

North Tyneside Health & Wellbeing Board Report Date: 16th March 2017

ITEM 7
Title: Pharmacy
Regulations and
Pharmaceutical Needs
Assessment

Report from : North Tyneside Council

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1. Purpose:

The purpose of the report is to provide information about the implications of the new statutory requirements of updated NHS Pharmaceutical Regulations for the Health and Wellbeing Board and the requirement for the Board to review, update and publish a Pharmaceutical Needs Assessment (PNA) for North Tyneside.

2. Recommendation(s):

The Board is recommended to:

- 1) Note the new statutory regulations
- 2) Agree a process for meeting the two new statutory duties
- 3) Agree how the PNA will be reviewed and updated including consideration of the following options:
 - a. North Tyneside Council to lead and resource the process; or
 - b. North Tyneside CCG to lead and resource the process; or
 - c. The Council and the CCG to jointly lead and resource the process with support from a steering group made up of Board members.

3. Policy Framework

There is a statutory duty under the Health and Social Care Act 2012 for Health and Wellbeing Boards to undertake a PNA. On 1st April 2013, Health and Wellbeing Boards of every local authority in England were required to develop a PNA for the first time and ensure that it was published by 1st April 2015. The NHS (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013 sets out the legislative basis for developing the PNAs.

The development of a PNA is a separate duty to that of developing a Joint Strategic Needs Assessment. PNAs inform commissioning decisions by local authorities, NHS England and by Clinical Commissioning Groups (CCGs).

4. Information:

4.1 PNA

The purpose of a PNA is twofold:

- To determine if there are enough community pharmacies to meet the needs of the population of North Tyneside. NHS England uses the PNA to determine applications to open new pharmacies in the Local Authority area.

- To act as a commissioning guide for services which could be delivered by community pharmacies to meet the identified health needs of the population.

The first PNA was published in North Tyneside on 1st April 2015. PNAs must be completely reviewed at least every three years and as such the current PNA will need to be reviewed, updated and published by 1st April 2018.

NHS England recommends that Health and Wellbeing Boards seeks specific expertise to offer advice and support in producing a revised PNA. An implementation plan is required outlining details and timescales to meet the requirements of statutory regulations. Appendix 1 identifies the outline and content of a PNA. Representatives from North Tyneside CCG, GP Federation, NHS England, North of Tyne Local Pharmaceutical Committee, North Tyneside Healthwatch, North Tyneside Council (Public Health and Planning Department) and Elected Members should be involved in undertaking the review and updating the PNA.

The draft refreshed PNA is subject to a minimum of 60 days consultation with stakeholders and members of the public. Following consultation a final draft will need to be prepared, considered and signed off by the Health and Wellbeing Board before being published on the Council website for the deadline of 1st April 2018.

4.2 NHS Pharmacy Regulations 2013, updated 5th December 2016

There has been a 7.5% reduction in national government funding for community pharmacy between 2016 and 2018. It is expected that some pharmacies will close as a result of the reduction in funding. To encourage mergers or consolidations of closely located, “surplus” pharmacies the new pharmacy regulations (NHS Pharmacy Regulations 2013, updated 5th December 2016) were introduced in December 2016 (Appendix 2).

The new regulations allow two pharmacies to make an application to merge and provide services from one of the two current premises.

Health and Wellbeing Boards have been given two new statutory duties in relation to the new regulations:

- i. NHS England will notify the Chair of the Health and Well Being Board in relation to any applications to consolidate two pharmacies. The Board must make a statement or representation back to NHS England within 45 days stating whether the consolidation would or would not create a gap in pharmaceutical services provision based on the information held within the PNA. NHS England will then convene a panel to consider the application and any statement or representation.
- ii. Once NHS England has made a determination on the application to consolidate two pharmacies, it will inform the Chair of the Health and Wellbeing Board. The Board must then publish a supplementary statement¹ saying that removal of the pharmacy which is to close, from the pharmaceutical list will not create a gap in pharmaceutical services.

¹ A supplementary statement forms part of the Pharmacy Needs Assessment (PNA) and is a statement of relevant changes since the PNA was published, which may affect an application for a new pharmacy

5. Decision options:

The Board is recommended to:

- 1) Note the new statutory regulations
- 2) Agree a process for meeting the two new statutory duties
- 3) Agree how the PNA will be reviewed and updated including consideration of the following options:
 - a. North Tyneside Council to lead and resource the process; or
 - b. North Tyneside CCG to lead and resource the process; or
 - c. The Council and the CCG to jointly lead and resource the process with support from a steering group made up of Board members.

6. Reasons for recommended option:

The new guidance must be noted and the process needs to be agreed so that the Health and Wellbeing Board fulfils its responsibilities and statutory obligations.

Option c is the preferred option and will ensure that Board members are fully engaged.

