

Briefing 029/23: Recovery Plan agreement – Summary and FAQs for pharmacy owners and LPCs

Community Pharmacy England has reached agreement with the Department of Health and Social Care (DHSC) and NHS England (NHSE) on the launch of a national Pharmacy First service as well as other changes to pharmacy funding and services.

This agreement covers the £645 million investment pledged to support community pharmacy services within the [Delivery plan for recovering access to primary care](#). This briefing summarises the elements for community pharmacy owners and LPCs, as well as addressing some key questions on the negotiations and the agreement that has been reached.

Summary of the deal

- The Pharmacy First service will launch on 31st January 2024 (subject to IT systems being in place).
- The service involves providing consultations to give advice and NHS-funded treatment (via Patient Group Directions), where appropriate, for seven common conditions (clinical pathways consultations). The consultations can be provided to patients who self-refer to the pharmacy (e.g. walk-ins) as well as those referred by NHS 111, GPs and others.
- The seven conditions are: sinusitis, sore throat, acute otitis media, infected insect bite, impetigo, shingles and uncomplicated urinary tract infections in women.
- Distance Selling Pharmacies (DSPs) will be able to provide six of the seven Pharmacy First clinical pathways remotely via video consultations but may not provide clinical pathways consultations on their premises (due to links with the support for self-care Essential service and restrictions regarding the provision of Essential services on the pharmacy premises). The acute otitis media clinical pathway requires the use of an otoscope, so that pathway will not be provided by DSPs.



- The Pharmacy First service will also incorporate the existing Community Pharmacist Consultation Service (CPCS). Pharmacies will be paid £15 per consultation.
- An initial fixed payment of £2,000 will be available to claim from December up to the launch of the Pharmacy First service, which will be reclaimed if pharmacy owners do not provide five clinical pathways consultations by the end of March 2024.
- From February 2024, in addition to the £15 consultation fee, a monthly fixed payment of £1,000 will be paid to pharmacy owners who meet a minimum activity threshold of clinical pathways consultations (the threshold will increase over time as set out below).

Month	Minimum number of clinical pathways consultations
February 2024	1
March 2024	5
April 2024	5
May 2024	10
June 2024	10
July 2024	10
August 2024	20
September 2024	20
October 2024 onwards	30

- The Pharmacy Contraception Service will be expanded from 1st December 2023 to include initiation of contraception. From the same date, the Hypertension Case-Finding Service will be relaunched to make better use of skill mix and increase provision of ambulatory blood pressure monitoring (ABPM). Up to £30m worth of consultations per year will be funded from core CPCF funding, with the rest coming from the Recovery Plan fund up to a value of £75 million.
- Fee over-delivery from 2021/22 and 2022/23 (worth £76m) will be written off, and £36m fee over-delivery will be permitted for 2023/24.
- We will continue our work monitoring service delivery, feeding into a new tripartite implementation group to scrutinise uptake and activity volumes of Pharmacy First to set consultation caps for the second half of 2024/25.
- All parties will work together on the communications campaign for Pharmacy First: we will be seeking to balance driving uptake of the seven clinical pathways and the two re-launched services with preventing inappropriate demand being driven into community pharmacy.

- Over the next few months, we will consider separate terms of service for DSPs with DHSC and NHSE.

More information about the different parts of this deal have been set out in the following letter:

[Joint letter to community pharmacy owners from Community Pharmacy England, DHSC and NHSE](#)

Further information

Community Pharmacy England bid for a Pharmacy First service back in March 2022 and followed up on our bid with an extensive influencing campaign to build support for the proposal.

The service is a crucial first step in recognising and properly funding the enormous amount of healthcare advice that community pharmacies provide to the public every day and in establishing and funding community pharmacy as the first port of call for healthcare advice.

Funding, caps and activity thresholds for the service have been the subject of much negotiation and we are pleased to have secured an initial payment of £2,000 per pharmacy to be made available ahead of the launch, as well as fixed monthly payments, subject to meeting activity thresholds.

