

# Briefing 012/25: Summary of May 2025 Committee Meeting

Community Pharmacy England met in London for a full Committee Meeting on 30th April and 1st May 2025. Committee discussions covered the work to support the implementation of the Community Pharmacy Contractual Framework (CPCF) settlement for 2024/25 and 2025/26 and updates on strategic projects. The Committee also considered sector feedback on the CPCF settlement, and how this will be incorporated into the next steps of work towards a sustainable future.

The Committee were joined by LPC leaders from the South London region for part of the meeting. LPC attendees had the chance to talk with Committee Members, observe some subcommittee meetings and provide feedback from their local pharmacy owners and localities.

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## Overview of the full Committee Meeting

The full Committee considered the following topics at the May meeting.

### Implementation of the CPCF Settlement

Community Pharmacy England CEO Janet Morrison set out how the investment case for community pharmacy is continuing to be made, both publicly and inputting to Government processes, as the NHS 10-Year Health Plan and Spending Review are being prepared. It is critical that we hold Government to account for following through on their commitments to the sector, and Committee Members discussed tactics and approaches to leverage pharmacy's position, in line with our [wider strategy for the sector](#).

Updates were provided on the work to implement different elements of the CPCF settlement, building on subcommittee discussions.

**Funding:** The Committee considered the approach to margin run rates and the ongoing work to improve margin distribution. This includes detailed work being carried out on the impact of branded generics on margin. Margin was a key topic during April's CPCF events and as work continues, the Funding and Communications Teams will consider further ways communicate about margin, such as the recent [Margin Explainer](#). Strategic funding projects on the economic value of community pharmacy were discussed later (see below).

**Services and PQS:** Progress on changes to services was set out, including the work to draft updates to service documentation and expected timelines for their release. The Committee noted that the majority

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of the guidance and resources for the Pharmacy Quality Scheme (PQS) has been published in a relatively short space of time (see our [PQS hub](#)) and that CPE had led on the development of the PQS clinical audit paperwork, which will be released ASAP so pharmacy owners can begin to prepare for the September start date.

**Regulations:** The status of various different regulatory workstreams was set out, including [expected timelines for their introduction](#). Committee Members considered the practicalities of implementation, (particularly around the New Medicine Service (NMS), Distance Selling Premises (DSP) pharmacies and the removal of prescription signature declarations for charge paid scripts) and the need to have clarity on the timing of practice leaflet and other changes.

The latest information, guidance and resources on all aspects of the CPCF settlement can be found on our dedicated webpage: [cpe.org.uk/CPCF](https://cpe.org.uk/CPCF)

#### Janet Morrison, Chief Executive of Community Pharmacy England, said:

“With critical Government plans – the Spending Review and NHS Ten Year Health Plan – which will impact budgets for the rest of this Parliament being finalised in the next few weeks, we are continuing to input into these processes and to sustain Parliamentary pressure, making the case for investment in pharmacy using the outputs of our strategic work and polling. Community pharmacies still face a significant funding deficit, and we will be holding Government’s feet to the fire to make sure that they follow through on their commitments to a sustainable future.

Work is ongoing on margin, and we are preparing for future negotiations. We’ve also been carrying out a significant programme of work to follow through with DHSC and NHS England on implementing the settlement, supporting pharmacy owners with the changes.”

#### Economic Projects Update

PA Consulting, an independent consultancy with extensive experience working across Government, has been undertaking extensive economic work to provide further evidence of community pharmacy’s current and future funding needs. The Committee received an update on the work undertaken to date, which has included:

- **Future of sector** – evaluating the impact that different funding and commissioning decisions would have, and highlighting the value of community pharmacy services.
- **Evaluation of retained margin** – examining whether the margin system is currently working as intended and exploring several hypotheses for its potential improvement.



A third element of this workstream – evaluation of contracting and funding models – will begin shortly.

The Audit and Risk Subcommittee recommended that a Strategic Projects Working Group (formed of pharmacy representatives from across the Committee) be established to provide support and insights to PA Consulting as it embarks on the next phase of work. This was approved.

### Branded Generics Analysis

Experienced pharmacy leader and researcher James Davies presented his work on the impact of branded generics at a national level. The findings of this project will inform discussions with Government on the impact of prescribing activities – including the use of Branded Generics – on margin that was included in the CPCF settlement.

Prescribing branded generics or off-patent branded medicines profoundly affects the competition that drives down prices in the generics market, acts to drive up costs to the NHS, and can also lead to unequal geographical distribution of the funding under the contractual framework. An analysis of prescription data on branded generics has been conducted to assess the scale of the problem (including the financial impact on the NHS and pharmacy owners) and consider potential solutions.

