

# Minutes of the Pharmaceutical Services Negotiating Committee meeting

held on 15th September 2022 on Zoom

**Present:** Reena Barai, Ghada Beal, David Broome, Peter Cattee, Clare Kerr, Ian Cubbin, Marc Donovan, Samantha Fisher, Mark Griffiths, Tricia Kennerley, Ifti Khan, Sue Killen (Chair), Fin McCaul, Niamh McMillan, Has Modi, Roger Nichols, Umesh Patel, Bharat Patel, Jay Patel, Indrajit Patel, Adrian Price, Sian Retallick, Anil Sharma, Stephen Thomas, Faisal Tuddy, Gary Warner

**In Attendance:** Janet Morrison, Shiné Brownsell, Alastair Buxton, Jack Cresswell, Mike Dent, Gordon Hockey, Zoe Long, David Onuoha, Suraj Shah, Gabriele Skieriute, Rosie Taylor, Rob Thomas, James Wood

## Item 1 – Welcome from Chair

- 1.1 Sue Killen welcomed the Committee to the meeting.
- 1.2 The Chair acknowledged the Queen's passing and noted that the change of the Monarch, the new Government, economic pressures, and the energy and cost of living crisis all create uncertainty that will impact everyone.
- 1.3 It was noted that these are difficult times for contractors and that the Committee should demonstrate to contractors how hard everyone is working every day to support and negotiate on their behalf.
- 1.4 The Chair said that in response to the issues raised during the Subcommittees, the agenda had been amended to allow for further discussion of pressures and capacity issues prior to the discussion of the Y4 & 5 deal and other short, medium and long term options to improve the funding of the sector.

## Item 2 – Apologies for absence

- 2.1 Apologies for absence were received from Lindsey Fairbrother, Jas Heer, Sunil Kochhar, Rhys Martin and Prakash Patel.

## Item 3 – Conflicts or declaration of interest

- 3.1 None.

## Item 4 – Minutes of the 19th May 2022 meeting

- 4.1 The minutes of the meeting which took place on 6th and 7th July 2022 were approved.

## Item 5 – Matters Arising

- 5.1 The Chair went through the action points all of which had been completed or progressed.
- 5.2 Zoe Long confirmed that PSNC's name will be changed to Community Pharmacy England in April 2023. A tender process has started to find an agency to support the work on rebranding.

## Item 6 – Subcommittee reports

- 6.1 Key points of the discussion at the Service Development Subcommittee were presented by Fin McCaul.
- 6.2 Key points of the discussion at the Funding and Contract Subcommittee were presented by Peter Cattee.
- 6.3 Key points of the discussion at the Resource Development and Finance Subcommittee were presented by David Broome. A question was raised on whether the rates within the Committee members' expenses policy covered current locum costs. The view was that members should not attend PSNC meetings at a loss and it was agreed that Mike Dent will produce a formal written proposal for a short-term amendment to the policy. This will be shared with the RDF Subcommittee and the Committee for approval.
- 6.4 A question was raised around the reduction in expenses Committee members have claimed and what had changed to create this situation. Mike Dent explained that this is due to meetings taking place remotely. It was noted that the expenses policy is one that the Committee agreed and that is what has been implemented. Any monies paid by PSNC are audited by accountants.

### Item 7 – Funding Pressures

- 7.1 It was noted that pressure is being felt across the health sector and households, and the Chief Executive highlighted the key drivers of the pressures on pharmacies.
- 7.2 In her presentation, the Chief Executive also talked about PSNC's goals, which included securing the £100m, promoting community pharmacy as the solution to NHS challenges, seeking short-term relief and crisis funding and reassuring the sector that PSNC recognises the crisis and that it is working on their behalf.
- 7.3 The Committee held a detailed discussion on pressures in the sector, including how to improve on the circumstances of contractors and to share with them the programme of work being undertaken by PSNC. Some members suggested more detailed conversations on our communications plans should be undertaken at the next CPA subcommittee meeting.

### Item 8 – Update on the deal

- 8.1 The Chief Executive presented an update on the Year 4 and 5 negotiations. It was noted that the deal had been approved by HM Treasury, notwithstanding the initial difficulties getting sign-off for the write-off of £100m margin. However, financial pressures have worsened considerably since the deal was agreed.
- 8.2 The Chief Executive commented that the office had gone back to DHSC on the draft joint letter to contractors, highlighting serious concerns.
- 8.3 The Chief Executive discussed the consequences of the Committee agreeing or rejecting the deal.
- 8.4 The Committee were asked for their views. A minority of Committee members proposed rejecting the deal. The majority of members agreed that the Committee accept the deal and move forward, as the £100m is important. It was therefore agreed to go ahead with the deal.
- 8.5 Work will continue to argue for increased funding for contractors, including from outside the NHS funding envelope. It was suggested that a meeting with the Secretary of State should be arranged as soon as possible to highlight the ongoing issues, but also to identify how the sector can be a solution for primary care access issues, with the right funding and support. There were concerns about how to communicate the agreement to the sector and how it will be received, with suggestions made on what approach to take. The CEO agreed to continue to press for an early meeting with Ministers to push for further support and the scope for revisiting a fully funded pharmacy first scheme.

