

# **Future of NHS Community Pharmacy Representation & Support**

**Contractor and stakeholder events**

**January 2022**

**[www.pharmacy-review.org](http://www.pharmacy-review.org)**

# Overview of this session

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|--|-----------|
| 1. Introductions and update (James Wood)   | 15 min    |
| <ul style="list-style-type: none"><li>• Recap and case for change</li><li>• Further RSG thinking on CPE and progress</li><li>• How the proposal will be presented</li><li>• What to expect over the coming weeks</li></ul> |           |
| 2. Breakout groups (RSG members and programme team)  | 30-35 min |
| <ul style="list-style-type: none"><li>• Questions, feedback, discussion</li></ul>  |           |
| 3. Recap (All)   | 5 min     |

# The story so far – Independent Review

The Independent Review into local and national contractor representation and support highlighted the need for the following areas to be addressed:

1. Independent governance of LPCs and PSNC
2. Reduce variation within LPCs, improve their efficiency and focus their activities
3. Appropriately resource PSNC to enable staff to better support negotiations and LPCs, improving performance with respect to negotiation outcomes
4. Develop a new national vision and strategy for community pharmacy
5. Listen better to contractors so their voices are better heard at all levels

PSNC, along with LPCs, proposed and funded the Review Steering Group (RSG) to work with the sector to take forward the findings from the Independent Review with a purpose to:

- Make and be responsible for proposals for contractors to decide upon
- Commission work and engage with the sector to explore and propose a change programme, including how the decision-making process itself would function.

# The story so far –progress in the key areas

## **To engage and involve stakeholders from across the sector with the reform process**

- Held a series of engagement events throughout 2021, including focus groups for contractors
- Regular updates sent through newsletters and articles on the RSG website
- Presentations at sector events e.g LPC events, Pharmacy Show
- Stakeholder specific meetings: LPC, PSNC, trade bodies and others

## **To find a way forward on the issues identified in the Wright review**

- Future roles for the local and national representation and support organisations
- Aligning the future structure of LPCs to ICS
- Options for future governance and operating models for pharmacy representation and support
- How the whole system of representation and support will work together
- Central/shared services to support LPCs and PSNC

## **...in doing so, to look at the external environment, cost, benefits, feasibility and acceptability**

- to be addressed in the contractor proposal: feasibility work is ongoing
- **To propose a contractor designed decision-making process**
- RSG has published its Working Plan for the Contractor Voting Process and an associated set of FAQs.

# Engagement: 2021 Overview



Email/ newsletter updates being opened by more than 6000+ recipients



23,000+ views of the RSG website in 2021



- 'At a Glance Guide'
- 'One page Summary'
- Vlogs
- Podcast
- Online surveys
- FAQs



