

## PHARMACEUTICAL SERVICES NEGOTIATING COMMITTEE

### CONSTITUTION

#### 1. Definition & Interpretation

- 1.1 "Pharmaceutical Services Negotiating Committee" and "PSNC" is the body referred to in section 165 (1) (a) of the National Health Service Act 2006, which the Secretary of State recognises as the representative of NHS community pharmacy contractors in England.
- 1.2 "Pharmacy contractors" means "NHS pharmacists" and in this constitution includes "LPS pharmacists".
  - 1.2.1 "Independent pharmacy contractor" means a pharmacy contractor that operates retail pharmacy businesses from no more than 9 premises in England from which NHS pharmaceutical services are provided, and is not a member of the Association of Independent Multiples.
  - 1.2.2 "Multiple pharmacy contractor" means a pharmacy contractor, other than a member company of the Company Chemists' Association, that operates retail pharmacy businesses from more than 9 premises in England from which NHS pharmaceutical services are provided, or is a member of the Association of Independent Multiples.
- 1.3 "NHS pharmacist" means a registered pharmacist or a person lawfully conducting a retail pharmacy business in accordance with section 69 of the Medicines Act 1968 in England and Wales, which has been included in a pharmaceutical list maintained by NHS England, to provide National Health Service pharmaceutical services, not including appliance contractors.
- 1.4 "LPS pharmacist" means a registered pharmacist or a person lawfully conducting a retail pharmacy business in accordance with section 69 of the Medicines Act 1968 in England and Wales, who provides local pharmaceutical services, not including appliance contractors.
- 1.5 "Registered pharmacist" means a person registered in the register of pharmacists maintained under the Pharmacy Order 2010.
- 1.6 "Rules" means the Rules established by PSNC as amended from time to time in accordance with paragraph 12.
- 1.7 "Local Pharmaceutical Committee" and "LPC" means a local representative committee having a constitution that has been recognised and accepted under the provisions of the NHS Act 2006 by NHS England and the PSNC.
- 1.8 "The approved governance" means the governance practices and procedures established by PSNC as amended from time to time in accordance with paragraph 12.

#### 2. Title

The Organisation shall be known as "Community Pharmacy England or CPE". (This provision is effective from 1 April 2023)

### 3. Functions of the PSNC

Subject to paragraph 14.4 the functions of the PSNC are:

- 3.1 to secure for pharmacy contractors the best possible contractual terms and remuneration in respect of National Health Service pharmaceutical services and Directed services provided by them.
- 3.2 To represent, protect and serve the interests of all pharmacy contractors and to develop community pharmacy services to the benefit of pharmacy contractors.
- 3.3 To negotiate, as representative of the general body of pharmacy contractors with the Department of Health and Social Care and NHS England, the conditions of service and the remuneration for the dispensing of National Health Service prescriptions and the provision of the pharmaceutical services and Directed services under the National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations and any Directions issued by the Secretary of State.
- 3.4 To represent pharmacy contractors in discussions and negotiations with other Government Departments and other bodies.
- 3.5 To consider, support or oppose legislation, proposed or otherwise, affecting pharmacy contractors in connection with the National Health Service Pharmaceutical Services and Directed services.
- 3.6 To check and use all reasonable endeavours to agree each month with the Department of Health and Social Care the prices to be used by the NHS Business Services Authority for pricing National Health Service prescriptions.
- 3.7 To carry out as the agent of Local Pharmaceutical Committees in England and, if appropriate, Wales, Pricing Audit to check on a sampling basis on behalf of pharmacy contractors the pricing and accounting of National Health Service prescriptions and to carry out such other functions as the PSNC may direct.
- 3.8 To provide an advisory service to pharmacy contractors on matters relating to the National Health Service.
- 3.9 To advise and support Local Pharmaceutical Committees in negotiations with local authorities and other commissioners.
- 3.10 Generally to do all other things necessary to preserve, protect and further the interests of pharmacy contractors in connection with the provision of the National Health Service Pharmaceutical Services and Directed services.
- 3.11 To carry out such administrative activities as are necessary to perform the functions described in this paragraph.

### 4. Term of Office

- 4.1 The term of office for elected members of the PSNC shall be four years commencing on 1 April in the year of the election. [Except that the term of office starting on 1 April 2022 shall be postponed until 1 April 2023 and current PSNC members shall have a term of office of 5 years.]

- 4.2 The maximum period of office for elected and appointed members of PSNC shall be 12 years, generally three terms of four years for elected members; for terms of office on or after 1 April 2023. (There is separate provision in the Rules for the Chair.)