Funding for the clinical pathways consultations within the new service will come from the new investment, which is outside of the Community Pharmacy Contractual Framework (CPCF) funding, and we have agreed to work at pace to establish a formula for managing activity volume caps going forwards.

Meanwhile, the Pharmacy Contraception Service will be expanded to include the initiation of contraception, and the Hypertension Case-Finding Service will re-launch with a focus on increased provision of ABPM. We also secured agreement to allow greater use of skill mix in both services. This will be particularly important for the future provision of the Hypertension Case-Finding Service, with any suitably trained staff member being able to provide the service, with clinical supervision from the pharmacist.

The changes to these services will commence on 1st December 2023, but pharmacy owners who are already providing the Pharmacy Contraception Service (repeat supplies of contraception) will have time to get ready to start providing initiation of contraception.



Further information on all the services and resources for pharmacy teams will be provided shortly, once the updated service specifications are published.

Wider implications

As part of these negotiations, wider issues around funding and service provision were discussed, and we worked to protect pharmacy owners from significant changes on issues that would have long-term impacts on the sector. This included preventing the recovery of a fee over-delivery worth £112 million which would have further hurt businesses and cashflow, and postponing a requirement for pharmacies to provide all three services under discussion before receiving the monthly payments for Pharmacy First.

We were also clear that IT systems must be in place in time for the launch (and re-launch) of these services and pushed to be involved in communication planning to prevent inappropriate demand from being directed into community pharmacy.

This deal does not address the chronic underfunding of community pharmacy but does give pharmacy owners an opportunity to significantly improve their cashflow over the coming two years. It also gives us hope for the future that, where we can offer solutions, Government is willing to pay for these despite the very tight fiscal environment.

Frequently Asked Questions (FAQs)

Negotiations

Q. Is Community Pharmacy England happy with this agreement?

Following many months of complex negotiations, our Committee unanimously agreed to this deal. Whilst it took longer to reach a conclusion than we would have liked, it was vital to get things right. Throughout these negotiations we sought improvements on key grounds, securing important concessions around access to an upfront service payment, the readiness of digital systems, the level of service activity thresholds, and a write-off of fee over-delivery from previous years. All of this was critical to help the sector in delivering these services and to ensure that pharmacy owners get most benefit from the promised investment.

Q. Has the agreement taken into account pharmacy owners' capacity and funding issues?

All members of the Community Pharmacy England Committee are pharmacy owners or



representatives of pharmacy owners themselves. As such they are acutely aware of the current funding and capacity issues which are also affecting their own businesses. This investment in community pharmacy is desperately needed, but it won't solve all of the sector's issues.

We have been clear about the current pressures throughout the negotiations and also that in future CPCF negotiations we will be continuing to push for a sustainable funding package. Throughout these negotiations we laid down important markers for the future, such as the need for:

- Upfront payments to support the preparation and planning for new services;
- Appropriate digital systems to be in place before new services launch;
- Sustainable funding levels to support the ongoing delivery of services; and
- Proper consideration of issues that would have long-term impacts on the sector.

Q. Does Community Pharmacy England now support the Pharmacy Contraception Service?

Whilst this agreement does not address the chronic underfunding of community pharmacy, it is positive that Government and the NHS have listened to and responded to our concerns about the affordability of new services. The new funding for the service means many more consultations are achievable without putting pressure on the core contractual sum, and we now hope pharmacy owners will be able to embrace the service and that many patients will be able to benefit from it.

Further information on the negotiations will be discussed in our Recovery Plan deal webinars on 27th and 28th November 2023 – register now at: cpe.org.uk/webinars

Q. When will negotiations on the CPCF for 2024/25 begin?

All sides aim to begin the 2024/25 CPCF negotiations as soon as possible now that these negotiations have concluded. We are very conscious of the financial and operational pressures on pharmacies, and how the details for 2024/25 need to be provided as early as possible so that pharmacy owners can plan accordingly.