### Further options to promote funding solutions for the sector

- 8.6 The Chief Executive presented slides on a range of short, medium and long term options to build on the funding deal and secure improved funding for the sector.
- 8.7 It was noted that the Committee should build on the opportunities of a new Government to seek a properly funded Pharmacy First scheme.
- 8.8 The Chief Executive highlighted that the short-term objective is to seek other business relief for the funding crisis and that this will involve developing an influencing strategy to engage with wider stakeholders, including Parliamentarians and patient groups.
- 8.9 The Chief Executive also discussed the medium and long-term goals which include efficiency reforms, the economic review, sectoral reform, a re-think of the structure of the CPCF, vision and strategy, influencing strategy, and financial modelling. It was noted that the key question is capacity and resources to deliver on these priorities and the TAPR programme.
- 8.10 In discussion groups, the Committee discussed what other options should be considered and which are most viable and important. There were many suggestions around communications, services, funding and influencing and it was agreed that the office will develop an action plan around these areas for future discussions, including the announcement of the Year 4 and 5 deal and to better understand and strengthen our relationship with government.

### Item 9 – TAPR Programme

- 9.1 Robbie Turner took the Committee through each workstream on the TAPR Programme, which included a demonstration of the project management tool, Monday.com, and the level of detail within.

- 9.2 Robbie Turner noted this is an ambitious and complex programme and reflected on the conversations he has had to date with LPCs and contractors, questioning why we are doing this when there are so many challenges in the sector. It was explained to them that this programme is a response to these challenges, to develop influence and strategy which is a key deliverable. Ensuring there is a strong brand is essential. It was however noted that most LPCs are embracing this piece of work.
- 9.3 It was agreed that an update would be provided to the Committee at each meeting on the progress of the programme. Also that the Committee be made aware if any problems or significant events are encountered.
- 9.4 The Chief Executive provided a verbal update on the vision and strategy project. Following a discussion, the Committee agreed in principle to proceed with the project. However, it was important to ensure that there is an economic and financial strand to this. It has to influence NHS funding and show cost effectiveness, as well as the resourcing required.
- 9.5 Gordon Hockey provided a presentation on PSNC's size and composition. The RSG recommendations included reducing the size of the Committee. This followed two evening update meetings during the summer on 26th July and 30th August, and discussions within and between some of the sector groups represented on the Committee and the PSNC office.
- 9.6 Following the presentation and questions, the Committee discussed the issues in smaller groups with a view to reporting views back to the Committee as a whole. Following this, there was a 'time-out' for the sector groups to discuss additional information presented since the last update meeting on the 30<sup>th</sup> of August.
- 9.7 The four main issues were reducing the size of the Committee, smaller non-CCA independent multiples elected contractor (the assured place), an AIM recognised elected non-CCA independent multiple minor representative, and supporting changes to the Constitution and Rules and detailed in the agenda paper and annexes (plus one additional change to the Rules to change the number of regions to be identified as 10). The Committee, numbering 31 voted on the proposed changes to the Constitution and Rules:

**Vote 1** - Change to the Constitution to reduce the Committee size to 9 CCA, 3 Non-CCA Independent Multiples, 10 Independent Regional Representatives and 2 appointed NPA Representatives, a Chair, and (optional) a Welsh representative.

30 voted yes. 0 no and 0 abstained. Change agreed. Approved unanimously, by at least two thirds.

**Vote 2** - Change to the Rules to remove the 'assured' place for smaller Non-CCA Independent Multiples – deleting part 2 of Rule 15.1

8 voted yes; 21 no and 0 abstained. Change not agreed.

**Vote 3** - Change to the Constitution to enable the Committee to recognise one of the elected Non-CCA Independent Multiple members, if a Board member of AIM, as representing the views of AIM, as well as being elected.

15 voted yes; 13 voted no and 1 member abstained. Change not agreed. The vote was not approved by the required two thirds majority for a change to the Constitution.

**Vote 4** - Changes to the Constitution and Rules as set out in paragraph 8 of the agenda paper and annexes with 'track changes' and one additional change to 10 regions.

28 voted yes; 0 voted no and 1 member abstained. Change agreed, by at least two thirds. [Certain changes relating to the Association of Independent Multiple Pharmacies (AIMp) were reversed at the November 2022 PSNC meeting.]

(Those members not 'voting' to abstain have technically abstained from the vote)

It was noted that a wider review of governance would follow, including overarching governance for LPCs and PSNC.

**Action:** The PSNC Constitution and Rules to be revised as agreed in votes 1 and 4.

9.8 James Wood provided an overview of the LPC conference on the 22nd September. Committee members were asked to facilitate in-person and online breakout group discussions. The Chair thanked the Committee for their engagement.

Item 10 – Any Other Business

10.1 The Chair thanked the office for all their hard work.