Department of Health

NHS England

Sue Sharpe
Chief Executive
Pharmaceutical Services Negotiating Committee
Times House
5 Bravingtons Walk
LONDON
N1 9AW

17 December, 2015

Dear Sue,

Community pharmacy in 2016/17 and beyond

We are at an important point in the development of the NHS in England. Spending on health continues to grow, and the Spending Review announced 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. The Five Year Forward View sets out a clear direction, building on the strengths of the NHS and rising to the challenges of the future. These include responding to changes in patients' health needs, expectations and personal preferences; rapid developments in treatment, technologies and care delivery; and transformational change through new models of care to improve patient outcomes.

The Five Year Forward View also described the need for greater efficiency and productivity, and in the Spending Review the Government re-affirmed the need for the NHS to deliver £22 billion in efficiency savings by 2020/21. Community pharmacy is a core part of NHS primary care and has an important contribution to make as the NHS rises to all of these challenges.

Through this letter we invite the PSNC as the body recognised under section 165(1)(a) of the NHS Act 2006 as representing all community pharmacies providing NHS pharmaceutical services in England, to enter discussions with the Department of Health, supported by NHS England, on changes to the community pharmacy contractual framework for 2016/17 and beyond, linked to the Spending Review. Given the potential impact of these proposals, in keeping with section 165(1)(b) of the NHS Act 2006, the Department will also consult with the organisations listed as copy recipients of this letter and others, including patient and public groups.

Pharmacy at the heart of the NHS

There is real potential for far greater use of community pharmacy and pharmacists: in 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. To this end we need a clinically focussed community pharmacy service that is better integrated with primary care. That will help relieve the pressure on GPs and Accident and Emergency Departments, ensure optimal use of medicines, better value and better patient outcomes, and contribute to delivering seven day health and care services.

Recent initiatives – such as clinical pharmacists in GP practices – will promote pharmacy and pharmacists in the short-term. However, we would like to take this further and bring pharmacy even closer into the wider primary care and community health system. We want pharmacists to bring their skills more to GP practices, care homes and urgent care, using those opportunities to improve and protect people's health, aligning with the emerging new models of care. So, alongside the funding discussion with the community pharmacy sector, the Department will consult on how best to introduce a Pharmacy Integration Fund to help transform how pharmacists and community pharmacy will operate in the NHS, bringing clear benefits to patients and the public.

Making efficiencies

As well as providing more effective patient and public friendly services, community pharmacy also has to play its part in delivering the efficiencies required by the Government's recently published Spending Review and to support the need for greater efficiency and productivity as outlined in the Five Year Forward View.

This will involve reductions in NHS funding for community pharmacies in England. For 2015/16, the funding commitment for pharmacies in England is £2.8 billion under the community pharmacy contractual framework (essential and advanced services). In 2016/17 this funding will be no higher than £2.63 billion. We anticipate that the funding reductions will take effect from October 2016, giving community pharmacies time to prepare for this change. Given the context of the Spending Review, and to facilitate a clear accountability framework, Department of Health Ministers will be responsible for all the proposals dealing with the necessary savings and the related reforms, and so the implementing measures in the Drug Tariff will be Ministerial determinations.

The 2016/17 funding quantum remains significant in a period when the NHS and public services have to become more efficient. The Government believes those efficiencies can be made within community pharmacy without comprising the quality of services or public access to them. In some parts of the country there are more pharmacies than are necessary to maintain good access. 40% of pharmacies are in a cluster where there are three or more pharmacies within ten minutes' walk. The development of large-scale automated dispensing, such as 'hub and spoke' arrangements, also provides opportunities for efficiencies. We want to work with pharmacy bodies and patient groups on how we can best maintain patient and public access whilst pursuing these efficiencies.

We will ensure that those community pharmacies upon which people depend continue to thrive. The Department will consult on the introduction of a Pharmacy Access Scheme, which would provide more NHS funds to certain pharmacies compared to others, considering factors such as location and the health needs of the local population.

