

# PRESS RELEASE

For Immediate Release



PHARMACEUTICAL SERVICES NEGOTIATING COMMITTEE

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

**24 September 2007**

## **PSNC Committee Meeting - September 2007**

PSNC committee met on 19<sup>th</sup> and 20<sup>th</sup> September 2007.

**Dr. Christopher Hodges chaired his first PSNC committee meeting after the departure of Barry Andrews CBE. The committee welcomed him to the post.**

### **EPS Update**

During the meeting the committee received a detailed update on progress with implementing Release 1 of the service. Latest statistics indicate that 57% of pharmacies are now EPS Release 1 enabled with steady progress continuing to be made with deployment.

The £2600 EPS Release 1 allowance that existing pharmacies received in 2005 was paid with the caveat that if a pharmacy has not deployed Release 1 of the Service by a date, yet to be determined, (of which three months notice will be given) PCTs will be able to reclaim this Allowance. PSNC is now in active discussion with the Department of Health on setting the cut-off date. It is likely that an announcement on the date will be made before the end of the year with contractors provided with at least three months notice. In light of this, PSNC is advising pharmacy contractors, if they have not already done so, to contact their chosen system supplier and make arrangements for upgrading to EPS Release 1 as soon as possible. Detailed guidance on getting connected can be found in the 2007-08 PSNC Contract Workbook or in the ETP Section of the PSNC Website ([www.psnc.org.uk/etp](http://www.psnc.org.uk/etp)).

The Committee also discussed various policy issues linked to EPS Release 2. In preparation for Release 2, PSNC has organised briefing meetings for representatives from LPCs in the Release 2, Wave 1 and Wave 2 Initial Implementer areas.

## **NHS Choices Website**

During the meeting the PSNC agreed that pharmacists, like GPs should be provided with real time access to update certain information held on the NHS Choices website ([www.nhs.uk](http://www.nhs.uk)), for example pharmacy opening times and services offered. At present pharmacies must request changes through a PCT but PSNC has received a number of complaints from pharmacies in a different parts of the country that changes to the website are not always being made promptly.

## **Department of Health consultation on proposed increase in premises fees**

PSNC considered the proposal made by the Royal Pharmaceutical Society of Great Britain to increase pharmacy premises annual retention fees for 2008 from £156 to £243. The Department of Health is required to consult, because these fees are set by Government. PSNC decided to oppose the substantial increase, because there is insufficient justification for such an increase to be borne by pharmacy owners. The costs associated with routine visiting by the Society's Inspectors is a substantial portion of the regulatory costs, as are the new costs this year of preparing for the transfer of regulatory activity to the General Pharmaceutical Council. PSNC believes neither of these are costs that should be passed onto pharmacy owners.

In 2006, PSNC, the Company Chemists' Association, the Association of Independent Multiple pharmacies and the National Pharmacy Association submitted a joint response opposing the requested increase, and PSNC is exploring with those bodies whether there is a common position this year which might support a joint response.

Sue Sharpe, Chief Executive of PSNC said:

"The financial pressures facing the Society are recognised, but the Society must when setting out its budgetary requirements, be realistic about those activities that should be funded through premises retention fees. The Society sought a large increase last year which PSNC opposed on the grounds that the Society had not done enough to identify savings that could be made or to properly explain why such increases were necessary. We are concerned that the Society has again proposed substantial increases, but has failed to address fundamental issues about whether the activities to be funded through the premises fees are appropriate".

## **Contract Funding**

PSNC considered the status of negotiations with the DH on funding for 2007/08. Work in progress on both the annual uplift including the additional funding for regulatory burdens and the inquiries to establish levels of buying profit were reviewed. This work is complex but an announcement is expected shortly.

## **Payment Thresholds and Low Dispensing Volume Local Pharmaceutical Service Proposals (LVLPS)**

PSNC considered the payment threshold for 2007 - 2008. There is a requirement to keep the thresholds under review, but PSNC is very aware of the

impact that increasing the threshold has on low dispensing volume pharmacies. In 2006 - 2007 PSNC agreed with the Department of Health that the threshold would be increased by only 3 per cent, which in a year of anticipated volume increase of over 5 per cent could help lift some low volume contractors above the threshold. For 2007 - 2008 PSNC again intends to seek agreement from the Department of Health to a threshold increase of significantly less than the anticipated volume growth, which could assist more low dispensing volume contractors.

The Committee was also informed that the discussions with the Department of Health on promoting low volume local pharmaceutical services are nearing completion. Guidance on Low Volume LPS is to be included in LPS guidance being prepared by the Department of Health for publication later in the month.

### **PBC guidance for contractors**

PSNC will be producing a resource pack for pharmacy contractors to help them utilise PBC effectively in the development of pharmacy based Enhanced services. This will be in addition to the existing PSNC guidance available to LPCs.

### **Branded Generics**

PSNC maintains that branded generics are incompatible with the basis of competition of the market. The OFT proposals on PPRS have been delayed and this has resulted in the committee being frustrated with the lack of progress on this front.

**-- 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)