



Annual Report

1st April 2017

To

31st March 2018

Introduction

The imposition of the National Contract and its impact has resulted in significant change in pharmacies and new challenges for CPNY in developing how it has supported contractors through these changes. The year has been defined by change with the introduction of Quality Payments and the resulting challenges this has presented. None more so than the introduction of Healthy Living Pharmacies and the new roles for staff this has introduced. Also, medicine supply chain issues have resulted in a major impact on the drug tariff margin and has seen significant reduction in income and cash flow problems for a number of pharmacies, the consequences of which are that pharmacies are not replacing staff and spending more and more time chasing supplies. CPNY has had to rise to these challenges and has worked hard to support contractors.

This report will highlight the abovementioned and more by reflecting upon the past year in an omnibus.

Chair's Report (Ian Dean)

My first year as Chair of CPNY has been a year of challenges and successes.

The biggest challenge faced by contractors during the last year has been the constant battle to obtain medicines to fulfil prescriptions at a price that didn't leave them out of pocket. Throughout the year we have lobbied MPs to write to ministers highlighting the difficulties and we have also made representations to other bodies highlighting the issue. As Chair, I was also interviewed by Radio York about the issue.

During the year the introduction of the Quality Payments criteria provided a challenge which CPNY rose to with great success. Our support for contractors in meeting the criteria led to 97% of contractors meeting the gateway criteria and 91% of available points being claimed.

Another great success during the last year (included within the Quality Payments) has been the training of Healthy Living Pharmacy staff. During the year CPNY provided training which enabled 129 Pharmacies to obtain HLP status by the November review point.

The Committee continues to work in a strategic way and during this year's Strategy Planning Day our strategic plan was again updated. This outlines the way CPNY will continue to meet the demands of changing landscapes now and in the future.

CPNY has made the weekly e-mail update a much read (and much copied) source of information and reminders. The feedback from contractors suggests this is now most valuable to them all.

We continue to engage with local commissioners although often to no avail as three out of five of the CCGs are in financial special measures. However recently there has been renewed interest due to the Prevention, Identification and Monitoring strategy developed by the committee at the strategy development day, based on the fact that Community Pharmacies have such a high footfall of people coming into pharmacies. There is still work to do in this area but the early signs are promising.

Lastly, I would like to thank our Chief Officer Jack and our Engagement Officer Laura for their constant good work; their positive attitudes have been an inspiration to me during my first year as Chair.

National Contract Negotiation Interim Funding Arrangement For 2018/19

At the time of writing this report the following funding arrangements had been agreed.

Community pharmacy fees and allowances will remain unchanged from April as part of interim funding arrangements, the Department of Health and Social Care (DHSC) has confirmed.

The arrangements have been agreed to protect current funding distribution systems pending the start of substantive negotiations with PSNC on community pharmacy funding for 2018/19.

For now, funding levels will be maintained at the 2017/18 level, with no changes to the Single Activity Fee (SAF), Establishment Payments or Pharmacy Access Scheme (PhAS) payments.

This means that the SAF will remain unchanged at £1.29, and pharmacies receiving PhAS payments will continue to do so with monthly payments from April 2018 the same as those made in the last financial year.

NHS England is, however, making two changes to the gateway criteria for Quality Payments:

- Opening hours on NHS Choices must include Bank Holidays; and
- The requirement for the pharmacy to be able to send and receive NHSmail should be from a shared NHSmail account.

As previously announced, NHS England has confirmed that the Community Pharmacy Seasonal Influenza Vaccination Advanced service will be re-commissioned for 2018/19. Further information will be posted on the PSNC website as soon as it is available.

NHS England and DHSC also wish to have discussions with PSNC about moving forwards with the implementation of EPS Phase 4. It is expected that a pilot will commence in Autumn 2018.

The interim arrangements have been put in place because the DHSC and NHS England are not yet in a position to begin negotiations for 2018/19. PSNC has put forward proposals about how it wishes to develop future community pharmacy services, and they hope to begin formal negotiations soon.

PSNC discussed the DHSC's proposals for interim arrangements at its January meeting, noting that many of the elements had formed part of the imposition to which PSNC remained opposed.

Local MP Support

The North Yorkshire MPs...

- Rachael Maskell MP – York Central
- Andrew Jones MP - Harrogate
- Rishi Sunak MP - Richmond
- Julian Sturdy MP – Outer York
- Kevin Hollinrake MP – Thirsk and Malton
- Julian Smith MP – Skipton and Ripon
- Nigel Adams MP – Selby and Ainsty
- Robert Goodwill MP – Scarborough and Whitby

...have consistently supported the value and benefits of Community Pharmacies and have, on behalf of CPNY and contractors, lobbied the government on this matter. They have also been very willing to promote pharmacy campaigns when asked.



Top to bottom left to right: Julian Sturdy MP, Copmanthorpe Pharmacy, York – Rachael Maskell MP, Day Lewis Pharmacy Acomb, York – Nigel Adams MP, Barlby Pharmacy, Selby - Rishi Sunak MP, Mills Pharmacy, Bedale – Robert Goodwill MP, JG Squire Pharmacy, Scarborough – Andrew Jones MP, Lloyds Pharmacy, Knaresborough - Kevin Hollinrake MP, Boots Pharmacy, Easingwold.