Services and Implementation

Q. How will the national Pharmacy First service work?

The new national Pharmacy First service aims to support communities in staying well and local healthcare systems to meet the needs of their populations. The service will launch on 31st



January 2024 (subject to the required IT systems being in place).

The service involves providing consultations to give advice and NHS-funded treatment (via Patient Group Directions), where appropriate, for seven common conditions (clinical pathways consultations).

The consultations can be provided to patients who self-refer to the pharmacy (e.g. walk-ins) as well as those referred by NHS 111, GPs and others.

The service will also incorporate the current Community Pharmacist Consultation Service (CPCS), meaning there will be three elements to the Pharmacy First service:

- Pharmacy First (clinical pathways consultations) – new element
- Pharmacy First (urgent repeat medicine supply) – previously commissioned as the CPCS
- Pharmacy First (NHS referrals for minor illness) – previously commissioned as the CPCS

The seven clinical pathways cover:

1. Sinusitis
2. Sore throat
3. Acute otitis media
4. Infected insect bite
5. Impetigo
6. Shingles
7. Uncomplicated urinary tract infections in women

Q. What digital systems will be in place to support the Pharmacy First service?

To support the launch, pharmacy owners will have access to clinical services IT systems in which to make their clinical records for the service. These systems will also automatically send data on service provisions to the NHSBSA's MYS portal, via an application programming interface (API), which will populate the end of month payment claim. The systems will also allow more parts of the GP record to be seen, via GP Connect: Access Record and they will send automatic updates to the GP record on the consultation and any medicines provided. This is a significant step forward towards the integration of pharmacy and GP care records that will support the future development of community pharmacy services. We have been pressing for this interoperability for many years, so this investment in it is very welcome.



Work is also being undertaken with NHS Pathways to develop their clinical triage system to send electronic referrals from NHS 111 and Urgent and Emergency Care settings to community pharmacy that may otherwise go to a GP practice for the seven common conditions. Further work is ongoing with existing IT suppliers to streamline referrals from GPs to community pharmacies, moving those away from reliance on NHSmail.

Q. Can distance selling pharmacies offer the Pharmacy First service?

Where it is safe to do so, Pharmacy First clinical pathways consultations with patients can be provided remotely via good quality video consultation by all pharmacies. However, distance selling pharmacies (DSP) will not be able to provide these consultations on their pharmacy premises due to the link with the Support for the Self Care Essential service. They will also be limited to providing six of the seven clinical pathways – the acute otitis media pathway is excluded as it requires otoscope examination of ear.

Q. What will happen to any locally commissioned Pharmacy First services?

Where locally commissioned services include one or more of the seven clinical pathways, we expect those elements of the local services will be decommissioned by the commissioner. We are working with the affected LPCs to help them to identify other options which could potentially be discussed with the local commissioner.

Further information on the Pharmacy First service will be made available as soon as possible via a new page on our website: cpe.org.uk/pharmacyfirst

Q. How is the Pharmacy Contraception Service being expanded?

The Contraception Service will expand to include initiation of oral contraception, making it even easier for women to access contraception through their community pharmacy. The expanded service will start from 1st December 2023.

While the changes to the service will commence on 1st December 2023, most pharmacy teams will not be ready to provide the expanded service by that date. Pharmacy owners who are already providing the current service (repeat supplies of contraception) will have three months before they need to start providing initiation of contraception. Further details will be provided on this shortly.



For pharmacies that have not yet signed up to provide the Pharmacy Contraception Service, from 1st December 2023 onwards, they will need to commit to provide the full, expanded service (initiation and repeat supplies) once they sign-up via the MYS portal. We therefore expect many pharmacy teams will not sign up to provide the service until early 2024, once they have had sufficient time to get ready to provide it.

