedded in community health care and the Chair saw community pharmacies being an essential component.
- 1.3 The media coverage on involving community pharmacies in the vaccination programme had been excellent. The public's knowledge of community pharmacies and their capabilities has never been so high.
- 1.4 At the time of the meeting, the office had not heard back from DHSC and NHSE&I about our funding position.
- 1.5 The Chair will provide Shiné Brownsell with new dates for the one-to-one meetings with the Committee and she looked forward to meeting with everyone again.

Item 2 – Apologies for absence

- 2.1 Apologies for absence were received from Ian Cubbin (for the latter half of the meeting), Fin McCaul and Faisal Tuddy.

Item 3 – Conflicts or declaration of interest

- 3.1 No new conflicts or declarations of interest were made.

Item 4 – Minutes of the November meeting

- 4.1 The minutes of the meetings which took place on 25th and 26th November 2020 were approved.

Item 5 – Matters Arising

5.1 The information was noted.

Item 6 – Welcome and introduction from the Chief Executive

- 6.1 The Chief Executive quoted from his recent blog that: “the Committee would be coming together at this meeting with a growing sense of frustration and increasing irritation”. He stated that despite constant efforts, and more importantly the phenomenal work pharmacies had been doing over the last year, PSNC was not making progress in its funding negotiations. The evidence of the costs that community pharmacy has borne in helping the NHS get through the pandemic was clear from the data collected and which PSNC continues to collect.
- 6.2 The Chief Executive said that as the Committee knows only too well, a regular feature of our discussions is the refusal of officials to treat pharmacies as a core part of the NHS: resisting conversations about fair margins and value, focusing only on what they consider to be the bare minimum costs for service delivery. There are long delays, sometimes many months, as seen with our most recent funding bids on COVID-19 costs and a CCPF uplift, while officials do their work, followed by a rapid presentation of information to PSNC, with an expectation of a tight deadline for turnaround.
- 6.3 The Chief Executive has always believed that the best discussions take place in private. It is unfortunate that PSNC is being forced to be increasingly public about the situation we find ourselves in. We have a monopsony purchaser with all the challenges that brings, but PSNC Committee members have been clear that the sector must not be bullied, and that we must continue to hold the NHS and Government to account for their decisions and processes. But we also now say more in public. We are being more vocal and we will continue to be so, alongside the other pharmacy bodies.
- 6.4 As we continue to make the case for the sector and to push officials towards more reasonable funding and service arrangements, we will also need the ongoing help of the sector. The Chief Executive thanked everyone who has supported the Pharmacy Advice Audit this month. The office will be analysing the data over the coming weeks and we are thinking about ways to capture the views of patients and the excellent experiences that we know they have had from pharmacies throughout the pandemic.
- 6.5 The original HM Treasury offer to PSNC on costs remains confidential, but we are planning to issue contractor communications following the Committee meeting. The office will share lines with the Committee and would be grateful if members can use those in conversations with contractors and LPCs.
- 6.6 The Chief Executive concluded by saying that there was little doubt, it was going to be a difficult year for all sorts of reasons. As a Committee, you will be tested more than ever. As an Executive, we will need as much of your guidance and support as you can give. Without cohesion, we will be collectively ineffective. If Committee Members disagree with what PSNC is doing, they must tell the Executive. Little would be gained and potentially much lost by complaining in private.
- 6.7 The Committee’s views, input and support will be more important than ever in the year ahead. The Chief Executive thanked the Committee in advance for the time commitment the Executive will ask from everyone and for the difficult decisions that we will ask of the Committee in the coming weeks.

Item 7 – Funding

- 7.1 London Weighting has been brought up by Pharmacy London on numerous occasions and PSNC was requested formally to consider payment of a London Weighting.
- 7.2 Group discussions took place to consider this matter in detail, following a presentation from Mike Dent. The Committee agreed that the office should not allocate further resources to consider payment of a London Weighting. From the feedback provided by the Committee, Mike Dent will draft a response to Pharmacy London.
- 7.3 The Chief Executive reported that once we receive the formal letter from DHSC on our funding bids, we will need time to reflect and understand the detail before drafting a response, with the support of the Committee. Once this has been done, it will then be up to Matt Hancock and Jo Churchill to decide whether to make the case again to HMT for more money, or to seek an imposition.
- 7.4 Zoe Long summarised our current action plan. We will continue our media and PR influencing campaign and meetings with Ministers. We also need to have a clear narrative for the sector, so that everyone is aware of what is going on and what we are doing, enabling pharmacy and LPCs to utilise their networks with local commissioners, politicians and the press.
- 7.5 The Committee discussed in groups what else should be included in the action plan.
- 7.6 Mike Dent provided an update on our preparation for the Year 3 funding claim and the Committee discussed in groups what additionally we should be considering for these discussions.

