

## **2015-16: The Year in Summary**

### **Healthcare landscape**

Firstly may I say that in addition to my role as Service Development Officer on the retirement of Nicola Roe I was asked if I would take on the position of Chair of the LPC and I consider that to be a privilege and I do hope that I do promote Community Pharmacy.

The LPC set out its strategic direction last year and throughout 2015/16 has tried to ensure that this has been maintained. It has continued to focus upon understanding the ever changing landscape and to build relationships within the local health and social care agenda with the aim of promoting community pharmacy and integrating community pharmacy into emerging pathways.

The year has however been and continues to be very challenging for all with the Departments of Health's announcement on 17<sup>th</sup> December 2015 of "Community Pharmacy in 2016/17 and beyond" with the consultation process through to 24<sup>th</sup> March 2016, this being extended to 24<sup>th</sup> May 2016.

A large part of the work has been around this consultation process. The LPC responded to the Right Honourable Alistair Burt MP and also engaged with the local Health & Wellbeing Boards, Health Scrutiny, MPs, Councillors, local press and both Shropshire and Telford & Wrekin Heathwatch. Contractors were also encouraged via the LPC Newsletter to sign the paper and on line petition, and to distribute these in their pharmacies.

We have continued to make positive links with NHS North Midlands, the Shropshire CCG, Telford & Wrekin CCG, the two local Councils and Healthwatch with the aim of lobbying for community pharmacy engagement. Healthwatch also championed community pharmacy as a "hot topic".

Service development has been limited due to the limited budgets of both the CCGs and Local Authorities. However with closer working with South Staffordshire LPC, North Staffs and Stoke LPC and the Local Professional Network, NHS North Midlands agreed to commission a non-recurrent Pharmacy First Emergency Supply to the value of £20k until the end of March 2016 and a recurrent scheme was commissioned with effect from 1<sup>st</sup> April 2016.

It also resulted in NHS England North Midlands commissioning the Pharmacy First Common Ailment scheme which was relaunched on 1<sup>st</sup> October 2015 as a year round service this has now been extended to cover simple UTI and Impetigo activity however does need to increase. The Pharmacy Common Ailment scheme will be reviewed in September 2016.

A national NHS flu service delivered by pharmacy was commissioned from September 2015 and saw the delivery of 2330 vaccines across Shropshire, Telford & Wrekin by those pharmacies who recorded activity on Pharmoutcomes.

The promotion of the use of Pharmoutcomes resulted in additional investment by commissioners thus allowing for a full audit of service provision and an accurate system for remuneration for the services provided.

Pharmacies continued to deliver smoking cessation, supervised consumption, emergency contraception and needle exchange services.

There has been the implementation of EPS 2 throughout the county, Summary Care Records access for pharmacy and implementation of the Accessible Information Standard.

The pharmacy buddy system was launched which we hope has kept you up to date with developments. Each member of the LPC Committee has a list of pharmacies they are responsible to as key LPC contact. We urge you to use your contact in order to raise any issues you need support with. Buddies will be reviewed in light of changing membership of the LPC.

The LPC has also written to the Rt Honourable Alistair Burt MP, NHS England North Midlands and local MPs about branded generic prescribing which is causing waste and increased costs to the NHS.

### **Regulatory**

Lindsey Fairbrother continues to support the LPC as Secretary and lead for regulatory issues including responding to contract applications and regulations and communicating with national and local bodies.

The Government announced cuts to the pharmacy budget through a letter on 17<sup>th</sup> December to PSNC. These arbitrary cuts came without prior warning or negotiation and also heralded the Government's desire to move towards hub and spoke dispensing. Both Lynne and myself attended an emergency meeting with PSNC in January at which it became clear that the Department of Health had very little evidence regarding the safety or cost-effectiveness of hub and spoke dispensing. It also became clear that up to 3000 pharmacies are expected to close due to lack of viability following the cuts. These would disproportionately be in rural areas where prescription volumes are lower and profits already marginal. The closures are expected to occur over the next 3 years following cuts in October 2016 to remove £170m from the pharmacy budget, and further cuts of £250m the following financial year.

This is a very serious state of affairs for all pharmacy contractors, pharmacists and staff. In the immediate term, contractors will have to look very closely at their costs. With many already running to the limit with current staff levels, the LPC are concerned over risks to patient safety should staff hours have to be reduced to enable a pharmacy to survive. Lynne's close relationship with Healthwatch has enabled us to raise issues over safety and the loss of rural services with patient groups throughout Shropshire and Telford.

In the longer term, loss of pharmacies will put further pressure on those that remain. The reduced number will also impact upon pharmacist provision; an over-provision is anticipated with fewer places provided for pre-registration training and so fewer new graduates able to find a role within the profession.

In addition to national pressures, prescribing changes within the local CCGs are also eroding funding for pharmacy. The pharmacy model pays pharmacy a set price for drugs dispensed, as laid down in the Drug Tariff. This price is calculated to provide an agreed level of profitability on drugs purchased in order to fund pharmacy. CCGs are bypassing the agreed prices, and therefore negating funding for pharmacy, by advising their surgeries to prescribe branded generic drugs which are outside of the Drug Tariff and therefore purchased at and reimbursed with the same cost price, removing funding from local pharmacies and also preventing pharmacy from sourcing the most cost-effective product available, savings which are subsequently passed on to the NHS.

On the regulatory front, activity within contract applications slowed considerably at the end of the year, with no new applications seen between January and April. All the applications received prior to that time were refused by NHS Midlands. One was further refused after being sent for appeal. One new contract opened, at Lightmoor, Telford. Relocations of pharmacies were approved in the year, as well as changes of ownership for two pharmacies in the north of the county.