The Department will also consult on how best to drive new models of ordering prescriptions and collecting dispensed medicines. The online journey for patients remains slow and awkward and we want patients to be offered more choice about how they access their medicines and advice. In future, patients should be able to choose to order their prescriptions on line and have them delivered to their home if they wish, or to 'click and collect' if they prefer. We will also be looking at steps to encourage the optimisation of prescription duration, balancing clinical need, patient safety avoidance of medicine waste and greater convenience for patients.

The Department will separately consult on changing the Human Medicines Regulations 2012 (HMR 2012) to allow all pharmacies to access the efficiency created by 'hub and spoke' dispensing, with the aim of making this legislative change by October 2016. This could help pharmacies to lower their operating costs and free up pharmacists to provide more clinical services and public health services. We welcome the views of the pharmacy sector on how best to support efficiency and patient service through these innovative dispensing arrangements.

Consultation process

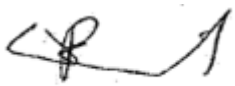
As indicated above, the budget for community pharmacy in 2016/17 is to be set no higher than £2.63 billion, with the reduction in funding expected to take effect from October 2016. We want to work closely with community pharmacy and others on the changes necessary to deliver these efficiencies. At the same time, we want to ensure we retain good access to pharmaceutical services through local community pharmacies and online services, and support the transformation to a more clinically focussed community pharmacy service that is better integrated with primary care,

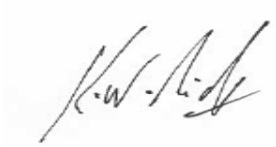
with pharmacists having a more prominent role across the NHS, exploiting opportunities to improve and protect people's health. We will also consider issues arising under the public sector equality duty, relevant duties of the Secretary of State under the NHS Act 2006 and the family test.

Consultation on these proposals will continue with the PSNC and others through to 24 March 2016. This will take the form of detailed discussions with the PSNC, together with engagement opportunities for the organisations listed as copy recipients and for others, including patient and public representatives. We will feedback from those engagement opportunities into the discussions with the PSNC, and so those discussions with the PSNC will be at the heart of this expanded consultation process. The proposals to further enable 'hub and spoke' dispensing through changing the HMR 2012 will be the subject of a separate consultation exercise in 2016.

These consultation processes are an important opportunity to help further develop the proposals and inform the decisions taken by Department of Health Ministers, which will shape community pharmacy's role in the NHS in future. We look forward to working together to transform community pharmacy for 2016/17 and beyond, to the benefit of patients and the public.

Yours sincerely





Will Cavendish
Director General, Innovation, Growth and Technology
Department of Health

Keith Ridge
Chief Pharmaceutical Officer
Supporting NHS England, Department of Health, and Health Education England

Copy:

Pharmacy Voice (comprising the Association of Independent Multiple pharmacies, the Company Chemists Association and The National Pharmacy Association)
Royal Pharmaceutical Society
Association of Pharmacy Technicians UK
General Pharmaceutical Council

Community Pharmacy in 2016/17 and beyond

Foreword

A consultation was launched on 17th December 2015 with the Pharmaceutical Services Negotiation Committee (PSNC), pharmacy stakeholders and others on community pharmacy in 2016/17 and beyond. This marks what I believe is a crucial moment in ensuring the pharmacy sector and the pharmacy professions position themselves at the heart of the NHS in England. I believe the consultation offers a significant opportunity for the sector to collaborate on shaping a set of proposals that can truly transform community pharmacy. At the same time I recognise that some of the proposed changes will be difficult, and create uncertainty within the sector.

Meetings are now taking place with pharmacy stakeholders and others to receive feedback and discuss the proposals set out. The slides we are publishing today provide further detail about those proposals, and outline the consultation process and timetable, including how feedback from the stakeholder meetings will be fed into the formal discussions with the PSNC.

A number of issues raised in this first round of meetings have shown that some aspects of the proposals require further clarification. I hope what follows will be helpful in ensuring all those feeding into the consultation process (through the PSNC and through other representative bodies) are appraised of the facts, and of what the proposals outlined on 17 December are seeking to achieve.