There is further detailed to work to do, but possible routes to action being explored include a review of the discount deduction scale, improving Category C and M pricing (as the Government committed to in the CPCF settlement), and influencing prescribing behaviours.

The Committee discussed various other issues which also need to be factored into this project, including supply issues, patient communication (or lack of), and Category C reimbursement reforms.

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### Engaging with Pharmacy Owners

The Committee reviewed headlines and preliminary analysis from the 2025 Pharmacy Pressures Survey, as well as opinion polling conducted at recent CPCF settlement events and through a wider online survey of pharmacy owners. Members noted that the Pressures Survey findings largely confirmed their own experiences of the continued pressures and lack of confidence in terms of business investment, but the data is valuable to put in front of policymakers and those who influence them.

Ahead of the May Committee Meeting, sector polling asked pharmacy owners about the new CPCF funding settlement. Key findings were:

- There appears to be little change from polling conducted pre-announcement, i.e. concerns about the future remain and confidence to invest is still low.

- Pharmacy owners are still looking at ways to reduce costs and this may impact further on patients.
- Pharmacy owners need further increased funding, remuneration and service fees.

Further details of this polling and the Pressures Survey results will be released in due course, depending on media and Parliamentary coverage options. Analysis of the results was considered by Committee Members and, as always, fed into discussions on priorities. The Committee drew on this valuable information, augmented with feedback from the Regional Representatives, at various stages throughout the meeting. The findings were also considered in terms of our ongoing influencing work at the Communications and Public Affairs Subcommittee.

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## Subcommittee Meetings

**Note:** most subcommittees met ahead of the main Committee meeting, allowing any recommendations or overarching decisions to be put to the full Committee for wider approval.

## Discussions from Governance Subcommittees

### Audit and Risk (A&R) Subcommittee

The A&R subcommittee considered updates as part of its usual monitoring of Community Pharmacy England's budget and Key Performance Indicators (KPIs) and noted that preparations had begun for the annual external auditing process. After review and brief discussion, recommendations were made to the full Committee to accept the Whistleblowing Policy and to establish a Strategic Projects Working Group; both were accepted during the Committee's plenary session.

### Governance and People (G&P) Subcommittee

The G&P subcommittee is currently driving the recruitment process for a new Independent Chair of the Committee. With Community Pharmacy England's current Chair, Sue Killen, due to complete her term of office later this year, the search for her replacement is already well underway. Head-hunters Gatenby Sanderson have been commissioned to manage the recruitment process and things are progressing on schedule. The subcommittee is also overseeing ongoing work on governance and composition.

## Updates from Advisory and Policy Subcommittees

### Service Development Subcommittee (SDS)

An update was provided on the Services Team's work to support implementation of the various aspects of services and the PQS introduced through the CPCF 2024/25 and 2025/26 settlement, including the information and resources provided to pharmacy owners and their teams. SDS also considered draft

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service specification amendments which would introduce the provision of oral Emergency Contraception to the Pharmacy Contraception Service and a draft clinical audit that had been developed for the PQS.

The Services Team has recently increased its capacity to be able to provide more local commissioning support for LPCs, with the aim of sharing innovation and developing service templates. An update was given on current areas of local services work, which include COVID-19 antiviral stockholding and the implications of national commissioning of emergency contraception for local services. Other healthcare service priorities at a local level were discussed and are also being explored with the network of LPCs.

Representatives from NHS England joined part of the meeting to discuss progress of their Independent Prescribing (IP) Pathfinders Programme, sharing learnings and considering approaches to the future inclusion of prescribing in services. Discussions centred around how IP can best be incorporated into the CPCF, the work needed to help make that a reality (e.g. commissioning frameworks and digital enablers), and other practicalities (e.g. holistic approach and clarity of processes).

### **Funding and Contract (FunCon) Subcommittee**

The FunCon subcommittee considered the latest developments of several important funding workstreams, largely focussed on the items that the Government committed to exploring in the CPCF settlement. Key amongst these is reviewing margin distribution, with discussions around the scope and timings of the Margins Survey and reimbursement price setting.

Another of the areas discussed was progress on discussions with the Department of Health and Social Care (DHSC) on future arrangements for Category C price setting which were first consulted on in 2019 as part of a wider series of reimbursement reforms. Views shared around this topic also informed the full Committee item on branded generics (see section above).