7. Appendices:

Appendix 1 – Outline and content of the PNA

Appendix 2 – The NHS Pharmacy Regulations 2013, updated 5th December 2016

8. Contact officers:

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Christine Jordan, Senior Manager Public Health and Wellbeing (Adults), 0191 643 2880

9. Background information:

The following background documents have been used in the compilation of this report and are available from the author:

The NHS Pharmacy Regulations 2013, updated the 5th December 2016

10 Finance and other resources

The Health and Wellbeing Board must agree how to provide the resources to meet its statutory obligations outlined in this report. The existing PNA was funded by North Tyneside Council and produced by an external pharmaceutical consultant following a procurement exercise. Support was offered by Board members and the total cost was £10,000. If this process was used to review and update the PNA the estimated costs would be £5,000.

11 Legal

The NHS (Pharmaceutical Services and Local Pharmaceutical Services) Regulations 2013 set out the legislative basis for this report.

12 Consultation/community engagement

The PNA must be developed in consultation with a range of stakeholders. In keeping with the NHS (Pharmaceutical Services and Local Pharmaceutical Services) Regulations (2013). The following stakeholders were consulted in the production of the existing PNA:

- North of Tyne Local Pharmaceutical Committee
- GP Federation
- North Tyneside CCG
- All persons on the pharmaceutical lists and any dispensing doctors list in North Tyneside
- LPS chemists in North Tyneside with whom the NHS England has made arrangements for the provision of any local pharmaceutical services;
- North Tyneside Healthwatch
- Northumbria Healthcare NHS Foundation Trust, Newcastle Upon Tyne Hospitals NHS Foundation Trust, and NTW Mental Health NHS Foundation Trusts NHS England

13 Human rights

There are no human rights implications directly arising from this report.

14 Equalities and diversity

The PNA identifies the health needs of the local population including issues around access to services, inequities in health experience and other inequalities experienced by specific groups in the population.

15 Risk management

Statutory obligations and responsibilities may not be fulfilled.

16 Crime and disorder

There are no crime and disorder implications directly arising from this report.

SIGN OFF

Director of Public Health

Chair/Deputy Chair of the Board

Chief Finance Officer

Head of Law & Governance

Appendix 1: Outline and content of the PNA

- 1. Introduction** –purpose of PNA
- 2. Demographics** (and any changes or anticipated changes in the next 3 years – big new housing developments etc)
- 3. Current and future health needs of the population**
- 4. Current pharmacy services –**
 - a. Location of pharmacies , and 100 hour pharmacies (and GP surgeries, walk in centres etc)
 - b. Hours of pharmacy services (both core hours and additional hours)
 - c. Location of appliance contractors (if you have any)
 - d. Essential pharmacy services provided – which all pharmacies should provide
- 5. Changes anticipated due to cuts in pharmacy funding and introduction of quality payments**
- 6. Extra pharmacy services**
 - a. Services commissioned by NHS England e.g. Flu vaccination
 - b. Services commissioned by the local authority
 - c. Services commissioned by CCG/primary care
 - d. Services commissioned by NHS trusts
- 7. Non commissioned Services**
- 8. Future commissioning**
- 9. Conclusions**

State whether the services are adequate and identifying any gaps not just location, but where services (which could be offered by pharmacies) are not adequate to meet the needs of the population.

Appendix 2: The NHS Pharmacy Regulations 2013, updated 5th December 2016

To ensure that all parts of the health service strive to become more efficient, the government has reduced community pharmacy funding by 6%. It is expected that some pharmacies will close as a result of the drop in funding. To encourage mergers or **consolidations** of closely located, “surplus” pharmacies the new pharmacy regulations (Pharmacy Regulations 2013, 5th December 2016 update) were introduced in December 2016. The new regulations allow two pharmacies to make an application to merge and provide services from one of the two current premises.

What does this mean for the Health and Well Being Board?

Health and Wellbeing Boards have been given two new statutory duties:

1. When NHS England notifies a HWB about an application to consolidate two pharmacies, the HWB **must** make a statement or **representation** back to NHS England within 45 days stating whether the consolidation **would** or **would not** create a gap in pharmaceutical services provision.

NHE England will then convene a panel to consider the application to consolidate the two pharmacies, taking into account the representation made by the HWB.

2. Once NHS England has made a determination on the application to **consolidate** two pharmacies, it will inform the HWB. The HWB **must** then:
 - a. Publish a supplementary statement² saying that removal of the pharmacy which is to close, from the pharmaceutical list **will not create a gap** in pharmaceutical services.
 - b. Update the map of premises where pharmaceutical services are provided (Reg 4(2)).

² A supplementary statement forms part of the Pharmacy Needs Assessment (PNA) and is a statement of relevant changes since the PNA was published, which may affect an application for a new pharmacy;

Supplementary statements (new obligation)

Regulation 6

- (4) Where chemist premises are removed from a pharmaceutical list as a consequence of the grant of a consolidation application, **if in the opinion of the relevant HWB** the removal does not create a gap in pharmaceutical services provision that could be met by a routine application—

- (a) to meet a current or future need for pharmaceutical services; or
- (b) to secure improvements, or better access, to pharmaceutical services,

the relevant **HWB must publish a supplementary statement** explaining that, in its view, the removal does not create such a gap, and any such statement becomes part of its pharmaceutical needs assessment.