

# PRESS RELEASE

For Immediate Release



PHARMACEUTICAL SERVICES NEGOTIATING COMMITTEE

59 Buckingham Street  
Aylesbury, Buckinghamshire HP20 2PJ  
Telephone (01296) 432823  
Fax 01296 438427  
[www.psn.org.uk](http://www.psn.org.uk)

**25 July 2007**

## **Department of Health Proposals to modernise financial allocations.**

The Department of Health has announced proposals to change legislation governing pharmacy funding. The agreed funding is at present provided from two separate funding streams: over 50% of funding is presently provided from nationally held funds (the global sum); the remainder from budgets held by PCTs, which also hold the drugs budgets. The proposals, in a consultation paper launched today and announced in a written ministerial statement by the minister, Dawn Primarolo, would permit transfer of the nationally held funds to PCTs.

Present funding arrangements charge payments made for EPS and Advanced services, as well as Practice Payments, to PCT budgets, and agreed levels of purchase profits are also funded by the PCT drugs budgets. The principal payments made from the centrally held global sum are dispensing fees and establishment payments.

Commenting on the announcement **Sue Sharpe**, *Chief Executive of PSNC* said:

"In future, a single source of funding could support a more simple system of fees and allowances, which are currently made complex by the need to split payments between the two funding sources. Implementation of the proposal to allow the centrally held budgets to be transferred to PCTs would not in itself make any change to the levels of payment. Most important for contractors, it does not mean that payments will in future be determined locally, and the consultation paper makes it clear that the Department proposes to continue to set fees and allowances nationally, negotiating with PSNC."

PSNC will consider its response to the proposal.

The delay in publishing the Galbraith report and the announcement that a white paper on pharmacy is to be published in the autumn will inevitably give rise to uncertainty and speculation. We will be actively seeking to ensure that any proposals for change build on and develop the progress community pharmacy

has made in extending the range and quality of services it provides to patients under the new contractual framework.

**--ENDS--**

**Notes for editors:**

1. The Pharmaceutical Services Negotiating Committee (PSNC) is the body that represents community pharmacy on NHS matters and seeks to secure the best possible NHS services provided by pharmacy contractors in England and Wales.

**For further information contact:**

Dipen Shah at PSNC, 59 Buckingham Street, Aylesbury, Buckinghamshire, HP20 2PJ, e-mail: [dipen.shah@psnc.org.uk](mailto:dipen.shah@psnc.org.uk) - office: 01296 432823, mobile: 0785 228 1399.

[www.psnc.org.uk](http://www.psnc.org.uk)