

**UPDATE ON THE PHARMACEUTICAL NEEDS ASSESSMENT FOR
CAMBRIDGESHIRE (2017) & PUBLIC CONSULTATION JAN-MAR 2017**

To: Cambridgeshire Health and Wellbeing Board

Date: 19 January 2017

From: Dr Kirsteen Watson, Consultant in Public Health Medicine, Cambridgeshire County Council, Chair of the Cambridgeshire Pharmaceutical Needs Assessment Steering Group

1.0 PURPOSE

1.1 The purpose of this report is to update the Health and Wellbeing Board (HWB) on the development of the Pharmaceutical Needs Assessment (PNA) for Cambridgeshire, 2017. This report also includes a short briefing on the new national pharmacy contract and implications for the statutory responsibilities of the HWB which were amended in December 2016.

2.0 BACKGROUND

2.1 All HWBs have a statutory responsibility to publish and keep up to date a statement of the needs for pharmaceutical services for the population in its area, referred to as a 'pharmaceutical needs assessment' (PNA).

2.2 The PNA has two key purposes:

- Firstly, it presents a summary of the number and distribution of pharmaceutical providers in Cambridgeshire and the access and services they provide in the context of local priorities. This information will be used by NHS England when making decisions on applications to open new pharmacies and dispensing appliance contractor premises; or applications from current pharmaceutical providers to change their existing regulatory requirements.

- Secondly, it provides an overview of locally commissioned services and potential future opportunities for pharmaceutical providers to contribute to improving the health and wellbeing of local residents. This can be used to inform commissioning decisions by local commissioning bodies including local authorities (public health services from community pharmacies), NHS England and Clinical Commissioning Groups (CCGs).

2.3 A PNA was undertaken for Cambridgeshire during June-December 2016. The PNA was undertaken in accordance with the requirements set out in regulations 3-9 Schedule 1 of the NHS (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013.

2.4 The PNA was led by a multi-agency steering group comprising representatives from Public Health, CCG medicines management, CCC

research group, the Local Pharmaceutical Committee , NHS England and Healthwatch. The Local Medical Committee was a corresponding member.

- 2.5 In the process of undertaking the PNA and the public consultation, the Steering group on behalf of the Cambridgeshire HWB will seek the views of a wide range of stakeholders to identify issues that affect the commissioning of pharmaceutical services and how pharmaceutical providers can help to meet local health needs and priorities.
- 2.6 All pharmacies and dispensing GP practices in Cambridgeshire were asked to complete a questionnaire describing their own service provision and their views on local pharmaceutical provision. 93 of 110 (85%) community pharmacies and 34 of 43 (79%) dispensing GP practices in Cambridgeshire responded to the questionnaire.

3.0 SUPPORTING PARAGRAPHS:

3.1 Key findings of the draft Cambridgeshire PNA 2017 in brief

- The HWB is asked to review the *6 page executive summary* for the draft PNA 2017 for consultation and note the key findings and recommendations. The full 126 page *Draft Cambridgeshire PNA 2017* is also available on the County Council website with the 19 January HWB meeting papers as a supporting document.
- In summary, the draft PNA proposes that Cambridgeshire is well provided for by pharmaceutical service providers and the PNA did not identify a current need for any new NHS pharmaceutical service providers in Cambridgeshire.
- There are 110 pharmacies across Cambridgeshire, and 43 dispensing GP practices. This translates to 23 pharmaceutical service providers per 100,000 registered population in Cambridgeshire. This is the same as the England average. The East of England average is only slightly higher at 24 per 100,000. There is also adequate access for the dispensing of appliances.
- It is recognised that need may change during the next 3 years. The local population is forecast to increase substantially in the coming years. Several large-scale housing developments are in progress and a number of factors may influence the potential need for additional pharmaceutical service providers. The PNA Steering Group will monitor the development of major housing sites and produce additional information to this PNA when necessary, to ensure that appropriate information is available to determine whether additional pharmacies might be required.
- The PNA also describes locally commissioned services and notes that providers of pharmaceutical services have an important role to play in improving the health and wellbeing of local people. They are easily accessible and are often the first point of contact, including for those who might otherwise not access health services.
- The PNA proposes that Cambridgeshire HWB consider community pharmacies to be a key public health resource and recognises that they offer potential opportunities to commission health improvement initiatives and work closely with partners to promote health and wellbeing. Commissioners are recommended to commission service initiatives in pharmacies around the

best possible evidence and to evaluate any locally implemented services, ideally using an evaluation framework that is planned before implementation. Pharmacies are able to, and should be encouraged to bid for locally commissioned health improvement programmes, along with other non-pharmacy providers.

