

LEICESTERSHIRE & RUTLAND PHARMACEUTICAL COMMITTEE MEETING

Wednesday 19 August 2020

Zoom call due to COVID-19 Meeting restrictions

08.30am to 10.00am

Present:	<p>Rita Patel (RP) - Chief Officer Altaf Vaiya (AV) – Vice Chair Satyan Kotecha (SK) Jane Lumb (JL) Meyur Patel (MP) Clare Kerr (CK) Hasmukh Vyas (HV) Gurikbal Singh (GS) Ailsa Garner (AG)–Administrator</p>	
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CLOSED SESSION

	<u>Action</u>
<p><u>Welcome</u> AV welcomed everyone to the meeting,</p> <p>Apologies received from Mohammed Bharuchi (MB) – Treasurer Shezad Alimahomed (SA) David Evans (DE) Vinay Mistry (VM) – Service Development Lead</p> <p>RP & AG to join first part of call from 8.30am to 9.30am then leave to allow discussion between Exec Committee and LPC</p> <p>AV then handed over to SK to lead the discussion relating to the Wright Review (PSNC/LPC Review)</p> <p>SK said he had prepared a presentation to prompt discussion. PSNC are talking to contractors, the NPA had also produced their response for independents and the responses from CCA and AiMP had been received and shared combined with the replies received from the committee.</p> <p>Following discussion, the LPC need to submit answers to each of the questions raised by Monday 31 August.</p>	

Independent PSNC/LPC pharmacy review – Update

SK gave the meeting an overview of the Review and a proposed way forwards

- 8th July virtual meeting between PSNC and LPC to discuss findings of the review
- Proposed that LPC / PSNC work together to develop proposals for September PSNC conference (16th September 2020).
- PSNC & LPC members in working group identified key challenges around finance and governance
- Range of views and concerns gave no clear way forward, indicating more time to reflect was needed...
- PSNC proposed 4 questions for LPCs to respond by 31/8/20,
- Meeting this morning (19/08/2020) to discuss the trends identified in the responses received and formulate the collective LLR LPC response

Question 1 - How do we fund the process?

- To take work on the independent review forwards,
- Any longer-term changes to LPCs and PSNC?

Key themes identified from the responses received from the committee

- Funding through LPC / PSNC and not additional levies
- LPCs need to look at current expenditure / reserves
- More clarity needed regarding the costing of proposed changes
- Any funding from LPCs for transformation should be equitable across all contractors regardless of LPC reserves
- LPC needs to consider current and future structures / financial commitments and resources

Discussion

Cost of review is unknown, we do know there are 3 steps in the review process to reach the final point, but there is no detail anywhere as to how this much this will cost.

Changes in number of contractors could lead to a reduction in the amount of levies so others would need to pay more – this is an unknown at present; there could be shrinkage but the global sum remains the same.

PSNC is under resourced and under funded at present, but the pandemic has also shown how we can save money and could this be used towards the costs.

Need to understand what the commitment would be, this is an unknown.

In the longer term, we need to look at working differently and make more use of virtual meetings, we have made significant savings over recent weeks. As an LPC we need a robust plan for finances and establish what level of support is required and also how we are resourced.

We currently have a committee size of 10 as not actively recruited, believe this is the correct number based on contractors.

A smaller committee works better, and we believe 200 (approx.) contractors is sensible and reasonable.

Looking ahead how do we fund the review without a negative effect on the LPC. There are decisions to be made about the Chair, how will this post be funded, this is a much bigger role and we need clarity about who would pay the cost of the role. Clarity of chair role is required to ensure it is equitable.

Question 2 - How will we explore the review's findings and recommendations together, and consider any alternative proposals?

Key themes identified from the responses received from the committee

- Working group should be representative of contractor views
- Proportional representation of all contractors on working group
- Clear and timely communication from working group
- LPCs / PSNC should support working group does not lead
- Need for better two-way communication on developments

Discussion

Committee agreed in principle to the working groups, as long as represented proportionally. How can contractors input into the working group and how will the comms be distributed. Will this depend on who the contractor is (CCA, AIMP etc)- the working group has to be transparent and consistent messages are vital, publish minutes of meetings etc. Have clear terms of reference. How do Chief officers contribute or not? Working groups need to be contractor led, but how can this be achieved if they do not have expertise – relevant if experienced committee members leave.

How do you get on the working groups and are LPCs and PSNC involved? There is a huge challenge to ensure coal face contractors feel their voice and vote will be heard. There is a concern that independent contractors may not engage. AiMP and CCA will have a vote.

Role of the NPA discussed at length. Who is the voice of the independent contractor (CCA can robustly consider and challenge) it should not be the loudest voice and most compelling argument which is heard above independent contractors? AiMP and CCA will have a joined up response, but there needs to be a cohesive response with independent contractors on the working groups, and they will need support – will the gap be filled by the LPC.

We need to find the right people to work this through and give them the space to do the job, they will need to absorb information and find a way forward. An awful lot of work has been done already and we should respect that knowledge.