Item 8 – Wright Review Update and the Review Steering Group

- 8.1 James Wood, who is the secretary of the RSG, provided an update on what the group has been doing since the last PSNC meeting in November.
- 8.2 The RSG first met on 17th December 2020 and then again on 27th January 2021, with a role defined by PSNC and LPCs in the Terms of Reference to prioritise and commission work through experts or working groups, and to steer a programme that results in proposals being put to contractors for a sector-wide change process.
- 8.3 Within the 6 weeks since the first meeting, the RSG has:
 - Adopted the terms of reference that were proposed, and agreed an expenses policy and other matters in relation to governance / ways of working which is now available on the website; and
 - Launched the RSG website and raised awareness of it through a press release and news story. All members are committed to as much transparency as possible. Communications resource has been brought in to support this effort.
 - Held a second meeting as a workshop to clarify areas of agreement and difference regarding the recommendations, which identified priority areas that need further work to find the right way forward.
- 8.4 Key outputs of those meetings included:

- Agreement to resource a Programme Manager to support the RSG in establishing a critical path and timeline of activities;
 - Agreement to develop a full communications and engagement plan, with one of the first steps being to hold a contractor engagement event; and
 - Agreement to meet monthly for the rest of 2021.
- 8.5 The RSG also began to examine resource and recognised that further funding will be required to sustain the RSG work throughout the year ahead. LPCs should be asked at this stage to plan to budget for match funding of the £90,000 for 2021-22 (to avoid in-year request outside of the budget setting process). There was very strong recognition that this needed to be done in consultation with PSNC and RDF to align with the levy announcement. The RSG would need to underpin this with strong engagement with LPCs.
- 8.6 The website ([Pharmacy-review.org](https://www.pharmacy-review.org)) will be an important channel for visibility of the RSG work; all minutes and summaries will be published there for all contractors, PSNC and LPCs to see.

Item 9 – Subcommittee reports

- 9.1 Key points of the discussion at the Service Development Subcommittee meeting were presented by Gary Warner.
- 9.2 Key points of the discussion at the Legislation and Regulatory Affairs Subcommittee meeting were presented by Stephen Thomas as follows:
- Brief discussion on hub and spoke between separate legal entities;
 - NHS Resolution consultation on the award of interest in certain cases was discussed;
 - Variety of different NHS regulations considered where improvements may be sought;
 - Lengthy discussion on pre-registration funding for community pharmacy that no longer matches equivalent hospital funding;
 - Further extension to the PNA will be sought given the ongoing outbreak; and
 - The subcommittee recommended that a more flexible approach to the CPPQ is sought.
- 9.3 Key points of the discussion at the Communications and Public Affairs Subcommittee meeting were presented by Tricia Kennerley. The Committee approved the following recommendations:
- The subcommittee recommended that all PSNC Members and Executive be asked to seek support from other pharmacy organisations for the key messaging, asking for their help in sharing these messages proactively; and
 - The subcommittee recommended that the office explore options for increasing resource to enable full delivery of the media/public affairs strategy.
- 9.4 Key points of the discussion at the LPC and Contractor Support Subcommittee meeting were presented by Sam Fisher. The Chair also thanked Mike King on behalf of the Committee, for filling the gap until James Wood joined PSNC.
- 9.5 Key points of the discussion at the Funding & Contract Subcommittee meeting were presented by Peter Cattie. The subcommittee had considered a comprehensive analysis of the notion of a fixed payment for service provision.

- 9.6 Key points of the discussion at the last Resource Development and Finance Subcommittee meeting were presented by Mark Burdon.
- 9.7 Mark Burdon noted that we need to inform LPCs of the Levy arrangements for 2021/2022. Early last year we made it clear that a 0% uplift would not continue and, on that basis, they should have been making plans to expect an increase in the coming year. In the meantime, the pandemic happened. The Committee agreed the following recommendations:
- Keep the PSNC Levy for 2021/2022 flat and in the covering letter we will explain why;
 - The covering letter should flag that the RSG will be seeking funding from LPCs to match the £90k from PSNC and that they should budget on that basis. This is notable because the RSG may ask PSNC to use the Levy collection mechanism to obtain that money; and
 - As and when the RSG is ready, they will write separately to LPCs to explain what they plan to do and why.
- 9.8 Key points of the discussion at the Review and Audit Panel meeting were presented by Adrian Price. The Committee agreed the following recommendations:
- The PSNC members' Code of Conduct Declaration is included in PSNC's governance documents as a declaration to be signed by all PSNC members;
 - Current PSNC members should be asked to sign the Declaration as soon as practicable (the Declaration to be sent by email to all members with request to sign and return); and
 - All new PSNC members should be asked to sign the Declaration at the time of joining PSNC.

Item 10 – Any other business

- 10.1 The Chair thanked the Committee and the Executive team for their input.