

## PHARMACEUTICAL SERVICES NEGOTIATING COMMITTEE

### CONSTITUTION

#### 1. Definition & Interpretation

1.1 "Pharmaceutical Services Negotiating Committee" and "PSNC" means the body referred to in paragraph 2(3) of the National Health Service (Pharmaceutical Services) Directions 2005, dated 1 December:

"the organisation which is, in the opinion of the Secretary of State, representative of the general body of Chemists".

1.2 "Chemists" means "Pharmacy Contractors" and "LPS Chemists".

1.2.1 "Independent Chemist" means a chemist that operates retail pharmacy businesses from no more than 9 premises in England from which NHS pharmaceutical services are provided and is not a member of the Association of Independent Multiple pharmacies.

1.2.2 "Multiple Chemist" means a chemist, other than a member company of the Company Chemists' Association, that operates retail pharmacy businesses from more than 9 premises in England from which NHS pharmaceutical services are provided or is a member of the Association of Independent Multiple pharmacies.

1.3 "Pharmacy Contractor" means a registered pharmacist or a person lawfully conducting a retail pharmacy business in accordance with section 69 of the Medicines Act 1968 in England and Wales, which has been included in a pharmaceutical list maintained by NHS England, to provide National Health Service pharmaceutical services, excluding appliance contractors.

1.4 "LPS Chemist" means a registered pharmacist or a person lawfully conducting a retail pharmacy business in accordance with section 69 of the Medicines Act 1968 in England and Wales, who provides local pharmaceutical services, excluding appliance contractors.

1.5 "Registered pharmacist" means a person registered in the register of pharmacists maintained under Article 10 of the Pharmacists and Pharmacy Technicians Order 2007.

1.6 "Rules" means the Rules established by PSNC as amended from time to time in accordance with paragraph 12.

1.7 "Local Pharmaceutical Committee" and "LPC" means a local representative committee having a constitution that has been recognised and accepted under the provisions of the NHS Act 2006 by NHS England and the PSNC.

#### 2. Title

The Organisation shall be known as "Pharmaceutical Services Negotiating Committee".

### 3. Functions of the PSNC

Subject to paragraph 14.4 the functions of the PSNC are:

- 3.1 to secure for Chemists the best possible contractual terms and remuneration in respect of National Health Service pharmaceutical services and Directed services provided by them.
- 3.2 To represent, protect and serve the interests of all Chemists and to develop community pharmacy services to the benefit of Chemists.
- 3.3 To negotiate, as representative of the general body of chemists with the Department of Health and NHS England, the conditions of service and the remuneration for the dispensing of National Health Service prescriptions and the provision of the pharmaceutical services and Directed services under the National Health Service (Pharmaceutical and Local Pharmaceutical Services) Regulations and any Directions issued by the Secretary of State.
- 3.4 To represent Chemists in discussions and negotiations with other Government Departments and other bodies.
- 3.5 To consider, support or oppose legislation, proposed or otherwise, affecting Chemists in connection with the National Health Service Pharmaceutical Services and Directed services.
- 3.6 To check and use all reasonable endeavours to agree each month with the Department of Health the prices to be used in the prescription processing divisions for pricing National Health Service prescriptions.
- 3.7 To maintain as the agent of Local Pharmaceutical Committees in England and Wales a Pricing Audit Centre to check on a sampling basis on behalf of Chemists the pricing and accounting of National Health Service prescriptions and to carry out such other functions as the PSNC may direct.
- 3.8 To provide an advisory service to Chemists on matters relating to the National Health Service.
- 3.9 To advise and support Local Pharmaceutical Committees in negotiations with local authorities and other commissioners.
- 3.10 Generally to do all other things necessary to preserve, protect and further the interests of Chemists in connection with the provision of the National Health Service Pharmaceutical Services and Directed services.
- 3.11 To carry out such administrative activities as are necessary to perform the functions described in this paragraph.

### 4. Term of Office

The term of office for elected members of the PSNC shall be four years commencing on 1st April in the year of the election.

### 5. Meetings

5.1 Meetings of the PSNC shall normally be held in January, March, May, July, October and November each year. Members of the PSNC shall, wherever possible, be given not less than seven days clear notice by the Chief Executive of such meetings.

5.2 A member who is unable to attend a plenary meeting of the PSNC may appoint another member of the Committee as his proxy to vote on his behalf at any such meeting provided that the proxy is declared at the commencement of the meeting.

## 6. Membership

6.1 The PSNC shall consist of its Chairman together with 31 registered pharmacists.

6.2 The composition of the PSNC shall be as follows:

6.2.1 A Chairman appointed by the PSNC in accordance with the Rules who may be, but need not be, a registered pharmacist.

