**Pharmaceutical Services Negotiating Committee**

**Funding and Contract Subcommittee Minutes**

**of the meeting held on Wednesday 4th September 2019 at 13.00**

**at Aylesbury room, 14 Hosier Lane, London, EC1A 9LQ**

**Present:**  David Broome, Peter Cattee (Chairman), Tricia Kennerley, Andrew Lane, Margaret MacRury, Has Modi, Garry Myers (Vice – Chair), Bharat Patel, Adrian Price, Anil Sharma

**In attendance:** Mark Burdon, Richard Bradley, Jack Cresswell, Mike Dent, Michael Digby, Mark Griffiths, Jas Heer, Gordon Hockey (part), Clare Kerr, Sue Killen, Sunil Kochhar, Janice Perkins, Rob Thomas

1. Welcome from chair
2. Apologies for absence

No apologies were received

1. Conflicts of Interest

No conflicts of interest were declared

1. Minutes of previous meeting and matters arising

The minutes of the meeting held on 22nd May 2019 set out in **Confidential Appendix FCS 01/09/19** were approved.

**Agenda and subcommittee work**

1. Remuneration
2. 2018/19 contract sum forecast

The subcommittee considered the 2019/20 contract sum forecast shown in **Confidential Appendix FCS 02/09/19.**

1. VAT

The subcommittee considered the verbal update on VAT.

We have pointed out to DHSC that any VAT implications for SSPs and Transition Payments need to be considered – they are aware.

1. Reimbursement

1. April 2019 AIV

The subcommittee considered the update on AIV for April 2019 show in **Confidential Appendix FCS 03/09/19.**

1. Quarterly margins survey

MD talked through the updated paper on quarterly margins survey shown in **Confidential Appendix FCS 04/09/19.**

1. Retained margins forecast

The subcommittee considered the update on retained margins forecast for 2018/19 shown in **Confidential Appendix FCS 05/09/19.**

1. Category C margin

PSNC and DHSC are working on a methodology. This will be highlighted in the main PSNC plenary meeting.

1. Reimbursement consultation

The subcommittee considered the update on PSNC’s response to DHSC’s consultation on community pharmacy drug reimbursement reforms shown in **Confidential Appendix FCS 06/09/19.**

We previously sent this round to PSNC members – thanks for the comments and feedback that was given. This has been sent out to LPCs, other countries and other CP bodies, and followed up with a webinar. We will consolidate last bits of feedback and send round a final version to the committee.

We have tried to keep the response high level and laid out key principles which reimbursement changes should adhere to.

1. DHSC’s proposed Drug Tariff changes

The subcommittee considered the update on DHSC’s proposed administrative changes to the Drug Tariff as shown in **Confidential Appendix FCS 07/09/19.**

1. PSNC’s proposed Drug Tariff and non-Drug Tariff changes

The subcommittee considered the update on PSNC’s proposed Drug Tariff and non-Tariff changes as shown in **Confidential Appendix FCS 08/09/19.**

PSNC’s proposed changes were noted by the committee. Mike Dent asked for any comments to be sent through.

**Report**

1. General funding update

The subcommittee noted the general funding update shown in **Appendix FCS 09/09/19.**

1. Statistics

The subcommittee noted the statistics shown in **Appendix FCS 10/09/19.**

1. Any Other Business
 It was requested hyperlinks be added to the agendas.