- The recently published King's Fund report by Richard Murray '*Community Pharmacy Clinical Services Review*'¹ (Dec 2016) commissioned by the Chief Pharmaceutical Officer, recommended that there is a need in the medium-term to "ensure that community pharmacy is integrated into the evolving new models of care alongside primary care professionals. This will include enhancing the support they provide to people with long-term conditions and public health, but should not be limited to these." The PNA proposes that at a local level, in light of the recommendations in this report, the Health and Wellbeing Board should encourage the involvement of pharmacies and pharmacy teams in developing local plans and systems of integrated working.

3.2 Public consultation on the Draft Cambridgeshire PNA

- It is proposed that a public consultation on a draft PNA report will be undertaken from 23 January 2017 to 26 March 2017. This will be available online at: www.cambridgeshireinsight.gov.uk/pna. The public consultation questionnaire is included in the HWB papers.
- Posters to advertise the PNA Consultation to the general public are being sent to all community pharmacies, GP practices and local libraries. Respondents will be encouraged to complete the questionnaire online, although some paper copies with freepost envelopes will be available in these venues and additional paper copies can be requested from the Public Health department. Letters informing stakeholders of the PNA consultation and specifically inviting responses will be sent to neighbouring HWBs, District Councils, local MPs, local NHS providers, the Local Medical Committee and all voluntary organisations on the Healthwatch database. Healthwatch will also promote the consultation via their social media.
- The feedback gathered in the consultation will be reported and presented to the HWB in June 2017. This feedback will be used to review and revise the draft PNA and a final PNA published in July 2017.

3.3 Briefing on the local impact of the new national pharmacy contract (2016)

- On 20th October 2016 the Government imposed a two-year funding package on community pharmacy, with a £113 million reduction in funding in 2016/17.² This is a reduction of 4% compared with 2015/16, and will be followed by a further 3.4% reduction in 2017/18. Key changes were also made to the national pharmacy contract with the aim of creating a more efficient service which is better "*integrated with the wider health and social care system*"³.

¹ Murray R. 'Community Pharmacy Clinical Services Review' The Kings Fund. (December 2016) Available at: <https://www.england.nhs.uk/commissioning/wp-content/uploads/sites/12/2016/12/community-pharm-clin-serv-rev.pdf>

² Department of Health. 'Community pharmacy in 2016/2017 and beyond: final package'. (Oct 2016) Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/561495/Community_pharmacy_package_A.pdf

³ <http://psnc.org.uk/funding-and-statistics/cpcf-funding-changes-201617-and-201718/>

- Full details of the final Community Pharmacy proposals can be found in the Department of Health (DoH) report “*Community pharmacy in 2016/2017 and beyond: final package*”⁴. Appendix 5 of the PNA provides a summary of the proposed changes to the pharmacy contracts and the potential impact of these as assessed by the DoH and the national Pharmaceutical Services Negotiating Committee (PSNC) who represent all community pharmacies providing NHS services in England.
- The changes include a new ‘Pharmacy Access Scheme’ which aims to ensure that populations have access to a pharmacy, especially where pharmacies are sparsely spread and patients depend on them most. Qualifying pharmacies will receive an additional payment, meaning those pharmacies will be protected from the full effect of the reduction in funding from December 2016. Nationally 1,356 pharmacies have qualified for the scheme. In Cambridgeshire, 30 pharmacies have been identified which is 27% of all current pharmacies as at October 2016.
- As described in the DoH health impact assessment, it is complex to assess the impact of these changes on Cambridgeshire residents at this stage. There is no reliable way of estimating the number of pharmacies that may close or the services which may be reduced or changed as a result of the policy and this may depend on a variety of complex factors, individual to each community pharmacy and their model of business.
- The Cambridgeshire Local Pharmaceutical Committee will focus on supporting local pharmacies by keeping them up to date with changes/details, to meet the quality agenda, and to take up and deliver locally commissioned services more effectively.
- Of particular relevance to this PNA at this point in time is that amendments were also made to the pharmacy *National Health Service (Pharmaceutical Services, Charges and Prescribing) Regulations* in December 2016⁵. One key change was a new regulation which describes the potential consolidation of two or more pharmacies onto one existing site. A new pharmacy would be prevented from stepping in straight away if a chain closes a branch or two pharmacy businesses merge and one closes which would protect two pharmacies that choose to consolidate on a single existing site – where this does not create a gap in provision.
- “*Applications to consolidate will be dealt with as “excepted applications” under the 2013 Regulations, which means in general terms they will not be assessed against ... the pharmaceutical needs assessment (“PNA”) produced by the HWB. Instead, they will follow a simpler procedure, the key to which is whether or not a gap in pharmaceutical service provision would be created by the consolidation..... If the NHSCB is satisfied that the consolidation would create a gap in pharmaceutical services provision, it must refuse the application. The opinion of the HWB on this issue must be given when the application is notified locally and representations are sought (regulations 12 and 13). If the application is granted and pharmacy premises are removed from the relevant pharmaceutical list, if the HWB does not consider that a gap*