The direction of travel we are setting for pharmacy is not new, and builds on ideas and input from across the sector in recent years. Numerous reports have pointed to the important role pharmacy has to play in wider out of hospital care. The Now or Never report from the Nuffield Trust, November 2013, highlighted that if real change was to be achieved for improving patient-centred care it needed to continue to change the balance of funding from dispensing and supply towards medicines optimisation and the provision of new care models. Integrating community pharmacy and the wider workforce into primary care was identified as a key enabler to achieve this.

The NHS Five Year Forward View and the contingent funding requirements have been agreed with Government as the way forward to deliver the necessary transformation of the NHS and so it is now time for pharmacy to play its part.

Pharmacy Integration

I believe we can go much further in integrating pharmacy into the NHS. However, I do not believe we have all the right infrastructure and the right skills in the right place to be able to achieve integration, and I am determined that we change this.

A new Pharmacy Integration Fund (PhIF) will be established to help transform how pharmacists, their teams and community pharmacy will operate in the NHS. The fund is set at £20 million in 2016/17 rising by an additional £20 million per year. By 2020/2021 we will have invested £300 million in the PhIF. This is a significant resource, demonstrating the commitment that the Government has to pharmacy and

the benefits it can provide to patients and the public. The PhIF will help enable clinical pharmacy practice in a range of primary care settings.

The proposal for year one of the PhIF will be to focus particularly on the key enablers to achieve integration of community pharmacy. This will include supporting the deployment of clinical pharmacists in a range of community care settings, including groups of GP practices and multi-speciality community providers and with better links to care homes and urgent and emergency care, taking into account, where appropriate, the evaluation of the pilot of clinical pharmacists in General Practice. The “action research” approach used in the New Care Models will be used to encourage the spread of good practice. In parallel, it is critical that there is development of an IT infrastructure to enable interoperability between community pharmacy and the rest of primary care.

We believe this will be fundamental to fully integrating community pharmacy into the NHS through the creation of professional links to community pharmacists, together with referral pathways that currently do not exist. This will also support the wider primary care team approach with the increasing workload in general practice. How the fund is prioritised and used to bring about real long term transformational change is where we are very keen to hear ideas and proposals from stakeholders, linked to the development of new care models, local sustainability and as part of transformation plans.

Medicines supply

We hear from pharmacy contractors that pharmacies are working efficiently to ensure the supply chain gets medicines to patients in a safe and timely way, but we also know that the funding system as currently designed does not promote efficient, high quality services, and can actually inhibit the allocation of resources to support a more clinical service. We must ensure we are efficiently allocating NHS funding, and that the system delivers value for patients and the taxpayer. We are open to proposals for how we achieve that efficiency within the £2.63 billion that has been allocated to community pharmacy for 2016/17, and the slides set out initial proposals for how it could be achieved – you will have others and we invite you to put them forward.

I know that references to hub and spoke or centralised dispensing are causing some anxiety across the sector, and think it is helpful to clarify what we are referring to here. Primarily, this is about opening up the option of hub and spoke to those who cannot currently access it. Further, advances in technology provide the opportunity to safely dispense medication in a way that is not only efficient for the taxpayer but also frees up pharmacists’ time to spend with patients. We must, as a profession, embrace that opportunity. There are already lessons to learn and we need to work collaboratively across and beyond pharmacy to ensure these new models are implemented well and safely, but also provide transparency in value for patients and taxpayers. But, at the same time, we are committed to ensuring there is a robust network of high quality, clinically focussed community pharmacies across England – the two are not mutually exclusive. It is, for example, important to understand how hub and spoke arrangements will work in particular with the local spoke applying the

principles of medicines optimisation at all stages along the way. A consultation on the relevant legislation will be taking place from spring 2016.

The details of a Pharmacy Access Scheme have been set out to ensure we can maintain patient access to pharmacies and pharmacy services. To ensure openness and transparency a robust and sophisticated national formula has been proposed in a similar way to how funding is allocated to CCGs for the medicines budget. The proposal is to take into account distance criteria combined with the health needs of the local population when deciding which pharmacies would qualify. This scheme would be applied and administered nationally and thus differs in its purpose from schemes such as the Essential Small Pharmacies Local Pharmaceutical Services arrangements.