The subcommittee also considered the possibility of gathering more information on the business rates paid by pharmacy owners and the extent to which independent pharmacies may benefit from relief for Retail, Hospitality and Leisure premises. This work would provide a clearer picture of how pharmacy compares to other healthcare provider premises and aims to refine Community Pharmacy England's policy position on this topic.

### **Legislation and Regulatory Subcommittee (LRS)**

The subcommittee considered matters including the draft regulatory amendments on DSP pharmacies, core opening hours, and the provision of the NMS, which were agreed in the CPCF settlement.

LRS also considered DHSC's proposals for amendments to the NHS (Pharmaceutical and Local Pharmaceutical Services) Regulations (PLPS regulations on hub and spoke dispensing), which will enable NHS pharmacy spokes in England to subcontract part of the Essential Dispensing Service to pharmacy hubs. This follows on from [the Government laying related amendments to the Human Medicines Regulations 2012 \(HMR\) in Parliament](#).

The 'direction of service' issues raised by LPCs and pharmacy owners were also discussed, and the subcommittee was keen that the various efforts to address the issues, and related discussions with NHS England, should continue.

### LPC and Contractor Support (LCS) Subcommittee

The LCS subcommittee considered plans to further support LPCs for the coming year, in line with the results of our recent LPC Support Preferences Survey. This includes scoping out the potential for combined provision of managed IT support.

In reflecting on plans to help the LPC network develop a set of KPIs (as recommended by the Wright Review), it was suggested to begin by seeking any examples of KPI systems that some LPCs may already have in place. There was also a discussion (with the South London region LPC leaders present) around what level of standardisation should exist around LPC finance, HR and compliance.

The final version of the subcommittee's Terms of Reference was noted and approved during the Committee's plenary session.

### Communications and Public Affairs (CPA) Subcommittee

Held at the end of the Committee Meeting, the CPA subcommittee considered any outputs that needed to be communicated to the sector, paying particular attention to recent pharmacy owner polling and feedback from the CPCF settlement events. The need for ongoing support for pharmacy owners was noted, as was the need to share as much as possible about funding and margin.

The subcommittee also reviewed the Communications and Public Affairs Team's detailed plans for the next few months. It was noted that, given the imminent finalisation of plans on the NHS 10-Year Health Plan and Government Spending Review, it is critical to keep up the momentum on political influencing. Discussions centred around a series of core themes:

- [Engaging with politicians](#) and special advisors (SpAds) including via parliamentary events;
- Sharing examples of what previous investment in the sector has achieved;
- Leveraging the findings of the independent [Economic Analysis](#);
- Highlighting the consequences of continued underfunding; and
- Making use of patient case studies and [supporters from health charities and patient groups](#).



## Next Steps

Following the recent CPCF negotiations there is a significant programme of work underway to support pharmacy owners in preparing for the changes and introducing the surrounding legal provisions to make those changes happen. We will also be holding the Government to account on its numerous commitments to improve the outlook for the community pharmacy sector.

Community Pharmacy England has a key role to play in the implementation working group formed with DHSC and NHS England. This group will meet regularly to drive the actions needed to make changes happen, support delivery, and monitor progress. Its first important job has been to expediate the publication of as much guidance as possible. A comprehensive listing of this documentation, along with resources, is available at [cpe.org.uk/CPCF](https://cpe.org.uk/CPCF).

Alongside this implementation work we are continuing with work to influence the outlook for community pharmacy building on this is 'first step' towards stabilising the sector. The Comprehensive Spending Review, expected in June, will set budgets for the remaining term of this Government. Alongside this, the NHS 10-Year Health Plan is expected to report around the same time. Regulatory changes, wider primary care negotiations, and other Government ambitions will all play a role in changing the landscape for health policy too. We will continue our strategic influencing work to maximise all opportunities for community pharmacy. We welcome support from pharmacy owners and LPCs with this – please use the resources on our [Engaging with politicians webpage](#).

## Upcoming Committee changes

From the next meeting of Community Pharmacy England in June, Sukhi Basra and Mike Hewitson will replace Ian Cubbin and Olivier Picard as representatives for the National Pharmacy Association (NPA) on the Committee. The nomination of new representatives follows recent elections for the NPA Board.

More widely, permanent changes are being proposed to the composition of the Committee, and we are seeking views on proposed changes to the LPC model and Community Pharmacy England constitution for use in the next 4-year term of office. Further updates will be provided in due course.

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If you have any questions or require more information, please contact: [comms.team@cpe.org.uk](mailto:comms.team@cpe.org.uk)