5. Meetings

5.1 Meetings of the PSNC shall normally be held at least quarterly each year. Members of the PSNC shall, wherever possible, be given not less than seven days clear notice by the Chief Executive of such meetings.

5.2 A member who is unable to attend a plenary meeting of the PSNC may appoint another member of the Committee as his proxy to vote on his behalf at any such meeting provided that the proxy is declared at the commencement of the meeting.

5.3 Meetings may be conducted by members who are not at the same premises.

6. Membership

6.1 The PSNC shall consist of its Chair together with 24 registered pharmacists (subject to paragraph 6.2.3 and 6.4.3).

6.2 The composition of the PSNC shall be as follows:

6.2.1 A Chair appointed by the PSNC in accordance with the Rules who may be, but need not be, a registered pharmacist.

6.2.2 TEN Independent pharmacy contractors elected as regional representatives in accordance with the Rules.

6.2.3 ONE pharmacy contractor appointed by Community Pharmacy Wales to be the representative of contractors in Wales, if agreed by PSNC.

6.2.4 TWO Independent pharmacy contractors appointed by the Board of Management of the National Pharmacy Association.

6.2.5 NINE registered pharmacists appointed by the Company Chemists' Association.

6.2.6 THREE Multiple pharmacy contractors elected as multiple pharmacy contractor representatives in accordance with the Rules.

6.2.7 No person shall be eligible to be a member of the PSNC unless he agrees to be bound by the Code of Conduct adopted from time to time by the PSNC.

6.3 Appointments under paragraphs 6.2.3, 6.2.4 and 6.2.5 shall be made by giving not less than 21 days notice of the appointment to the Chief Executive Officer of PSNC. The notice shall be signed on behalf of the appointing body, confirming that the person is eligible for appointment under this Constitution.

6.4 Where a vacancy exists as a result of no candidates being eligible for election as regional representative, the PSNC may, in accordance with the rules, co-opt a pharmacist as regional representative for the region in which the vacancy exists.

6.4.1 The pharmacist so co-opted shall remain a member of the PSNC until 31 March in the year in which the regional representative elections are to be held.

6.4.2 The pharmacist so co-opted shall be regarded in this constitution as if elected as a regional representative.

6.4.3 Until 1 April 2023, the size of PSNC remains 32, in the proportions elected and appointed on 1 April 2018.

7. Observers

The PSNC at its discretion shall have the right to make observer arrangements with other pharmaceutical bodies.

8. Quorum

The number of members of the PSNC who shall form a quorum shall be thirteen (or fourteen, if the PSNC includes a pharmacy contractor appointed by Community Pharmacy Wales in accordance with paragraph 6.2.3).

9. Disqualification or Resignation of Members

9.1 Where an elected member of the PSNC ceases to be eligible his seat on the PSNC shall thereupon be vacated and a vacancy shall be deemed to have occurred.

9.2 An elected Independent pharmacy contractor shall become ineligible if that member:

9.2.1 ceases to be registered as a pharmacist;

9.2.2 is no longer a pharmacy contractor either individually or in partnership, or a director and substantial shareholder (either personally, or through shares owned by members of his immediate family, i.e. parents, spouse or children) of a body corporate which is a pharmacy contractor in the region in which he was elected;

9.2.3 has substantial ownership (either personally, in partnership or through shares owned by members of his immediate family, i.e. parents, spouse or children) in more than nine pharmacies;

9.2.3 is a member or officer of a local pharmaceutical committee from which the levy due under paragraph 14.3 has not been received by PSNC within 6 months of the due date;

9.3 An elected Multiple pharmacy contractor shall become ineligible if that member:

9.3.1 ceases to be registered as a pharmacist;

9.3.2 is no longer a Multiple pharmacy contractor either individually or in partnership, or a director and substantial shareholder (either personally, or through shares owned by members of his immediate family, i.e. parents, spouse or children) of a body corporate which is a Multiple pharmacy contractor, or is employed by a Multiple pharmacy contractor.

9.4 Where a member of the PSNC has been absent from three consecutive ordinary meetings of the PSNC to which the member has been summoned, the PSNC shall declare the seat has been vacated and a vacancy shall be deemed to have occurred unless satisfied that his absence was unavoidable due to illness or some other cause. A member of the PSNC who vacates his seat under this sub-paragraph shall not be eligible for re-election or re-appointment during the period of office of the PSNC from which the seat was vacated.