Maximising patient choice and convenience

What we are talking about here is nothing 'new'. It already exists within the sector. Patients are already ordering repeat medication through GP Online services and this already represents the most frequent online transaction with the NHS. Whilst there is more to do to make sure the Electronic Prescription Service is universally available, it is effectively offering a click and collect service for patients using it. However, a seamless digital journey for prescriptions is far from the norm and we want to ensure all patients have greater choice how they can order repeat medication. The proposals for consideration are not suggesting that we move to a fully online system for pharmacy. We wish to modernise and encourage patient choice whilst at the same time maintaining a network of community pharmacies for face to face high quality clinically focussed services. We recognise the significant support already provided by some pharmacies for home delivery and we want to understand how the choice for home delivery or collection at a pharmacy can be achieved transparently for patients at the point they reorder their medication.

The consultation process

The process outlined in the slides is underway and we would encourage feedback to the consultation process through your various local networks which might include: Local Professional Networks, Local Pharmacy Forums and Local Pharmaceutical Committees. As stated in the letter 17thDecember 2015 this consultation is an important opportunity to further develop the proposals and inform the decisions taken by the Department of Health Ministers, which will shape community pharmacy's role in the NHS in the future.

Dr Keith Ridge CBE
Chief Pharmaceutical Officer
Supporting NHS England,
Department of Health, and
Health Education England

Department of Health

Community Pharmacy in 2016/17 and beyond - proposals

Stakeholder briefing sessions

Contents

This presentation describes our vision for community pharmacy, and outlines proposals for achieving that vision, whilst inviting views and comments from stakeholders.

The role of community pharmacy

Community pharmacy already plays a vital role in:

- Dispensing medicines
- Advising on medicines use
- Promoting good health and supporting the prevention agenda
- Supporting people to look after themselves

But it could play an even greater role, as part of more integrated local care models, in:

- Optimising medicines usage
- Supporting people with long term conditions
- Treating minor illness and injuries
- Taking referrals from other care providers
- Preventing ill health
- Supporting good health

Key facts and figures

1.6 million visits to community pharmacy every day, of which 1.2 million are for health reasons

Around 1 billion medicines dispensed in community pharmacy every year

£8 billion spend every year in primary care on NHS medicines

2.5% current yearly rate of prescription growth

Medicines optimisation

Up to half of patients don't use medicines in the way intended; many are simply thrown away

1 in 7 over 75s are admitted to hospital because of incorrect medicines use

70% of people in care homes may be at risk from medication errors

Pharmacy at the heart of the NHS

The vision is for community pharmacy to be integrated with the wider health and social care system. This will help relieve pressure on GPs and Accident and Emergency Departments, ensure optimal use of medicines, and will mean better value and patient outcomes. It will support the promotion of healthy lifestyles and ill health prevention, as well as contributing to delivering seven day health and care services.

- Pharmacists enabled to practise more clinically - irrespective of setting and including in community pharmacy - and optimising medicines in a way which puts patients at the centre of decision making, with regular monitoring and review.

- Clinical pharmacists in GP practices, able to prescribe medicines and working side by side with GPs, supporting better health and prevention of ill-health.

- Clinical pharmacists working in care homes, working with residents and staff to make the most of medicines.

- Clinical pharmacists helping patients who have urgent problems, at the end of the phone – for example via the 111 service or on the internet.

