MINI BULLETIN – 25 November 2023

PHARMACIES – our ‘chemists’

From 1 April 2013, **NHS England** became responsible for the commissioning of NHS Pharmaceutical services in England and for negotiating changes to arrangements for the provision of services.

There is a Pharmaceutical Needs Assessment every three years. This involves the area's Integrated Care Board and the Local Authority. Between these years, there is scope for ‘supplementary statements’ if things change and needs are not met. The LA has no ‘market-shaping’ role but can issue a supplementary statement between the PNAs when conditions dictate – shortage of capacity/personnel/pharmacist/physical space/physical access/storage and product/accommodation/private consulting room etc.

There is a national trend towards ‘rationalisation’ by Pharmacy chains.  Pharmacies can apply to ‘consolidate’ rather than close branches. Lloyds have quit the market.

Three months’ notice must be given by Pharmacy providers to close a standard 40hr contractor and six months for a 100hr contractor.

Five weeks’ notice is required to stop providing supplementary hours.

Core hour changes need to go to the regional Pharmacy Regulations Services Committee for approval.

In order to be able to provide Pharmaceutical services for the NHS, the 2013 regulations state that a person (other than doctors or dentists) must be included in a Pharmaceutical list. NHS England are required to prepare and maintain lists of those who have been granted applications. The list specifies both the premises and the named contractor.

To receive payment for the costs and fees incurred while providing services to the general public on behalf of the NHS, community Pharmacies and appliance contractors must submit their prescriptions to NHSBSA along with a submission document, known as the FP34C.

**Janet Morrison OBE, CEO of Community Pharmacy England, said:**

“The Autumn Statement overlooks the knock-on effects these measures will have on small businesses like Community Pharmacies.  The majority of Pharmacies employ staff on or around the National Minimum Wage, which has increased nearly 40% since the start of the current contractual framework. This is at a time when pharmacies have had a 30% real terms reduction in funding since 2015. No viable business can absorb these cost increases without significant support. This is just another cost pressure that pharmacies cannot control and it must be addressed through a sustainable, long-term funding arrangement.”

Community Pharmacies and appliance contractors are responsible for dispensing medications, appliances, and medical devices to NHS patients. They are not a direct part of the NHS but provide essential services on behalf of the NHS to the general public.

In England in 2022/23 for community pharmacies and appliance contractors:

- There were 11,414 active community pharmacies and 111 active appliance

Contractors. This is the lowest number of active dispensing contractors since

2015/16.

- A total of 297 new pharmacies opened, while 388 pharmacies closed.

- 1.08 billion prescription items were dispensed by Community Pharmacies.

- This is a 3.4% increase from 2021/22.

- 11 million prescription items were dispensed by appliance contractors –[stoma care,

catheters etc].  This is a 2% increase from 2021/22.

- 1.04 billion prescription items were dispensed via the Electronic Prescription Service

(EPS) - 96% of all items dispensed which is a small increase from 2021/22.

* The cost of drugs and appliances reimbursed totalled £9.7 billion - This is a 7.5% increase from 2021/22.

Drugs and items dispensed by Pharmacies - the cost of these is reimbursed under their Contract, but at rates set at the start of the contract.

If drugs/pills/appliances/medicines rise in price from the manufacturer, due to ingredients' shortages, transport costs, manufacturing glitches, war or whatever, the Pharmacies absorb the costs. Their negotiating committees then try to get the monies back, not always successfully.

A single item dispensed can be a few pence [90p/ £1.40 etc] or many pounds [£49 etc or more] and the Pharmacist has no control over who comes through their doors to get their prescriptions as choice of Pharmacy is wholly at the patient's discretion. NHS E is clear that *only the patient* may choose - "nominate" the Pharmacy where they get their Prescription.