



Department of Health

PO-1035656

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for John

From the Rt Hon Jeremy Hunt MP
Secretary of State for Health

*practical steps
hAdvisory
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Dr John,

Thank you for your letter of 20 May on behalf of Councillor Angela Macpherson, Chair of the Buckinghamshire County Council Health and Adult Social Care Select Committee, County Hall, Walton Street, Aylesbury HP20 1UA about community pharmacy services.

The Government believes there is real potential for far greater use of community pharmacy and pharmacists in England in the prevention of ill health, support for healthy living, support for self-care for minor ailments and long-term conditions, medication reviews in care homes, and as part of more integrated local care models.

We need a clinically focused community pharmacy service that is better integrated with primary care and public health in line with the *Five Year Forward View*. This will help relieve the pressure on GPs and A&E departments, ensure better use of medicines and better patient outcomes, and contribute to delivering seven-day health and care services. The Department has formally consulted on how best to introduce a Pharmacy Integration Fund (PhIF) to help transform the way pharmacists and community pharmacy will operate in the NHS, bringing clear benefits to patients and the public. The consultation closed on 24 March. This was to enable arrangements for the distribution of money from the PhIF to be put in place in the first part of the 2016/17 financial year. There will continue to be opportunities for informal discussions about how the PhIF will operate as it is established over the coming months.

Spending on health continues to grow, with a £10 billion real terms increase in NHS funding in England between 2014/15 and 2020/21, of which £6 billion will be delivered by the end of 2016/17. We want to focus spending on lifesaving treatments

and cures and we expect to be spending up to an extra £2billion per year on new drugs by the end of 2020.

In the Spending Review, the Government re-affirmed the need for the NHS to deliver £22billion in efficiency savings by 2020/21, as set out in the *Five Year Forward View*. Community pharmacy is a core part of NHS primary care and has an important contribution to make as the NHS rises to these challenges. This will involve reductions in the amount of NHS funding for community pharmacies in England. However, the sum will remain significant, with £2.63billion of funding for the sector in 2016/17 compared with £2.8billion in 2015/16.

The Government believes these efficiencies can be made within community pharmacy without compromising the quality of services or public access to them. In some parts of the country there may be more pharmacies than are necessary to maintain good access. Forty per cent of pharmacies are in clusters of three or more, meaning that two-fifths of pharmacies are within a ten-minute walk of two or more other pharmacies. Our aim is to ensure that those community pharmacies upon which people depend continue to thrive, and we are consulting on the introduction of a Pharmacy Access Scheme, which will provide more NHS funds to certain pharmacies, considering factors such as location and the health needs of the local population.

We want to transform the system to deliver efficiency savings and ensure the model of community pharmacy reflects patient and public expectations and developments in technology. This is the time to embrace developments in technology to provide the best possible service. Prescription journeys are still too often slow and awkward. We want to promote the use of on-line, click and collect or home delivery models, to help patients to get their prescriptions in a way that fits into their lifestyle. This is about ensuring we have a modern, efficient community pharmacy sector offering patient choice and easier access and which is fit for the future as well as today.

The Government has been in detailed discussions with the Pharmaceutical Services Negotiating Committee (PSNC) and consulting with the pharmacy sector and with patient and public organisations on how to deliver these savings, and achieve a new, modernised and integrated service.

The public phase of the consultation on the proposals closed on 24 May. We are now entering a new confidential phase of the consultation process. The Department, supported by NHS England, will have further negotiations with the PSNC and there will also be a final round of discussions with other key pharmacy stakeholders. Our aim is to communicate the final decisions early in July.



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Further information about the proposals can be found on the Government's information and advice website at www.gov.uk by entering 'putting community pharmacy at the heart of the NHS' into the search bar.

This includes the original open letter to the sector, published on 17 December, as well as additional information published during January, including a foreword from the Chief Pharmaceutical Officer, Dr Keith Ridge.

I hope this reply is helpful in setting out the Government's position.

Yours

Jeremy

JEREMY HUNT