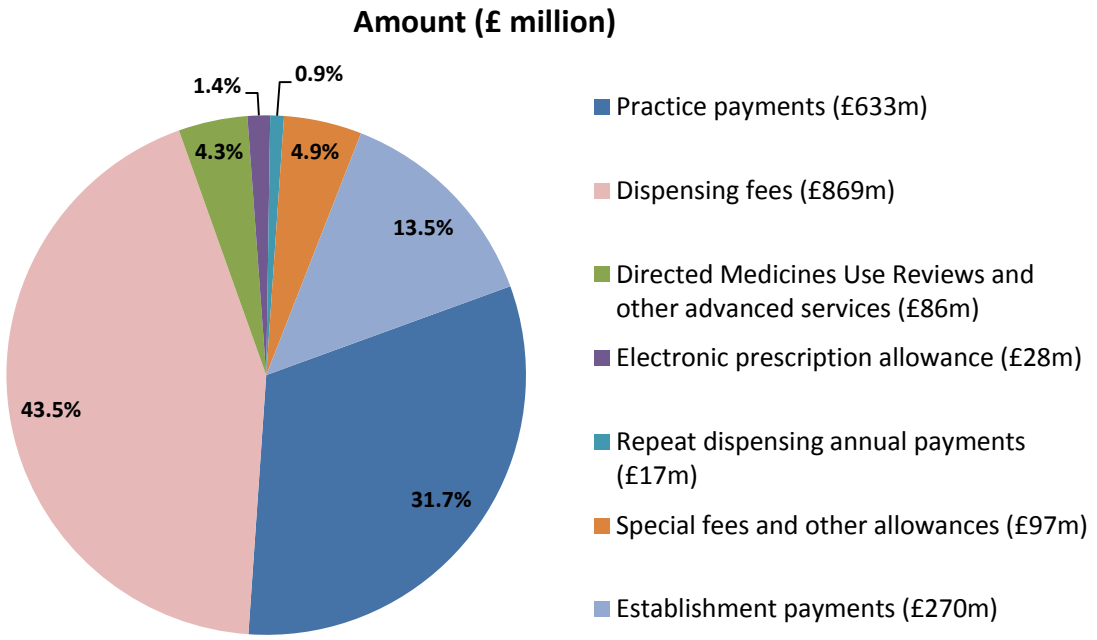
- Easier for patients to get their prescriptions, for example via the internet where a patient feels this would be more convenient for them.

- Pharmacists freed up to support patients to make the most of their medicines, promote health and provide advice to help people live better, harnessing the skills of the wider pharmacy team to support and deliver high quality patient centred health and care.

The direction of travel around strengthening clinical practice and medicines optimisation is in keeping with what is expected of hospital pharmacy.

NHS funding for community pharmacy

- The NHS has committed £2.8bn in 2015/16 on remuneration funding for community pharmacy.
- £2bn in fees and allowances, with a further £800m distributed through margin on drug reimbursement.



- The median average pharmacy receives £220,000 a year in NHS fees and allowances (including margin).
- In the context of the NHS needing to deliver £22 billion in efficiency savings by 2020/21, we have to examine community pharmacy and the contribution it can make to this challenge.

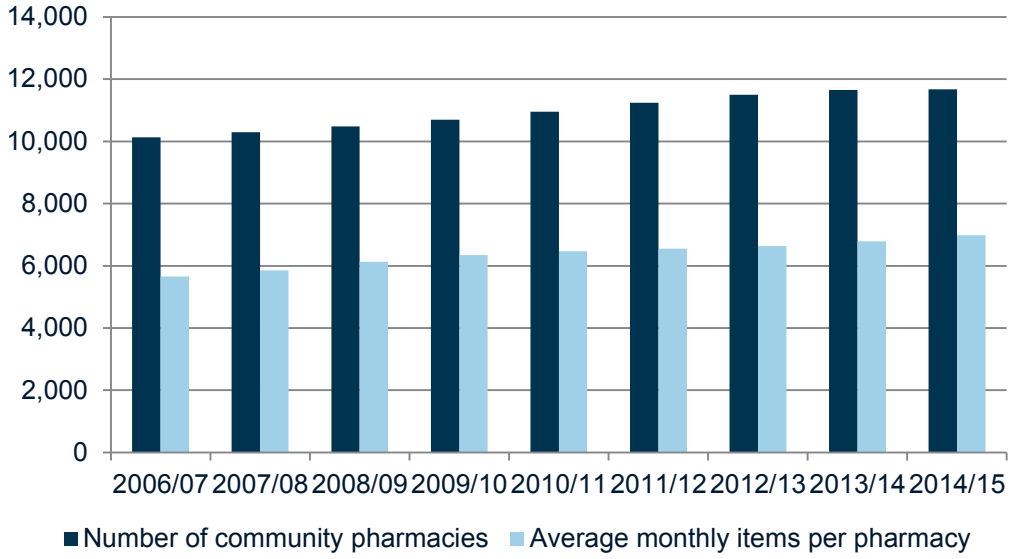
Efficiency in community pharmacy

- There are 11,674 pharmacies in England (at 31 March 2015) **This is an almost 20% increase since 2003**, when there were 9,748**.**

- **The NHS funds this growing estate while there is low uptake of digital channels** – out of step with how other public sector services have developed over the past 10 years .