Further information and resources will be available shortly, with updates posted on our [Pharmacy Contraception Service](#) webpage.

Q. What will the re-launched Hypertension–Case Finding Service look like?

The Hypertension Case–Finding Service will re-launch on 1st December 2023, with changes to allow much greater use of skill mix within the service. There will also be a renewed focus on the importance of provision of ABPM to suitable patients, thereby helping to identify the estimated 5.5 million people with undiagnosed blood pressure at risk of heart attack and stroke.

Any suitably trained staff member will be able to provide the service, with clinical supervision provided by the pharmacist. Once pharmacy owners have been able to train support staff to provide the service, it should allow them to significantly increase the provision of the service, whilst freeing up pharmacist time.

Further information and updated resources will be available shortly on our [Hypertension Case–Finding service](#) webpage.

Funding Arrangements and Reimbursement

Q. How quickly will my pharmacy get its share of the £645 million?

The £645 million investment was pledged to support the community pharmacy services within the Recovery Plan. This includes all the infrastructure that needs to be developed to support delivery, not just the provision of the services themselves, and was for the two–year period of 2023/24 and 2024/25. The delays to sign off and thus implementation inevitably impact the activity that can be undertaken and thus the funding available for this and next year.

There is no allocation of funding to individual pharmacy owners, rather income earned will depend on activity undertaken, for the Contraception, Hypertension Case–Finding and Pharmacy First services, and will be particularly sensitive to achieving thresholds and thus securing monthly fixed payments.



Pharmacy owners will be able to claim the initial fixed payment of £2,000 from December 2023 by signing up to deliver the Pharmacy First service.

Q. How are these new and updated services being funded? Is it all from the Recovery Plan fund?

For the Pharmacy First service, the clinical pathways element will be funded from the Recovery Plan investment, whilst those elements previously commissioned as CPCS will continue to be funded by the existing CPCF funding.

Both the Contraception and the Hypertension Case-Finding Services are currently funded entirely from CPCF funding, but £75m additional funding has been made available to support the expansion of these services. It has been agreed that a baseline of £30m per year to fund these services will continue to be paid from that existing CPCF funding, with any service provision beyond that funded from the new investment for recovering access to primary care.

Q. What if provision of the Contraception or Hypertension Case-Finding Services expand beyond the allocated budget?

The agreement reached on the disbursement of funding as part of the Recovery Plan investment means that £30m from the CPCF envelope is available per year, plus £75m from the new investment to fund the two services.

The delivery of these services will be closely monitored by Community Pharmacy England, NHSE and DHSC. In the event that data suggests the delivery of the services is likely to exceed the allocated funding, appropriate action will be discussed with DHSC to address this, which may include a temporary restriction of the service or the allocation of additional funding.

Q. How will pharmacies be paid for providing the Pharmacy First service?

Pharmacy owners providing this service will be able to claim the following:

- **Initial fixed payment:** £2,000 can be claimed from 1st December 2023 up to the launch of the service. Note, the pharmacy must provide 5 clinical pathway consultations by 31st March 2024 otherwise the payment will be recovered.
- **Service fee:** £15 per consultation. Note, as CPCS becomes part of Pharmacy First, the current £14 fee will become £15 to align with the new service.

- **Medicine reimbursement (where applicable):** Where a medicine is supplied as part of this service, reimbursement will be paid, with details to be set out in the Drug Tariff.
- **Monthly fixed payment:** £1,000 monthly can be claimed from February 2024 onwards, subject to meeting the clinical pathways consultation thresholds (see the table earlier in this briefing).

Q. Will the activity around the Pharmacy First service be monitored?

Although extensive modelling and analysis has been conducted, the level of service delivery that can be expected upon the launch of the service is highly uncertain, and a very lenient service volume cap of 3,000 consultations per month per pharmacy has been agreed as a temporary measure. This level was agreed in order not to hinder the uptake of the service in its early months, and should not be seen as a 'target'.

