

Community pharmacies: A key issues briefing for parliamentarians

Community pharmacy: Where we are and where we are going

Community Pharmacy England represents all of the approximately 10,800 community pharmacies in England and negotiates the Community Pharmacy Contractual Framework (CPCF) with the Government on their behalf.

The £645 million of new funding for the sector – campaigned for by us – , and included in the recent *Delivery Plan for Recovering Access to Primary Care* in May 2023, is welcome. It will fund the introduction of a Common Conditions Service which will help patients gain easier access to minor ailments treatments, closer to home.

We are currently negotiating on how the funding is delivered to ensure that community pharmacies have the core capacity to meet patient needs and deliver completed episodes of care.

There is so much more that community pharmacy could offer. We hope that the upcoming NHS Vaccinations Plan will make even more use of pharmacies, which have consistently proved themselves a vital vaccines provider during winter 'flu campaigns and throughout the Covid-19 pandemic. We want to do more to support women's health, improve and increase prevention services, expand public health, support more patients with long-term conditions, and to take pressure off General Practice and other parts of the health service.

To realise the potential that community pharmacies can offer, we are calling for:

- **Retaining and developing the Common Conditions Service** to allow patients to have walk-in consultations for minor conditions, providing accessible care and easing pressure on general practice.
- **Building on other clinical service areas** such as vaccinations, women's health, long-term conditions management such as asthma and diabetes. Pharmacy can do much more to contribute to key NHS priority areas and to help to get the health service back on a sustainable footing.
- **Reform of the funding arrangement framework** to enable more flexibility regarding sector funding, giving pharmacies a long-term, sustainable funding agreement.
- **Reform to the medicines market and other regulatory burdens** to avoid the situation we are now in, where **pharmacists are dispensing medicines at a loss and patients are facing delays for medicines**.
- A plan for the **community pharmacy workforce** that ensures pharmacies can keep their doors open and keeps community pharmacists in local pharmacies by reducing recruitment into PCNs.



Community pharmacy needs fair and sustainable funding

Pharmacies are now facing unsustainable operational and financial pressures. Since 2016, the **funding received by community pharmacies has declined by 30% in real terms**. This funding squeeze has been accompanied by inflationary pressures and workforce shortages which have also driven up costs. This has pushed pharmacies to withdraw some services, reduce their opening hours, and in some cases, close permanently.

The £645 million for the new Common Conditions Service, while welcome, **does not address the underfunding of existing core services**.

Community pharmacy could continue to grow its role in clinical care delivered in every neighbourhood and reaching all parts of the population, reducing pressure on frontline NHS services. But in order to do so there needs to be a stable, long-term and sustainable funding commitment which will enable pharmacies to invest for the future.

This means a fundamental review of the Community Pharmacy Contractual Framework (CPCF) with alignment of care pathways and incentives within the wider primary care system.

Pressures on community pharmacies have reached breaking point

Community pharmacies are funded according to a contractual framework agreed by Community Pharmacy England, the NHS and Government. **This framework accounts for around 90% of pharmacies' income**. The remaining 10% can come from locally commissioned services – such as from local public health teams – and from retail income.

In 2019, a five-year deal was agreed for pharmacies following three previous years of cuts. The deal funds the core medicines supply services and a range of other national services. The funding for these national services is 'flat' – at £2.592bn each year – until the end of March 2024. **This means real terms funding for pharmacies is reducing year on year, as substantial inflationary increases are not being taken into account**.

Current pressures on community pharmacies include:

- Pharmacies are seeing their costs increase significantly due to inflation and cost of living.
- Workforce pressures have been significant. Since the introduction of the Additional Roles Reimbursement Scheme (ARRS) in 2019, 6,400 pharmacists have been recruited into GP surgeries and PCNs. Worsened by a trend of fewer pharmacists working full time, the cost of locum pharmacists has gone up 80% between 2022–2023 and forecast to be 100% this year.
- There is scope for greater use of ARRS funding within community pharmacy to build partnerships with GPs and greater use of skill mix in pharmacy teams to make best use of pharmacists' clinical competence.

- We estimate that pharmacies will have already made efficiencies of between 37% and 50% from the period 2015/16 until 2022/2023.
 - Our analysis of costs shows that the sector was underfunded by at least 13.7% in Years 1 and 2 of the five-year CPCF.
 - Pharmacies are having a greater financial squeeze applied to them than other NHS services. While pharmacy funding has remained flat at a reduced level since 2015/16, the NHS as a whole has benefited from an annual funding growth rate of 3.4%.
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Vision and strategy for community pharmacy

We have commissioned the King's Fund and Nuffield Trust to develop a [Vision for Community Pharmacy](#), which will suggest innovative ways that pharmacies can go even further to maintain good health and support patients.

The Vision will be launched in September 2023 and aims to:

- Set out ambitions for community pharmacy to demonstrate to Government and commissioners our vital and potentially growing role in primary care.
 - Enable the sector to unite behind shared goals and ambitions.
 - Develop, as far as possible, with Government and the NHS, a shared agenda and the case for a sustainably funded sector.
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Contact:

Zoe Long Director of Communications, Corporate and Public Affairs: zoe.long@cpe.org.uk

George Foote Public Affairs and Policy Manager: George.Foote@cpe.org.uk