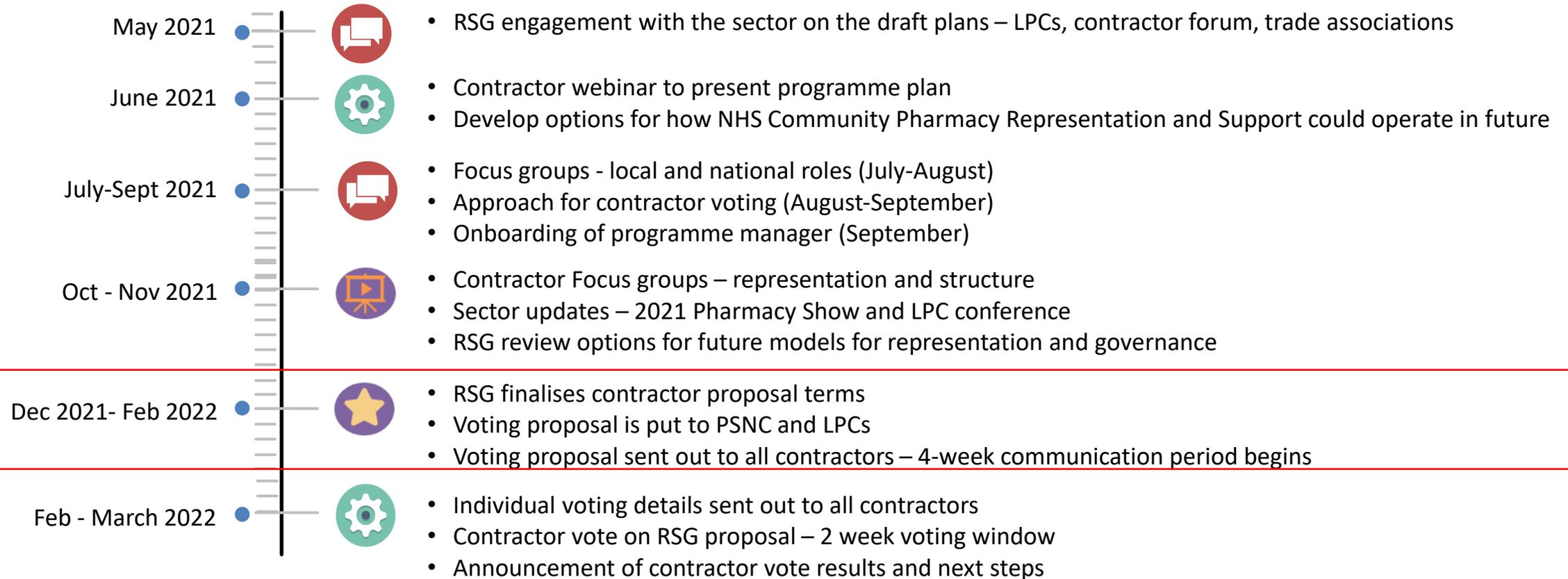
- 4 open contractor engagement events Apr/May on principles, programme of work
- 10 focus groups in the summer – roles of local, national, central/shared services
- 4 focus groups in Sept/Oct – council, board, governance
- 4 updates at LPC & PSNC conferences, including polls and questions
- 4 updates at PSNC full committee
- Presentations at over 40 LPCs
- Dedicated sessions with AIM, CCA and NPA
- Press and wider stakeholder briefings
- Pharmacy Show presentations & Pharmacy Business Conference
- Three engagement events 26-28 January

## Next steps – the path to change

- Proposals still being worked up with the sector, trying to find consensus
- Continuing involvement to shape the proposals
- Proposals will be ‘put’ to PSNC (and LPCs) ahead of a decision-making process
- Subject to having broad support, proposals presented will include the following:
  - Executive Summary
  - The case for change (background from independent review/developments since review/"contractor at the centre")
  - The path to change (RSG setup and principles/sector engagement, consultation and feedback loops)
  - The proposal (current structure of PSNC and LPCs/proposed structure/key changes and benefits to contractors)
  - Key considerations (mandate for change/funding/implementation overview)
  - Decision making (principles, method, how and when to vote)
- Affirmative result sets an overall path to change – PSNC and LPCs will need to respond. Move to implementation phase.

# Programme Timeline

RSG has set out a planned timeline for its next activities, recognising that many factors could affect this



## Community Pharmacy England (CPE)

- The Wright Review proposed a Council to represent contractors and a Board to govern the work of Community Pharmacy England
- There were points of difference within the sector about how to implement the recommendations on these topics, with further detail required to determine how the new structures could work and deliver benefits to contractors
- RSG is still working up these proposals taking into account the variation in views across the sector
- There have been some significant and challenging issues to work through, described next
- Views to further shape the structure and associated governance of national representation are still welcome

# Key Questions about the Board and Council Structure

Specific questions being explored are:

	Key considerations
Board	What is the role of the board in relation to governance and oversight of CPE and what is the relationship with the Council?
	What should the proportion of different types of contractors be? – <b>RSG is committed to finding representation for all segments, how do we achieve this balance of unity and representation?</b>
Council	How will the Council reflect local organisations and balance representation for all segments?
	Should specific groups of contractors be represented in the Council?
	Should there be term limits for members of either or both bodies?
	Should non-executive lay persons have places on the board to provide a creative contribution by providing independent oversight and constructive challenge?