⁴ Department of Health. ‘Community pharmacy in 2016/2017 and beyond: final package’. (Oct 2016) Available at: https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/561495/Community_pharmacy_package_A.pdf

⁵ National Health Service England. ‘The National Health Service (Pharmaceutical Services, Charges and Prescribing) (Amendment) Regulations 2016’ (2016 No.1077) Available at: <http://www.legislation.gov.uk/ukksi/2016/1077/contents/made>

in service provision is created as a consequence, it must publish a supplementary statement published alongside its pharmaceutical needs assessment recording its view (regulation 3).”⁶

- As such, in the event of a proposed consolidation in future, in accordance with Paragraph 19 of schedule 2 of the regulations the Cambridgeshire HWB will publish a supplementary statement which will become part of the PNA, explaining whether, in its view, the proposed removal of premises from its pharmaceutical list would or would not create a gap in pharmaceutical services provision that could be met by a routine application
 - (a) to meet a current or future need for pharmaceutical services; or
 - (b) to secure improvements, or better access, to pharmaceutical services.
- The PNA steering group will continue to monitor any potential closures or mergers of local pharmacies and issue appropriate statements of fact as necessary in line with PNA requirements.

4.0 ALIGNMENT WITH THE CAMBRIDGESHIRE HEALTH AND WELLBEING STRATEGY

- 4.1 The PNA for Cambridgeshire is undertaken in the context of the needs of the local population. Health and wellbeing needs for the local population are described in the Cambridgeshire Joint Strategic Needs Assessment (JSNA). The PNA does not duplicate these detailed descriptions, and should be read alongside the JSNA.

5.0 IMPLICATIONS

- 5.1 The final PNA document will be reviewed by the CCC legal team before it is published, because of the importance that the PNA complies with regulations.
- 5.2 Over the coming years the population in Cambridgeshire is expected to both age and grow substantially in numbers. Several large-scale housing developments are in progress and a number of factors may influence the potential need for additional pharmaceutical service providers. To facilitate commissioning of pharmaceutical services responsive to population needs the PNA Steering Group will monitor the development of major housing sites and produce supplementary statements to the PNA if deemed necessary, in accordance with regulations.
- 5.3 The PNA steering group will also continue to monitor any potential closures or mergers of local pharmacies in response to the new pharmacy contract changes and issue appropriate statements of fact as necessary in line with PNA requirements.

⁶ National Health Service England. 'The National Health Service (Pharmaceutical Services, Charges and Prescribing) (Amendment) Regulations 2016' (2016 No.1077) Page 13. Available at: <http://www.legislation.gov.uk/uksi/2016/1077/contents/made>

6.0 RECOMMENDATION/DECISION REQUIRED

6.1 The HWB is asked to note that:

- 1) a draft PNA document has been produced by the PNA Steering Group in close consultation with key stakeholders and partners;
- 2) a public consultation on the draft PNA is proposed to commence on 23 January 2017; and
- 3) the findings of the consultation and a full revised PNA report is due to be submitted to the HWB in June 2017;
- 4) the HWB has new additional statutory responsibilities under the *National Health Service (Pharmaceutical Services, Charges and Prescribing) Regulations 2016* to produce a supplementary statement should any pharmacies propose a consolidation of two or more pharmacies onto one site.

7.0 SOURCE DOCUMENTS

7.1

Source Documents	Location
Pharmaceutical Services Negotiating Committee summary of NHS Pharmacy Regulations and amendments made on 5 Dec 2016 with links to legislation	http://psnc.org.uk/contract-it/pharmacy-regulation/
Murray R. 'Independent Review of Pharmacy Clinical Services'. Kings Fund. December 2016	https://www.england.nhs.uk/commissioning/primary-care-comm/pharmacy/ind-review-cpcs/