What would be the role of the LPC in supporting this process? There has to be a robust mechanism in place.

Question 3 - How will we manage this process and any future transformation from a governance perspective?

Key themes identified from the responses received from the committee

- Need for transparency over any processes / decisions
- Only contractors / representatives to have voting rights

	<ul style="list-style-type: none"> • A Governance framework for LPCs and new organisations • Need for planning – KPIs , finance performance & review <p><u>Discussion</u></p> <p>Frameworks and transparency required.</p> <p><u>Question 4 - What do we need to do to ensure that contractors have ultimate oversight of this process?</u></p> <p>Key themes identified from the responses received from the committee</p> <ul style="list-style-type: none"> • Contractors should have final say on proposed changes via a vote • Roadmap with clear milestones for accountability • Regular updates • LPC need to update contractors on local developments in relation to review – structure, budgets etc • LPC need to seek regular input from contractors especially as many of these may be future members <p><u>Discussion</u></p> <p>Website should include all the information for contractors Succession planning in place Good comms produced locally, must ensure LPC drive this through in the correct way. Contractors voting on the proposed changes- they need to know what they are voting for.</p>	
	<p><u>Agreed next steps in respect of above</u></p> <ul style="list-style-type: none"> • Views of LPC members collated • Virtual meeting 19/08/2020 • Draft LLR LPC response to be shared with committee for approval (date tbc) • Submission of LLR response with amendments 31st August 2020 <p>SK thanked the committee for submitting their responses and for the office team for pulling the information together. The committee agreed with the above next steps.</p> <p>RP & AG left the meeting at 9.30am</p>	

Other items for consideration by LPC

AV updated the committee about the proposal submitted by RP in relation to additional office resource, which followed the proposals made by SK to help reduce the LPC surplus in finances, it has been voted by the committee (**please note, not everyone has voted**) that we should implement a levy holiday and put in extra human resource into our LPC back office either by additional hours for current team or recruiting additional support.

Going forward with this proposal we asked RP to look at the current back office structure.

MB will also look at current finances and future spending, from this data we can then decide how many months of levy holiday we can implement.

We will start the process of speaking to relevant teams at NHSBSA & PSNC to start the process of implementing the levy holiday, including creating a comms for our contractors.

The proposal by Sat was made after he attended the LPC/ PSNC meeting in regards to Professor Wrights report, where it was discussed there is around £4 million funds that could be made available to the PSNC due to high reserves of funds in local LPC's.

Sat believes that the funds could be given disproportionately by each LPC which could mean our LPC due to good budgeting would have to give more to the PSNC rather than by LPC's who spend most of the levies they receive only keeping the minimum reserve needed by the PSNC.

RP had provided the Exec Committee with her recommendation of what funding will be needed, as detailed below.

Overview

Significant areas have been identified as "gaps" for the LPC which impact on contractors, members, and staff. This is not to say that these gaps are there in their entirety, they exist across roles and functions and as such creates a haphazard structure of roles and responsibilities, resulting in a lack of structure, a culture of "firefighting", a lack of strategic direction and thus overall inefficiency.

LLR LPC is please to submit this proposal to the executive committee for review with the aim of improving the structural core of the LLR LPC set up. The last 12 months have shown the need to upgrade current working structures, in the aim of strengthening the team so that the LLR LPC can be in a position to provide the adequate support to pharmacies in the LLR county and nationwide.

The Objective

- **Need #1:** Improve response rates to contractor requests and needs
- **Need #2:** Improved communication channels digital reach
- **Need #3:** Skill and staff resourcing
- **Need #4:** Administrative management of contractor database, resources and governance compliance

	<p>The Solution</p> <ul style="list-style-type: none"> • Recommendation #1: Full Time Chief Officer • Recommendation #2: Service Lead / Development (1 Day A Week) • Recommendation #3: Administration Support (Across 5 Days) <p>Rationale</p> <ul style="list-style-type: none"> • Research: Research has shown the disparity between staff levels in LLR and other LPC's of a similar structure and size. Leicester has low quantity of staffing resources in comparison to those LPCs • Market opportunities: An administration and communication team would allow for increased communication and reach of the LLR LPC further allowing for increased marketing opportunities • Alignment with mission: Our mission is to innovate inspire and support community pharmacies and these changes help us get one step closer to achieving that • Roles & Responsibilities: Having a more diverse team with a wider skill set will help the LLR LPC be better adept at adjusting to new challenges and hurdles <p>Following discussion by the committee, AV summarised the</p> <p>Key Questions & Discussion Items Going Forward</p> <ol style="list-style-type: none"> 1. Full costings for current LLR LPC cash flow including <ul style="list-style-type: none"> • LPC staff costs • Costings of pension/NI • Costings of current proposal given by Rita (As attached) • Costings of counterproposal proposal from Mohammed, in light of Rita's proposal, as shared by Altaf 2. LLR LPC's short and future action, in light of the Wright review (Discussion for whole LPC) 3. Proposal justification and presentation exec and Rita to discuss at extraordinary LPC meeting regarding proposals 4. Other LPC's costings review and comparison 5. Recruitment process <p>Possible Dates for Next Extraordinary LPC Meeting: 27/28th August and is to be confirmed to the committee.</p>	
	<p>Appendix 1 below includes the responses agreed and submitted</p>	
	<p>Meeting closed at by AV ***** thanked everyone for their contribution and reminded the committee of the next LPC meeting on Monday 14 September</p>	

Date of next meeting is to be held on Monday 14 September - subject to COVID-19 meeting restrictions conducted via Zoom

Signed (Vice Chair)

Name

Date.....