## Further thinking on Community Pharmacy England (CPE)

- RSG has been considering these questions to ensure representation is fair for all parts of the sector
- Having assessed multiple sources of data on contractor ownership and believe this indicates a 4:4:2 split in ownership of pharmacies between CCA companies, independents, and independent multiples
- But significant questions remain on:
  - how each segment of the sector should be represented on a national body
  - how members of the national body should be appointed/represented
  - what size of national body is needed to allow all segments to have a fair voice, while also being manageable as a decision-making organisation
  - articulating how it will function better, instead of differently to today
- There are a variety of views on how to balance segment representation with geographical and local representation
- Options for governance have been explored, with a key ongoing consideration being whether and how local and national representation can be governed by the same principles and systems
- RSG has also been considering some of the practicalities – legal, and logistical – to moving to a new structure for representation and support, and is assessing likely transformation costs

# Wright review – LPC (“CPL”) recommendations

## **Recommendation 23**

Review CPL size with respect to number of contractors represented, considering value for money to contractors, size required for a place on CPEC, local knowledge/relationships and NHS geographical footprints.

- Clear support for rationalisation of the network to free resources for more local and national activity
- Evidence that levies are lower once the number of contractors represented by a CPL passes 200... it seems that an LPC size of greater than 200 contractors is more likely to result in a smaller levy, although several smaller LPCs are requesting a levy of less than £1000 per contractor
- Main fixed costs are employees. Committees consequently either merge or better share resources to increase efficiency

# How should Community Pharmacy engage and operate within the developing local NHS landscape

Taking into account the changing NHS landscape, the direction from NHSE&I, views of contractors and the findings from the Wright review, RSG proposals are likely to include mapping local representative structures to the ICS footprint with an overlay of Wright's recommendations of 200 contractor scale