6.2.2 THIRTEEN Independent Chemists elected as regional representatives in accordance with the Rules.

6.2.3 ONE Chemist appointed by Community Pharmacy Wales to be the representative of contractors in Wales.

6.2.4 TWO Independent Chemists appointed by the Board of Management of the National Pharmacy Association.

6.2.5 TWELVE registered pharmacists appointed by the Company Chemists' Association.

6.2.6 THREE Multiple Chemists elected as multiple chemist representatives in accordance with the Rules.

6.2.7 No person shall be eligible to be a member of the PSNC unless he agrees to be bound by the Code of Conduct adopted from time to time by the PSNC.

6.3 Appointments under paragraphs 6.2.3, 6.2.4 and 6.2.5 shall be made by giving not less than 21 days notice of the appointment to the Chief Executive Officer of PSNC. The notice shall be signed on behalf of the appointing body, confirming that the person is eligible for appointment under this Constitution.

6.4 Where a vacancy exists as a result of no candidates being eligible for election as regional representative, the PSNC may, in accordance with the rules, co-opt a pharmacist as regional representative for the region in which the vacancy exists.

6.4.1 The pharmacist so co-opted shall remain a member of the PSNC until 31 March in the year in which the regional representative elections are to be held.

6.4.2 The pharmacist so co-opted shall be regarded in this constitution as if he had been elected as a regional representative.

## 7. Observers

The PSNC at its discretion shall have the right to make observer arrangements with other pharmaceutical bodies.

## 8. Quorum

The number of members of the PSNC who shall form a quorum shall be seventeen.

9. Disqualification or Resignation of Members

9.1 Where an elected member of the PSNC ceases to be eligible his seat on the PSNC shall thereupon be vacated and a vacancy shall be deemed to have occurred.

9.2 An elected Independent Chemist shall become ineligible if:

9.2.1 He ceases to be registered as a pharmacist;

9.2.2 He is no longer a Chemist either individually or in partnership, or a director and substantial shareholder (either personally, or through shares owned by members of his immediate family, i.e. parents, spouse or children) of a body corporate which is a Chemist in the region in which he was elected;

9.2.3 he has substantial ownership (either personally, in partnership or through shares owned by members of his immediate family, i.e. parents, spouse or children) in more than nine pharmacies;

9.2.3 He is a member or officer of a local pharmaceutical committee from which the levy due under paragraph 14.3 has not been received by PSNC within 6 months of the due date.

9.3 An elected Multiple Chemist shall become ineligible if:

9.3.1 He ceases to be registered as a pharmacist;

9.3.2 He is no longer a Multiple Chemist either individually or in partnership, or a director and substantial shareholder (either personally, or through shares owned by members of his immediate family, i.e. parents, spouse or children) of a body corporate which is a Multiple Chemist, or is employed by a Multiple Chemist.

9.4 Where a member of the PSNC has been absent from three consecutive ordinary meetings of the PSNC to which he has been summoned, the PSNC shall declare his seat has been vacated and a vacancy shall be deemed to have occurred unless satisfied that his absence was unavoidable due to illness or some other cause. A member of the PSNC who vacates his seat under this sub-paragraph shall not be eligible for re-election or re-appointment during the period of office of the PSNC from which he vacated his seat.

9.5 A member of the PSNC may resign therefrom by notice in writing signed by him and delivered to the Chief Executive Officer, thereupon his seat shall be vacated and a vacancy shall be deemed to have occurred.

9.6 Where the PSNC considers, under sub-paragraph 9.1 that a member is ineligible or, under sub-paragraphs 9.4 or 9.5 that his seat has been vacated, the PSNC shall issue a notice and the member's seat shall be vacated from the date of such notice.

9.7 A member appointed under sub-paragraphs 6.2.3, 6.2.4, or 6.2.5 may also be removed from membership at any time by the body which appointed him.

10. Method of Filling Vacancies

10.1 Where by a reason of the death of an elected member, or under the provisions of paragraph 9 a vacancy in the elected membership occurs, the PSNC may within a

reasonable period after its occurrence, hold an election to fill the vacancy for the remainder of the term.

10.2 Where by reason of the death of an appointed member, or under the provisions of paragraph 9 a vacancy in the appointed membership occurs, the appointing body will be invited to appoint another member to fill the vacancy for the remainder of the term.

10.3 A pharmacist elected as regional representative to fill a vacancy shall remain a member of the PSNC until 31 March in the year in which the regional representative elections are to be held.

10.4 The proceedings of the PSNC shall not be invalid by reason of any vacancy.

#### 11. Amendment of Constitution

The written Constitution of the PSNC shall not be altered except by a two thirds majority vote of those present and voting at a meeting called with at least seven days notice of an intention to propose a change to the Constitution or by Statute.