- 9.5 A member of the PSNC may resign therefrom by notice in writing signed by that member and delivered to the Chief Executive Officer, thereupon his seat shall be vacated and a vacancy shall be deemed to have occurred.
- 9.6 Where the PSNC considers, under sub-paragraph 9.1 that a member is ineligible or, under sub-paragraphs 9.4 or 9.5 that his seat has been vacated, the PSNC shall issue a notice and the member's seat shall be vacated from the date of such notice.
- 9.7 A member appointed under sub-paragraphs 6.2.3, 6.2.4, or 6.2.5 may also be removed from membership at any time by the body which appointed the member.

#### 10. Method of Filling Vacancies

- 10.1 Where by a reason of the death of an elected member, or under the provisions of paragraph 9 a vacancy in the elected membership occurs, the PSNC may within a reasonable period after its occurrence, hold an election to fill the vacancy for the remainder of the term.
- 10.2 Where by reason of the death of an appointed member, or under the provisions of paragraph 9 a vacancy in the appointed membership occurs, the appointing body will be invited to appoint another member to fill the vacancy for the remainder of the term.
- 10.3 A pharmacist elected as regional representative to fill a vacancy shall remain a member of the PSNC until 31 March in the year in which the regional representative elections are to be held.
- 10.4 The proceedings of the PSNC shall not be invalid by reason of any vacancy.

#### 11. Amendment of Constitution

The written Constitution of the PSNC shall not be altered except by a two thirds majority vote of those present and voting at a meeting called with at least seven days notice of an intention to propose a change to the Constitution or by Statute.

#### 12. Amendment of Rules or Approved Governance

The written Rules or Approved Governance of the PSNC shall not be altered except by a two thirds majority vote of those present and voting at a properly convened meeting of the Pharmaceutical Services Negotiating Committee or by Statute.

#### 13. Conference of Representatives of Local Pharmaceutical Committees

A Conference of Local Pharmaceutical Committees shall be called by the PSNC normally at least once in each calendar year, in accordance with the Rules.

#### 14. Finance

- 14.1 The income and property of the PSNC shall be applied solely towards the promotion of the functions set out in paragraph 3, and any surplus in any one year shall be carried forward into subsequent years.
- 14.2 PSNC is funded by pharmacy contractors.
- 14.3 The funds are collected through Local Pharmaceutical Committees.

- 14.4 The PSNC shall not be obliged to provide services to, or represent the interests of, any Local Pharmaceutical Committee or pharmacy contractor, unless the levy due under paragraph 14.3 is paid by the due date.
- 14.5 The amount due shall be invoiced to each Local Pharmaceutical Committee at the commencement of the financial year, with provision to pay this amount either by quarterly direct debit in advance, or for payment methods other than direct debit, in two instalments, the second instalment to be due at the commencement of the seventh month of the financial year. The Local Pharmaceutical Committee levy shall be remitted by Committees within 28 days of demand or of due date whichever shall be the later (see also PSNC Rule 16.3.2).
- 14.6 The PSNC shall have the power to borrow or otherwise raise any monies which in their absolute discretion may be required for any fundings of the PSNC and in particular, but not by way of limitation, for the purpose of acquisition of any freehold or leasehold property and to have power to charge the same to secure the payment of monies so borrowed or raised.
- 14.7 The financial year shall be from 1 April to 31 March of the following year inclusive.

15. Subcommittees of PSNC

The sub-committees and panels of PSNC shall be those set out in the Rules and the Approved Governance.

17. Salaried Officials

- 17.1 The PSNC may appoint or dismiss salaried officials as the PSNC may from time to time determine.
- 17.2 The most senior salaried official shall be designated the Chief Executive Officer whose role shall be defined by the PSNC.
- 17.3 Salaried officials, shall be responsible to the PSNC for the day to day administration of the PSNC's affairs, including the preparation of accounts and the writing of Minutes of proceedings at meetings of the PSNC and shall hold office for such period and shall perform such other duties and receive such remuneration upon such terms and conditions as the PSNC may from time to time determine.

18 Winding up or Dissolution of PSNC

If upon the winding up or dissolution of PSNC there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Committee, but shall be returned to pharmacy contractors under arrangements determined by PSNC.

Interim Provision

19. Notwithstanding the current Constitution and Rules, between 1 April 2023 and 1 April 2024, as a transitional provision, PSNC will continue with the current Chairs and memberships of subcommittees and panels, with any additional temporary appointed and elected persons, and the subcommittees and panels may have fewer members than stated in the Rules, as agreed by the Committee.