

Rt Hon Jeremy Hunt MP
Chair, Health and Social Care Committee
House of Commons
London SW1A 0AA

Sent via email to hsccom@parliament.uk

Dear Mr Hunt,

Letter from community pharmacy organisations on workforce recruitment and retention challenges

We are contacting you on behalf of our respective organisations regarding the Committee's ongoing inquiry into workforce recruitment and retention. At the 24th May evidence session, Ravi Sharma, the Royal Pharmaceutical Society Director for England, was asked to write to the Committee in response to a series of questions related to pharmacy workforce challenges and closures. We are writing to you to highlight our continued concerns regarding the workforce challenges, coupled with 8-years of a real terms decrease in funding, that the community pharmacy sector is experiencing.

As you will be aware, the current five-year Community Pharmacy Contractual Framework was agreed in 2019 and has not been adjusted despite rising inflation, the UK's withdrawal from the EU and the Covid-19 pandemic. Indeed, we have found that in the intervening period beforehand (2014-19), healthcare expenditure rose by 9.5% per capitaⁱ at a time when spend per capita decreased by nearly 10.7%ⁱⁱ in the community pharmacy sector. The Pharmaceutical Services Negotiating Committee (PSNC) has previously estimatedⁱⁱⁱ that an efficiency demand of between 37% and 50% will have been required by the pharmacy sector from the implementation of funding cuts in 2015/16 until 2022/23, year four of the five-year contractual framework.

These funding cuts affect the entire sector. An EY report^{iv} commissioned by the National Pharmacy Association (NPA) found that three-quarters of family-owned pharmacies in England could be forced to shut their doors by 2024 with the average pharmacy expected to make an annual loss of £43,000 by 2024. Meanwhile, a 2020 EY report^v commissioned by the General Pharmaceutical Council (GPhC) found that 40% of large pharmacy chains sampled are running at a loss.

The impact of these untenable funding cuts has been exacerbated by growing workforce challenges. Pharmacy businesses, of all sizes, are finding it harder and harder to recruit pharmacists. Indeed, the Pharmaceutical Services Negotiating Committee's (PSNC) Pharmacy Pressures Survey^{vi} found that 91% of pharmacies are experiencing staff shortages. At the same time, demand for community pharmacies has risen - nine in ten pharmacy teams reported a significant increase in phone calls from patients about prescriptions, and 86% reported a rise in requests for healthcare advice.

This is having a knock-on effect on the wellbeing of staff who have worked so hard during the pandemic to serve their local communities. Moreover, pharmacy staff continue to be subject to worrying levels of abuse from disgruntled members of the public.

The Secretary of State for Health has outlined a desire for community pharmacy to do more. Pharmacists and pharmacies want to do more but simply cannot without proper funding and action to mitigate the workforce and funding challenges all parts of the sector are facing. The sector has demonstrated its importance to local communities over the pandemic and stepped up to the plate when the country needed it to, delivering nearly 24m Covid vaccines to date. We encourage the Health and Social Care Committee to hold the Government to account over the inconsistency of asking a sector to do more without investment or a workforce strategy to match.

We urge your committee to fully investigate the workforce recruitment and retention challenges within the community pharmacy sector, as part of its current inquiry. We would be happy to support the Committee in outlining these challenges.

Yours sincerely,



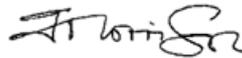
Dr Leyla Hannbeck
Chief Executive
**Association of Independent Multiple
Pharmacies**



Malcolm Harrison
Chief Executive
Company Chemists' Association (CCA)



Mark Lyonette
Chief Executive
National Pharmacy Association (NPA)



Janet Morrison OBE
Chief Executive
**Pharmaceutical Services Negotiating
Committee (PSNC)**

About our organisations

AIMp is a membership organisation representing community pharmacy businesses with multiple pharmacies. Our members represent a significant number of pharmacies cross the UK, delivering primary healthcare and advice to their local communities. AIMp also engages with politicians, policy makers, the NHS and local government stakeholders to influence decisions about community pharmacy provision, services and remuneration. For more information, please visit <https://www.aimp.co.uk/home>

Established in 1898, the CCA is the trade association for large pharmacy operators in England, Scotland, and Wales. The CCA membership includes ASDA, Boots, Lloyds Pharmacy, Morrisons, Rowlands Pharmacy, Superdrug, Tesco, and Well, who between them own and operate around 5,500 pharmacies, which represents nearly half of the market. CCA members deliver a broad range of healthcare and wellbeing services, from a variety of locations and settings, as well as dispensing almost 500 million NHS prescription items every year. The CCA represents the interests of its members and brings together their unique skills, knowledge, and scale for the benefit of community pharmacy, the NHS, patients, and the public. For more information please visit <https://thecca.org.uk/>

The NPA is the trade association and representative voice for independent community pharmacies in the UK. There are approximately 7,000 independent pharmacies across the UK and the vast majority are family owned and run, small to medium sized businesses. We count amongst our members large regional chains through to single-handed independent pharmacies. We are uniquely placed as the only pharmacy body to represent members in all four nations of the United Kingdom. For more information please visit www.npa.co.uk.

PSNC represents the owners of all 11,200 NHS community (high-street) pharmacies in England. We negotiate with the Department of Health and Social Care (DHSC) and with NHS England and NHS Improvement (NHSE&I) on behalf of those pharmacy owners. Our goal is to develop the NHS community pharmacy service, to enable community pharmacies to offer an increased range of high quality and fully funded services that meet the needs of their local communities and provide value and good health outcomes for the NHS and the public. For more information please visit <https://psnc.org.uk/>

ⁱ The King's Fund, 'The NHS budget and how it has changed', available online [here](#). In 2014/15, healthcare expenditure in England stood at £131.2bn for 54.32m people (£2,415.3 per capita). In 2019/20, healthcare expenditure in England was £148.9bn for 56.28m people (£2,645.7 per capita). A rise of +9.54%.

ⁱⁱ Pharmaceutical Services Negotiating Committee, 'Historical funding arrangements', available online [here](#). In 2014/15, a settlement of £2.8bn was agreed for the community pharmacy sector in England for 54.32m people – this equates to £51.54 per capita. In 2019/20, a settlement of £2.592 was agreed for 56.28m people - £46.05. A decrease of -10.65%.

ⁱⁱⁱ PSNC briefing, 'Community pharmacy funding and capacity', January 2022, available online [here](#).

^{iv} EY, 'Impacts of current funding, policy and economic environment on independent pharmacy in England', September 2020, available online [here](#).

^v EY, 'The business impact of pharmacy registration fees on registered pharmacies in Great Britain, January 2020, available online [here](#).

^{vi} PSNC, 'Pharmacy Pressures Survey confirms impact on teams, businesses and patients', 25th April 2022, available online [here](#).