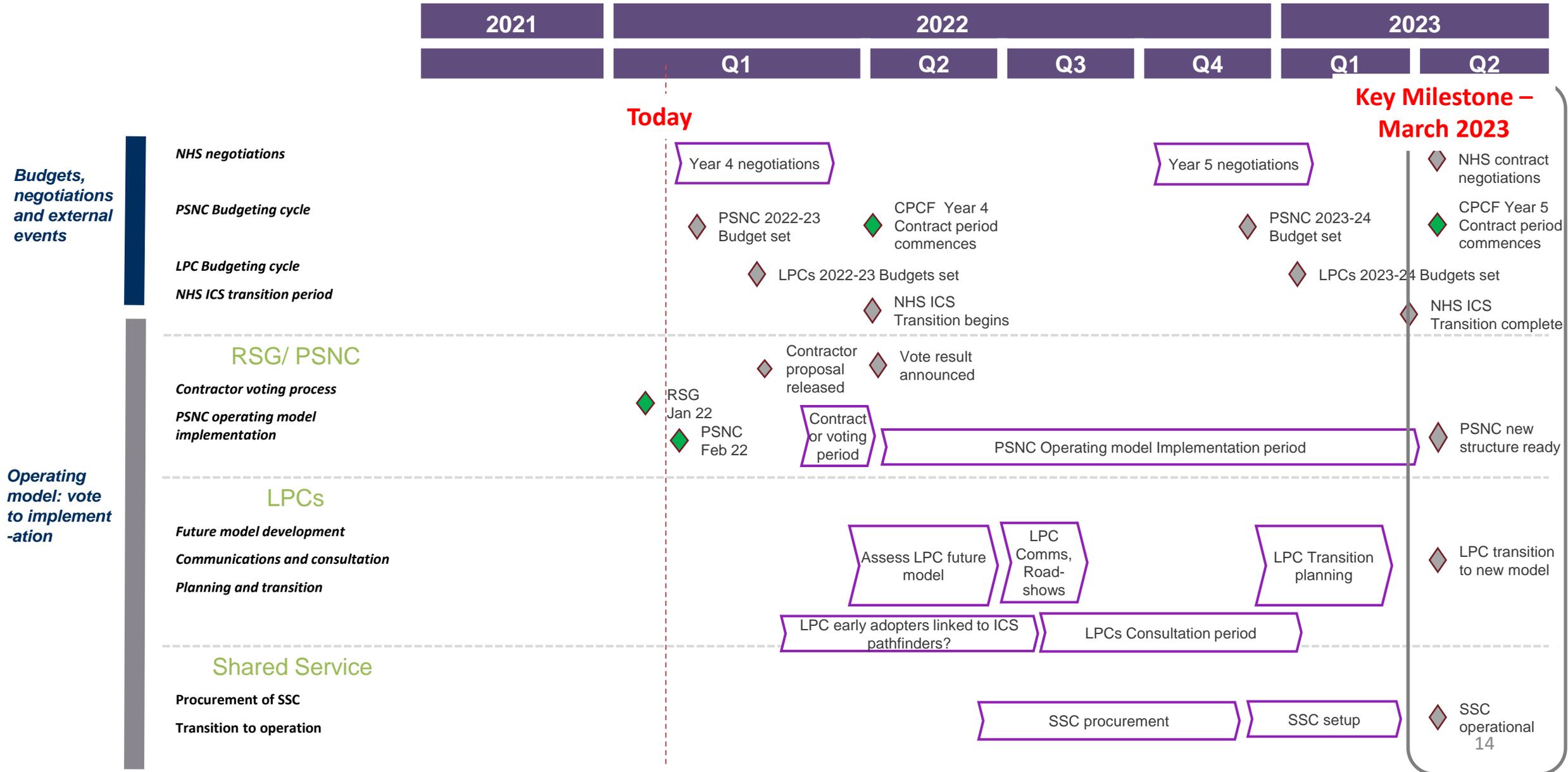
## **Benefits**

- Ensures CP follows funding and commissioning – as some commissioning of the CPCF is devolved to ICS level
- Reorganising in this fashion unquestionably aligns CP with its core stakeholder and shows intent to engage with NHS vision and collaborate for the future
- Stronger single CP voice at ICS level (1 local pharmacy organisation to at least 1 or more ICS = less duplication and simpler engagement model – ICS unlikely to engage with multiple local pharmacy organisations)
- Local pharmacy organisations can still work together across boundaries
- Allows for future review over alignment if/when the NHS changes again

## What to expect and next steps

- **Engagement with the wider sector:** continuing until the voting period
- **Publication of RSG proposals:** Ahead of the contractor vote, which we expect to take place before Easter, we will publish our proposals to contractors. The proposals will be published digitally, with a printable PDF available for those who want it.
- **Visit our website:** The RSG website [www.pharmacy-review.org](http://www.pharmacy-review.org) has a wealth of information about the RSG's work
- **Share your feedback:** This is an open consultative process, so please continue to send us your further feedback via the RSG website.

# Indicative Implementation Plan – post affirmative vote



**Key Milestone –  
 March 2023**

# Breakout groups - discussion

**We now have half an hour for group discussions. You will be asked to join a breakout group where you will be joined by an RSG Member and/ or a member of the Programme Team.**

**We would like to hear your views on:**

1. Do you agree with the principle of proportionate representation of different segments of the sector on the national body?
2. How should we achieve that, and balance with geographical and local representation? And how would LPC representation fit into that?
3. What would be a workable size for the national body – how many contractors should sit on it?
4. Should local and national organisations be subject to the same governance arrangements?