

Community Pharmacy 2016/17 and beyond.

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On 20th October 2016 the Government imposed a two-year funding package on community pharmacy, with a £113 million reduction in funding in 2016/17. This is a reduction of 4% compared with last year, but it will mean that pharmacies will see their funding for December 2016 to March 2017 fall by an average of 12% compared with current levels. This will be followed by a further reduction of £95 million in 2017/18, which will see funding levels from April 2017 drop by around 7.5% compared with current levels.

As you can imagine, we are extremely disappointed by this news. Community pharmacies in Sheffield have been working hard to serve local communities and to take pressure off other parts of the local health and care service, but these cuts will limit their ability to do so in the future. We are very concerned that contractors will need to find ways to reduce costs and that this may lead to changes in pharmacy open hours and staffing levels that will affect people in Sheffield.

In response to the consultation on changes to community pharmacy, the Pharmaceutical Services Negotiating Committee (PSNC) set out the need for the Government to make decisions about community pharmacy services based on a number of principles that put the needs of patients and communities, as well as evidence, at the heart of the process. Sadly, this has not been the case, and we are instead now seeing the implementation of a decision for which no evidence has been produced and which many people, including patient and GP groups, have warned will have a detrimental effect on patient care and lead to further pressure on other healthcare services. This is a short-sighted and ill-judged approach to take, particularly when alternative constructive proposals that would address the need for the NHS to make cash savings have been put forward by PSNC.

The community pharmacy sector remains keen to work with the NHS on changes to the Community Pharmacy Contractual Framework that will allow the development of clinical community pharmacy services so that patients and the NHS can get the most benefit and best value from community pharmacy.

Pharmacy Closures

Although we are unlikely to see pharmacies closing immediately, we expect that pharmacy owners will be forced to take steps to reduce costs. These are likely to include reducing opening hours and staffing, and stopping the provision of services which they are not obliged to provide, such as home delivery of medicines and the supply of medicines in compliance aids. We are very concerned about the impact that this will have on patients.

Where pharmacies are close together there may be the opportunity for mergers, but this will inevitably mean less competition, busier pharmacies and inconvenience for patients, faced with longer journeys.

Impact on Patients

Pharmacies have always met demands for help from their patients, particularly in the winter, acting to relieve pressure on other NHS providers. They have done this readily and willingly, but as they are forced to review their operating costs and consider staff cuts, patients may find that they have to wait longer to receive advice that would previously have been readily available. The NHS must recognise this as winter pressures set in and it turns as usual to pharmacy for help.

Impact on other NHS services

Lots of big policies could be railroaded by these community pharmacy proposals, for instance if social care cannot cope with the increase in people left without support, there could for example, be a rise in hospital admissions. The removal of Establishment Payments will target for the greatest cuts to the low dispensing volume pharmacies in areas with the highest health needs. They would see fee income reduced by around 20% next year, at a time when the NHS has said that efficiency targets of 4% are too high to be achievable, and has reduced targets to 2%.

Pharmacy Access Scheme

The government confirmed the introduction of a Pharmacy Access Scheme (PhAS), with the stated aim of ensuring that a baseline level of patient access to NHS community pharmacy services is protected. DH states that the PhAS will protect access in areas where there are fewer pharmacies with higher health needs, so that no area need be left without access to NHS community pharmaceutical services. Qualifying pharmacies will receive an additional payment, meaning those pharmacies will be protected from the full effect of the reduction in funding from Eligibility has been calculated nationally by DH, based on data relating to how many prescription items a pharmacy dispensed in 2015/16, to assess their size and data relating to the distances between pharmacies.

The action proposed by the Government will not be sufficient to guarantee that rural communities will be protected. Urban areas of high deprivation will be most affected by the proposals and there are no details available on potential safeguards.

The Sheffield Picture

Sheffield has 128 community pharmacies dispensing over 1.2 million prescriptions per month at an average of approximately 9800 items per pharmacy. This means that Sheffield pharmacies are already dispensing at a higher rate than the national average (7,000). 45 of those pharmacies are dispensing less than the national average and those are the one most vulnerable to the cuts. The way the cuts have been delivered means that the % effect is much greater on a lower volume pharmacy. Pharmacies in deprived areas also are those that probably have the biggest patient need and probably have the least private income from counter sales.

Patients in deprived areas are also most likely to rely on public transport and a closure or merger of their local pharmacy will have a bigger impact. There are 8 Sheffield pharmacies that are eligible for the PhAS.

Community pharmacies also provide a range of locally commissioned health and public health services which rely on an accessible network both in terms of distribution and opening hours. Any reduction in accessibility will put a strain on other sectors such as GP services, A&E, domiciliary care and substance misuse services.

Sheffield Pharmacies eligible for PhAS:

Trading Name	Address 1	Postcode
WELL GRENSIDE - GRENO CRESCENT	58 GRENO CRESCENT	S35 8NX
BRADWAY PHARMACY	298 TWENTYWELL LANE	S17 4QH
WELDRICKS PHARMACY	1 MOORTHORPE BANK	S20 6PD
COHENS CHEMIST	UNIT 3, TINSLEY CENTRE	S9 1UY
WELL SHEFFIELD - MIDDLEWOOD HC	621 MIDDLEWOOD ROAD	S6 1TT
WELDRICKS PHARMACY	66 ROCHESTER ROAD	S10 4JQ
WELL DORE - TOWN HEAD ROAD	35 TOWNHEAD ROAD	S17 3GD
M&A PHARMACIES LTD	2 BRIDGE HILL	S35 OFL

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