We have agreed to work at pace with DHSC and NHSE to establish a formula for managing activity volume caps going forwards. Once this is agreed and initial service volume data is available, the new approach will replace the initial temporary cap of 3,000 per pharmacy per month.

Q. Do pharmacies need to provide all three services (i.e. Pharmacy First, Pharmacy Contraception and Hypertension Case-Finding) to receive the monthly payments?

DHSC and NHSE want to encourage pharmacy owners to provide all three services, but we pushed back on a proposal for compulsory provision of the Pharmacy Contraception and Hypertension Case-Finding Services for those wanting to provide the new Pharmacy First service. Instead, provision of all three services in a bundle is due to become a requirement to receive the monthly £1,000 Pharmacy First payment by 31st March 2025. Delaying the pace of this change will give pharmacy owners more time to prepare for and introduce the three services.

Q. Are there any changes to the payments for providing the Pharmacy Contraception and Hypertension Case-Finding Services?

Item of service fees for both services will remain the same. Despite our detailed costing rationale for an increase in the Pharmacy Contraception Service fee being presented to DHSC and NHSE during negotiations, this part of our bid was rejected by them.



Q. How can pharmacy owners predict their income and manage staff workload for these new and updated services? Will Community Pharmacy England be monitoring uptake and demand from the public?

Throughout these discussions our Negotiating Team were very cognisant that most pharmacies have been working at well beyond full capacity and pharmacy owners have had to take drastic action such as cutting back on services and opening hours just to make ends meet. These negotiations and the funding linked to them are critical to the sector.

We argued that the new money must be accessible as soon as possible and secured an upfront payment of £2,000 per pharmacy to support pharmacy owners to prepare and build capacity for the new Pharmacy First service. We also secured a £1,000 monthly payment, pushed for more achievable activity thresholds, and argued for use of greater skill-mix in the Hypertension Case-Finding and Pharmacy Contraception Services to support ongoing capacity needs.

Most importantly, the new Pharmacy First service includes a self-referral (i.e. walk-in) route for patients – enabling pharmacies to get paid for those who already turn to their pharmacy team for help – and we will work closely with DHSC and NHSE on the associated communications campaign to try to prevent inappropriate demand from being directed into community pharmacy.

Our usual work monitoring the delivery of CPCF services will also continue, now feeding into a new tripartite implementation group advising on plans for monitoring, delivery and evaluation of Pharmacy First as well as the amended Hypertension Case-Finding and Pharmacy Contraception services.

Q. What other financial support is being provided?

As part of the negotiations on the new investment in the sector, previous fee over-deliveries in 2021/22 and 2022/23 (worth £76 million) have been written off, with a £36 million fee over-delivery now permitted for 2023/24.

Calculations had shown that remuneration for pharmacy services in those years had exceeded the limit set out in the CPCF budget, and projections indicate that the sector is on course to exceed it again. We negotiated a write-off of funding over-delivery worth £112 million for CPCF Years 3, 4 and 5. If this money had been re-claimed from pharmacy owners over a year, it would result in a reduction in the Single Activity Fee of around 10 pence per item.



Note, any excess remuneration in 2023/24 over the £36m write-off will be reconciled through the adjustment of CPCF fees in the usual way. Going forwards, we will work with DHSC and NHSE to implement stronger mechanisms to prevent any future fee over-delivery.

Further information on the funding aspects can be found in [Briefing O30/23: Funding for Pharmacy First, and other funding-related changes in the Recovery Plan deal](#).

Other Matters

Q. Is it true that the terms of service for distance selling pharmacies are under review?

As part of these negotiations, questions arose around service provision across the community pharmacy network, including how the pharmacy terms of service are applied to distance selling pharmacies. We agreed to a request from DHSC and NHSE to consider this topic more broadly over the next few months.

If you have any queries or require more information, please contact: comms.team@cpe.org.uk