Acceptance of minutes proposed by

Seconded by

Appendix 1

PSNC Review questions from LLR LPC

Background

Please find below our response to the 4 questions posed by PSNC to progress some of the recommendations of the Wright Review earlier this year. All committee members have had the opportunity to contribute and this response is the general consensus. We are particularly pleased that the various sectors that make up the community pharmacy network and therefore LPC were mostly in agreement with no polar views at all.

The committee has not consulted on this response with contractors but has taken both the CCA and NPA position statements into consideration without a wish to simply replicate them verbatim. We understand that there will be a wider contractor engagement conducted separately.

One of the most important areas that the committee agreed on and felt was noteworthy is that any working group and subsequent representative structures should be proportionately representative of the various sectors that make up the community pharmacy network from Independents, multiple operators, AIM and CCA. This representation was not only in terms of constitution, but also of voting rights and most importantly representative the interests and views of the sector they represent, this will require regular and clear consultation through an iterative process with a clear mandate and delegated powers and authority to make decisions and eventually negotiate on behalf of a unified community pharmacy network.

Question 1

How do we fund the process - both to take work on the independent review forwards, and any longer-term changes to LPCs and PSNC?

Our consensus on this is that there should be no increase in contractor levies to fund the process now or in the future. Should the transformation element require pump priming then this should come from reserves (be that LPC and or PSNC) and this should be equitable across the entire contractor estate and not dependent on availability of reserves in certain LPCs and not others.

This may cause financial pressure on LPCs who currently have no reserves but we feel this is the fairest way to fund any transformation. The LPC found this question challenging as there are no costings / financial modelling to the funding requirements and how any funding would be used, in the longer term the proposed structures will need to be costed beyond the current simplistic proposal. There will need to be a clear budgeted workplan both for transformation and also the day to day business of both LPCs and PSNC during transition. In summary the process and therefore funding falls into three categories.

- Working group to develop a detailed budgeted proposal for transformation
- Implementation of transformation plans
- Long term sustainability

The various organisations in pharmacy representation will need to drive efficiencies to deliver the above within the existing financial envelope of contractor levies, be this with economies of scale, collaboration, rationalising roles/function, embracing digital technologies and size of organisation in terms of contractors represented and committee membership whilst maintaining proportionality. A note of caution, as restructuring of national and local representative bodies sits outside the purpose and remit of LPCs, any decisions about funding for transformation and change must sit with the contractor organisations and contractors themselves and not their nominated LPC representatives.

Question 2

How will we explore the review's findings and recommendations together, and consider any alternative proposals?

The LPC agrees in principle to the establishment of a working group to achieve this. Key to this will be to establish a fair, transparent and equitable process to select the right people for this working group. Once elected, the working group will need space to do the work they have been mandated to do. The Wright review has already collated views from contractors and representative organisations and hence the working group is not starting from scratch.

Some key principles for this group should include:

- Working group should be representative of contractor views
- Proportional representation of all contractors on working group
- Clear and timely communication from working group
- Clear mandate and terms of reference for the working group
- Need for robust two-way communication on developments to both shape and inform progress

One of the areas for consideration is that CCA and AiM pharmacies have the infrastructure to influence and shape the direction of travel that best suits their constituent pharmacies, this may not always be the same as that for independent contractors and a need for independent representatives to the working group and subsequent organisations to represent the views of a less joined up and coordinated contractor group will be challenging. Whilst organisations such as the NPA may have membership of a large number of independent pharmacies they are a membership organisation and not a mandated representative body for all independent contractors.

Question 3

How will we manage this process and any future transformation from a governance perspective?

There needs to be transparency over any processes / decision. Only contractors or their elected / nominated representatives to have voting rights in any key decisions. There will be a requirement for a Governance framework for LPCs and any new organisations with clear KPIs, planning finance and regular performance review. National guidance and oversight will be needed to ensure change is implemented in a coherent, managed, and transparent way to guarantee the desired outcomes are achieved.

Question 4

What do we need to do to ensure that contractors have ultimate oversight of this process?

Contractors should have final say on proposed changes via a vote, any proposals for consideration must be clear and formally consulted and only progressed if there is a majority in agreement, the margin of majority needs also to be considered, for example the 2/3 majority of those that accept accounts for AGM. There also needs to be a roadmap with clear milestones for accountability and regular updates.

Locally LPCs need to update contractors on local developments in relation to review in terms of structures, workplans and budgets. In a similar way to national working groups and organisations, locally LPCs must seek regular input from contractors especially as many of these may be future members