- **40% of pharmacies are in clusters of 3 or more meaning that two-fifths of pharmacies are within 10 minutes walk of 2 or more other pharmacies**, each being supported by NHS funds.

- Technology is increasingly being used to assemble prescriptions, in individual pharmacies, in small hubs by small groups, and by large organisations, but the current rules mean **some forms of technology cannot be accessed by all pharmacies.**



Number of pharmacies and average monthly items dispensed in England, 2003-2015

Source: Prescriptions Dispensed in the Community, Statistics for England - 2003-2013 [NS]

Remuneration funding for community pharmacy in 2016/17

Spending on health continues to grow, and the Spending Review announced 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. In the Spending Review, the Government also re-affirmed the need for greater efficiency and productivity, and the need for the the NHS to deliver £22 billion efficiency savings by 2020/21, as set out in the NHS's own plan, the Five Year Forward View. Community pharmacy must play its part in delivering those efficiencies.

The Government believes these efficiencies can be made without compromising the quality of services or public access to them because:

- there are more pharmacies than are necessary to maintain good patient access
- most NHS funded pharmacies qualify for a complex range of fees, regardless of the quality of service and levels of efficiency of that provider
- more efficient dispensing arrangements remain largely unavailable to pharmacy providers

In 2016/17, the total funding commitment for pharmacies under the community pharmacy contractual framework (essential and advanced services) will be no higher than £2.63bn, compared to £2.8bn in 2015/16.

The Government is consulting on proposals to realise its objective of a more clinically focussed, modern and efficient pharmacy sector, delivered within the £2.63bn of funding under the Community Pharmacy Contractual Framework.

Proposals for change in community pharmacy

17 December 2015 marked the start of our consultation with the PSNC, other pharmacy bodies and others, including patient and public representatives, on changes to community pharmacy, achieved within the £2.63bn funding cap described previously.

Our aim is that these changes will:

- Integrate community pharmacy and pharmacists more closely within the NHS, optimising medicines use and delivering better services to patients and the public.

- Modernise the system for patients and the public – making the process of ordering prescriptions and collecting dispensed medicines more convenient for members of the public by ensuring they are offered a choice in how they receive their prescription.

- Ensure the system is efficient and delivers value for money for the taxpayer.

- Maintain good public access to pharmacies and pharmacists in England.

The following slides provide more information on our proposals to achieve these objectives on which we would welcome your views.

Bringing pharmacy into the heart of the NHS

Pharmacists' skills make them invaluable to patients and the public, but too often those skills are not used effectively, resulting in avoidable hospital admissions, medicines wastage and sub-optimal care. NHS England has taken important steps to integrate pharmacy into the NHS and the Government would like to make further progress.

We will work closely with the PSNC, other pharmacy bodies and others, including patient and public representatives, on how best to introduce a Pharmacy Integration Fund (PhIF). This will be the primary means of driving transformation of the pharmacy sector to embed medicines optimisation and the practice of clinical pharmacy in primary care, bringing clear benefits to patients and the public.

The proposal for year one will be to focus particularly on the key enablers to achieve integration of community pharmacy. It will be spent primarily on supporting the deployment of clinical pharmacists in a range of primary care settings, including GP practices, multi-speciality community providers, urgent care hubs, care homes and NHS 111. We believe this will be fundamental to fully integrating community pharmacy into the NHS through the creation of clinical and professional links to community pharmacists, together with referral pathways. In addition, it is envisaged the fund will support a range of activities, including:

- Developing the delivery of high quality, clinically focussed pharmacy services that are integrated within wider primary care, including community pharmacy;
- Integration of the seven principles of medicines optimisation into care pathways for long term conditions such as diabetes, COPD, asthma and hypertension including opportunities for health improvement and wellbeing;
- Developing, collaboratively with Health Education England, the whole pharmacy workforce to make patient facing roles the norm;
- Supporting the development and implementation of digital technologies for community pharmacy so that it has the infrastructure to achieve integration with clinical pathways and medicines optimisation for patients;
- Developing clinical pharmacists working in GP practices, care homes and primary care urgent care hubs (e.g. NHS 111);
- Evaluation of innovative clinical pharmacy services, including those already provided by community pharmacies and those developed through the PhIF;
- Working with Public Health England to develop the value proposition for community pharmacy to encourage the commissioning of local health and wellbeing services by local authorities with a focus on the Healthy Living Pharmacy model.

Bringing pharmacy into the heart of the NHS (2)

We welcome views on these proposals, and further proposals from the pharmacy sector, and others, including patient and public representatives, on bringing pharmacy into the heart of the NHS to deliver better quality services to patients and the public.

What are your views on the introduction of a Pharmacy Integration Fund?

What areas should the Pharmacy Integration Fund be focussed on?

How else could we facilitate further integration of pharmacists and community pharmacy with other parts of the NHS?

Modernising the system to maximise choice and convenience for patients and the public

Online ordering, click and collect and home delivery are all growing significantly in other sectors and online retail sales grew by 16% in the UK in 2014. However, the uptake of digital ordering, click and collect and home delivery in community pharmacy remains low. The Office of National Statistics estimate that less than 10% of adults ordered their medicines online in 2014.

Because of this, the Government wants to ensure that the regulatory framework and payments system facilitates online, delivery to door and click and collect pharmacy and prescription services.

These services already exist to an extent within the community pharmacy sector. As part of our consultation we want to consider how we can promote patient choice and convenience when ordering prescriptions, creating a seamless digital journey for all patients, where the choice of delivery or collection is made upfront.

Specifically we want to consider proposals to:

- ensure patients are offered the choice of home delivery or collection when ordering their prescription;
- introduce a new terms of service for distance-selling pharmacies in recognition of the difference in their service offering, and thus differentiated payment.

To what extent do you believe the current system facilitates online, delivery to door and click and collect pharmacy and prescription services?

What do you think are the barriers to greater take-up?

How can we ensure patients are offered the choice of home delivery or collection of their prescription?

Making efficiencies

The Government wishes to work with the PSNC and pharmacy organisations to deliver a more efficient and innovative system. As part of this, we want to consider proposals to:

- **Simplify the NHS pharmacy remuneration payment system**. The current system is complex and does not promote efficient and high quality services. For example the establishment payment – of around £25,000 per year – is received by all pharmacies dispensing 2,500 or more prescriptions a month, a relatively low prescription volume. This incentivises pharmacy business to open more NHS funded pharmacies, adding costs to the taxpayer. We therefore propose the establishment payment is phased out over a number of years.

- **Help pharmacies become more efficient and innovative** through, for example, modern dispensing methods. We will separately consult on changes to medicines legislation to allow the 'hub and spoke' dispensing model across different legal entities. This could allow independent pharmacies to capture the efficiencies stemming from large-scale, automated dispensing, reduced stock holding and economies of scale in purchasing and delivery of stock to the hubs, freeing up time to concentrate in the spokes on delivering patient centred services designed to optimise the use of medicines by patients. These efficiencies could help pharmacies lower their operating costs and enable pharmacists and their teams to provide more clinical services and to improve and support people's health**.**

- **Encourage longer prescription durations, where clinically appropriate**. Where there is no clinical need for a 28-day repeat prescription, this represents inconvenience to the patient and an avoidable cost to the taxpayer. As part of stable long term condition management, many prescribers already prescribe 90-day repeat prescriptions where it is clinically appropriate. With a wider range of interested parties, we will be looking at steps to encourage optimising prescription duration, balancing clinical need, patient safety, avoidance of medicine waste and greater convenience for patients.

The above are initial proposals. The Government is open to any proposal that will drive efficiency and innovation in community pharmacy.

What are your views of the extent to which the current system promotes efficiency and innovation?