#### 12. Amendment of Rules

The written Rules of the PSNC shall not be altered except:

12.1 In the case of Rules 1.1, 2, 7, 8, 9, 10, or 11 by a two thirds majority vote of those present and voting at a properly convened meeting of the Pharmaceutical Services Negotiating Committee or by Statute.

12.2 In the case of Rules not referred to in sub-paragraph 12.1 by a majority vote of those present and voting at a properly convened meeting of the Pharmaceutical Services Negotiating Committee or by Statute.

#### 13. Conference of Representatives of Local Pharmaceutical Committees

##### 13.1 Annual Conference

A Conference of Local Pharmaceutical Committees shall be called by the PSNC normally at least once in each calendar year.

##### 13.2 Special Conference of Representatives of Local Pharmaceutical Committees

The PSNC shall, if requested in writing, by not less than 25 Local Pharmaceutical Committees, call a Special Conference of Local Pharmaceutical Committee Representatives.

##### 13.3 Representation

13.3.1 Subject to the provisions of paragraph 13.3.2 below, Local Pharmaceutical Committees shall be entitled to appoint representatives to attend Conferences of Local Pharmaceutical Committees as follows:

No of Chemists	Number of Representatives
up to 100	2
101 up to 200	3

201 up to 300

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One additional representative may be appointed for every 100 or part thereof of Chemists in the Local Pharmaceutical Committee area.

- 13.3.2 A Local Pharmaceutical Committee shall not be entitled to appoint representatives to attend a Conference of Local Pharmaceutical Committee Representatives if at the date of the Conference, there are any amounts due under paragraph 14.3 that have been outstanding for more than six months.

#### 13.4 Quorum

The number of Committees which shall form a quorum of a Conference of Representatives of Local Pharmaceutical Committees shall be 25 Local Pharmaceutical Committees.

### 14. Finance

- 14.1 The income and property of the PSNC shall be applied solely towards the promotion of the functions set out in paragraph 3, and any surplus in any one year shall be carried forward into subsequent years.

14.2 PSNC is funded by Chemists.

14.3 The funds are collected through Local Pharmaceutical Committees.

14.4 The PSNC shall not be obliged to provide services to, or represent the interests of, any local pharmaceutical committee or chemist, unless the levy due under paragraph 14.3 is paid by the due date.

14.5 The amount due shall be invoiced to each Local Pharmaceutical Committee at the commencement of the financial year, with provision to pay this amount either by quarterly direct debit in advance, or for payment methods other than direct debit, in two instalments, the second instalment to be due at the commencement of the seventh month of the financial year. The Local Pharmaceutical Committee levy shall be remitted by Committees within 28 days of demand or of due date whichever shall be the later (see also 13.3.2).

14.6 The PSNC shall have the power to borrow or otherwise raise any monies which in their absolute discretion may be required for any fundings of the PSNC and in particular, but not by way of limitation, for the purpose of acquisition of any freehold or leasehold property and to have power to charge the same to secure the payment of monies so borrowed or raised.

14.7 The financial year shall be from 1st April to 31st March of the following year inclusive.

### 15. Subcommittees of PSNC

15.1 The sub-committees of PSNC shall be as follows:-

15.1.1 Resource Development and Finance Subcommittee

15.1.2 Funding and Contract Subcommittee

15.1.3 Service Development Subcommittee

15.1.4 LPC and Implementation Support Subcommittee;

15.1.5 Regulations and Policy Subcommittee.

15.2 The remit of the sub-committees shall be set out in the Rules.

15.3 The appointment of chairmen and members of the sub-committees shall be carried out in the accordance with the Rules.

16. Panels of the PSNC

16.1 The Panels of the PSNC shall be:

16.1.1 Review and Audit Panel

16.1.2 Appointments Panel.

16.2 The remit of the Panels shall be set out in the Rules.

16.3 The appointment of chairmen and members of the Panels shall be carried out in the accordance with the Rules.

17. Salaried Officials

17.1 The PSNC may appoint or dismiss salaried officials as the PSNC may from time to time determine.

17.2 The most senior salaried official shall be designated the Chief Executive Officer whose role shall be defined by the PSNC.

17.3 Salaried officials, shall be responsible to the PSNC for the day to day administration of the PSNC's affairs, including the preparation of accounts and the writing of Minutes of proceedings at meetings of the PSNC and shall hold office for such period and shall perform such other duties and receive such remuneration upon such terms and conditions as the PSNC may from time to time determine.

18 Winding up or Dissolution of PSNC

If upon the winding up or dissolution of PSNC there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Committee, but shall be returned to Chemists under arrangements determined by PSNC.