

MP briefing for Westminster Hall Debate on 'The future of community pharmacies'.

Peter Aldous MP has secured a Westminster Hall Debate on Thursday 14th September at 3pm. This briefing sets out some of the key issues facing community pharmacies, as well as what we believe are the solutions to these issues in the short and long term.

Community Pharmacy England represents all ~10,800 community pharmacies in England and negotiates the Community Pharmacy Contractual Framework (CPCF) with the Government on their behalf, worth up to £2.592bn per year.

The £645 million of new funding for the sector – campaigned for by us – included in the recent joint NHS England and Department of Health and Social Care's *Delivery Plan for Recovering Access to Primary Care* in May 2023, is a welcome vote of confidence in community pharmacies. The intention is that it will fund the introduction of a common conditions service which will help patients gain easier access to treatments for seven common conditions (sinusitis, sore throat, earache, infected insect bite, impetigo, shingles, and uncomplicated urinary tract infections in women), without the need to visit a GP, and also provide additional funding for the current NHS Pharmacy Contraception and NHS Hypertension Case-Finding services.

We are currently negotiating on how this funding commitment will be delivered to ensure that community pharmacies can meet patient needs and we welcome the confidence and additional investment in community pharmacy. However, pharmacies are under significant funding and workforce pressures. Until those negotiations are complete, we do not know the extent to which this additional investment will help community pharmacies with these current pressures, but we do know that it will not address all of the pressures as outlined later in this briefing.

There is so much more that community pharmacies could offer if they have the right funding and support in place. Pharmacies have consistently proved themselves to be a vital local healthcare and vaccine providers during winter flu campaigns and throughout the Covid-19 pandemic. They want to do even more to support women's health, improve and increase preventative services, expand public health, support more patients with long-term conditions, and take pressure off General Practice and other parts of the health service, including A&E.

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

- **Reform of pharmacy funding arrangements to give** pharmacies a long-term, economically sustainable funding agreement.
- **Implementation and development of 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 and long-term conditions management such as asthma and diabetes, using independent prescribing

rights. 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. (See our response to NHS England's consultation on the future of vaccination services, [here](#)).

- **Reforms and improvements to the medicines market** to avoid the situation we are now in, where **pharmacies are dispensing some medicines at a loss and patients are facing delays for medicines**. (See our specific medicines market instability briefing, [here](#)).
- **Removal of certain regulatory burdens** to make running community pharmacies easier and to seek to limit the increasing costs of service provision.
- A plan for the **community pharmacy workforce** that ensures pharmacies can keep their doors open and keeps community pharmacists in local pharmacies. (See [this submission to the Health and Social Care Committee's inquiry on workforce](#)).

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 can continue to grow its role in clinical care delivered in every neighbourhood and reaching all parts of the population, including those most in need, reducing pressure on frontline NHS services. But pharmacies need a stable, long-term and sustainable funding commitment which will enable them to invest for the future.

This means a review of the Community Pharmacy Contractual Framework (CPCF) and the funding available, with alignment of care pathways and incentives within primary care systems.

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 or private 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. Our analysis shows that there have been **1,118**



pharmacy closures since 2016, with most taking place within the most deprived areas. (See our [briefing on permanent and temporary closures, here](#)).

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.
- 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%.
- Our 2023 Pharmacy Pressures survey found that **97% of pharmacy owners reported being unable to source medicines for patients and 81% said they were unable to spend as much time with patients.** (See our [2023 Pharmacy pressures survey summary, here](#)).

Vision and strategy for community pharmacy

We have commissioned the King's Fund and Nuffield Trust to develop an independent [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 on 19th 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.

Please get in touch if you require any further resources ahead of the debate:

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