Do you have any ideas or suggestions for efficiency and innovation in community pharmacy?

What are your views of encouraging longer prescription durations and what thoughts do you have of the means by which this could be done safely and well?

Maintaining public and patient access to pharmacies

Access to pharmacies in England is excellent - 99% of the population can get to a pharmacy within 20 minutes by car and 96% by walking or public transport. Access is greater in areas of highest deprivation.

The Government is committed to maintaining access to pharmacies and pharmacy services, and is consulting on its proposal for the introduction of a Pharmacy Access Scheme, based on a national formula by which qualifying pharmacies, according to an index based on geography and other factors, will be required to make smaller efficiencies than the rest of the sector.

The proposal is for a national formula to be used to identify those pharmacies that are the most geographically important for patient access, taking into account an isolation criteria based on travel times or distances, and also population size and needs. The population needs variables that we propose should be included are as follows:

- Index of Multiple Deprivation (2015)
- Proportion of population >75 years who are >85 years
- Proportion of population >70 years claiming disability living allowance
- Standardised Mortality Ratios (SMR) by middle super output area
- Generalised fertility rate
- Age-sex standardised proportion non-white
- Age-sex standardised proportion tenure social
- Age-sex standardised limiting long term illness

Once an index of isolation and population needs is determined, we would then need to determine the means by which pharmacies would qualify, such as a travel time threshold or similar. The index would then be combined with the chosen qualifying criteria to generate a list of qualifying pharmacies.

What are your views on the principle of having a Pharmacy Access Scheme?

What particular factors do you think we should take into account when designing the Pharmacy Access Scheme?

Further discussion

Do you have other views you would like to feed into the consultation process?

We welcome feedback from these stakeholder briefing sessions. Please respond to this first phase of the consultation by Friday 12 February 2016, which will allow us to collate all views received during this initial period and input them into the ongoing discussions with the PSNC. We are expecting individuals to input to the consultation via the PSNC and other representative bodies.

We will then hold further stakeholder meetings during March in advance of the consultation period closing on 24 March.

The consultation process

Body	Description	Engagement method
Pharmaceutical Services Negotiating Committee	The body recognised under section 165(1)(a) of the NHS Act 2006 as representing all community pharmacies providing NHS pharmaceutical services in England.	- From January to March DH and NHS England are planning to meet regularly with the PSNC to discuss the proposals, seek input and iterate the thinking. - In February, collated views from the ongoing consultation process will be formally fed into the PSNC discussions.
Pharmacy stakeholders	Other pharmacy stakeholders the Department is choosing to consult with under section 165(1)(b) of the NHS Act, given the potential impact of these proposals: Pharmacy Voice Royal Pharmaceutical Society Association of Pharmacy Technicians UK General Pharmaceutical Council	- Initial briefing sessions during January/February. - Second round of meetings during March, at which additional information that has emerged as a result of ongoing consultation with PSNC will be shared.
Other bodies	We will also consult more widely, including: - Healthwatch England - National Voices - Local Government Association	- Initial briefing sessions during January. - Second round of meetings during March, at which additional information that has emerged as a result of ongoing consultation with PSNC will be shared.

Consultation process: timings

The consultation process started on 17 December, 2015 with the publication of the open letter to the PSNC and other stakeholders. It will end on 24 March, 2016.

The timetable for the process, and the expected implementation of the finalised package is as follows:

	Dec 15	Jan 16	Feb 16	Mar 16	Apr 16	May 16	Jun 16	Jul 16	Aug 16	Sep 16	Oct 16
Announcement											
Discussions with PSNC			Views from stakeholder sessions fed into PSNC discussions								
Consultation with other stakeholders		Initial consultation sessions									
			Secondary consultation sessions to take into account emerging views from the PSNC discussions								
Decision											
Implementation											

Further areas for consultation

Separately to the consultation period on the proposals outlined in this presentation, we will also run a formal government consultation on proposed changes to the Human Medicines Regulations 2012 to remove the legal impediment to 'hub and spoke' dispensing model across different legal entities. This will not be part of the above consultation period, but does form part of the overall reform package.