Drug Tariff and Supply Issues

CPNY contractors along with contractors from other LPCs, have on a weekly basis reported generic supply issues to PSNC in order that they can tackle the problem and lobby for concessions appropriately. This issue has seen many pharmacies expending extra hours searching for stock, which has put a strain on staff and resulted in delays in medicine delivery for patients.



These medicine supply chain issues have resulted in a major impact on the drug tariff margin and has seen a significant reduction in income and cash flow problems for a number of pharmacies. The consequences of which are that pharmacies are not replacing staff. CPNY has taken every opportunity to raise this with our MPs and all of them wrote to the Minister highlighting the difficulties this means for businesses and patients.

In February 2018 the North Yorkshire Health Scrutiny Committee invited CPNY to make a presentation to them on the effects of the imposed 2016/17 pharmacy cuts. CPNY took this opportunity to highlight...

- On average, pharmacies across England will experience an overall NHS funding cut of 4% in 2016-17 (or 12% when condensed across the four months up to March 2017) and 7.4% (on current levels) in 2017-18.
- The 10% of pharmacies who do qualify for the access scheme will still be expected to make savings, but at a lower level. Their funding will drop by 1% in the first year of the cuts, falling to 3% (on current levels) the following year.
- "For community pharmacies that do not qualify for the Pharmacy Access Scheme, this reduction is equivalent to 4.6%... in 2016-17 and 8.3% in 2017-18," the DH said.
- Accountant Umesh Modi calculates that, on average, each pharmacy in England will lose £9,800 in turnover between December 2016 and March 2017, and a further £18,000 in 2017-18. This equates to a total loss of around £27,800 over two years, he predicts.

In relation to the drug tariff, many County Councillors expressed shock at the fact that Pharmacies are having to pay more for medicines than they receive from the NHS for dispensing them. This resulted in them writing to the Minister (as a committee) expressing their concerns and the impact this is having on local pharmacies.

Quality Payments

CPNY supported contractors to maximise their quality points, not only by providing Healthy Living Pharmacy training, but also by offering advice on how to achieve certain criteria and in particular, checking that pharmacies had met the gateway criteria (NHS Choices/NHSmail).

The overall result was that of the 146 contractors who took part these were the outcomes below:

- 97% of North Yorkshire contractors took part and met the gateway criteria
- 70% achieved the maximum 100 points available
- 89% achieved 80 points or more
- Overall, 91% of the points available and the funding allocated was claimed (totalling £973,000 including reconciliation payments)

Criterion	Claimed by no. of contractors:
Written Safety Report	140 (96%)
Safeguarding Level 2	140 (96%)
CPPQ uploaded to Choices	142 (97%)
HLP Level 1	129 (88%)
SCR	131 (90%)
DoS	143 (98%)
Asthma	138 (94%)
Dementia Friends	142 (97%)

Healthy Living Pharmacies

With the introduction of Healthy Living Pharmacies (HLP) as part of the Quality Payments assessment, CPNY provided seven training courses in different locations free to participants on both Leadership and Health Champions events.

Venue	Date	Day
Pavilions, Harrogate	21/05/2017	Sunday
Allerton Court Hotel, Northallerton	25/05/2017	Thursday
Rugby Club Scarborough	07/06/2017	Wednesday
Parsonage Hotel, York	11/06/2017	Sunday
Rendezvous Hotel, Skipton	14/06/2017	Wednesday
Mercure York Fairfield Manor Hotel	06/07/2017	Thursday
Pavilions, Harrogate	02/11/2017	Thursday

This was followed up with Health Champion 'best practice' training in four locations, with the aim of sharing best practice on implementation.

Venue	Date	Day
Skipton (Rendezvous)	12/09/2017	Tuesday
Northallerton (Allerton Ct)	13/09/2017	Wednesday
York (Novotel)	26/09/2017	Tuesday
Scarborough	27/09/2017	Wednesday

The net outcome was that 120 staff attended the leadership training and 134 attended the Health Champion training. This aided and supported 129 pharmacies to obtain HLP status by the November 2017 declaration.

Strategic Plan

In February 2018, the Committee had its annual strategic planning day. The objective of these days is to develop a strategic forward view and work-plan for the coming year. This year, the plan has as its overall goal...

To Ensure CPNY And Its Contractors Are Fit For Purpose To Embrace The Changes That The Government/DoH/NHS Are Implementing Now and In The Future.

With four major objectives...

- Deliver a Portfolio Of Services Commissioned From Different Sectors
- Secure Financial Resources and Human Capital Development To Deliver The Strategic Plan
- Deliver Effective and Timely Communication and Engagement With Contractors
- Full Compliance With PSNC's Constitution and Value For Money Delivery For Contractors

A full copy of the plan can be viewed on our website by clicking here. <http://cpny.co.uk/wp-content/uploads/sites/53/2018/03/Strategic-Plan-2018-19-FINAL.pdf>

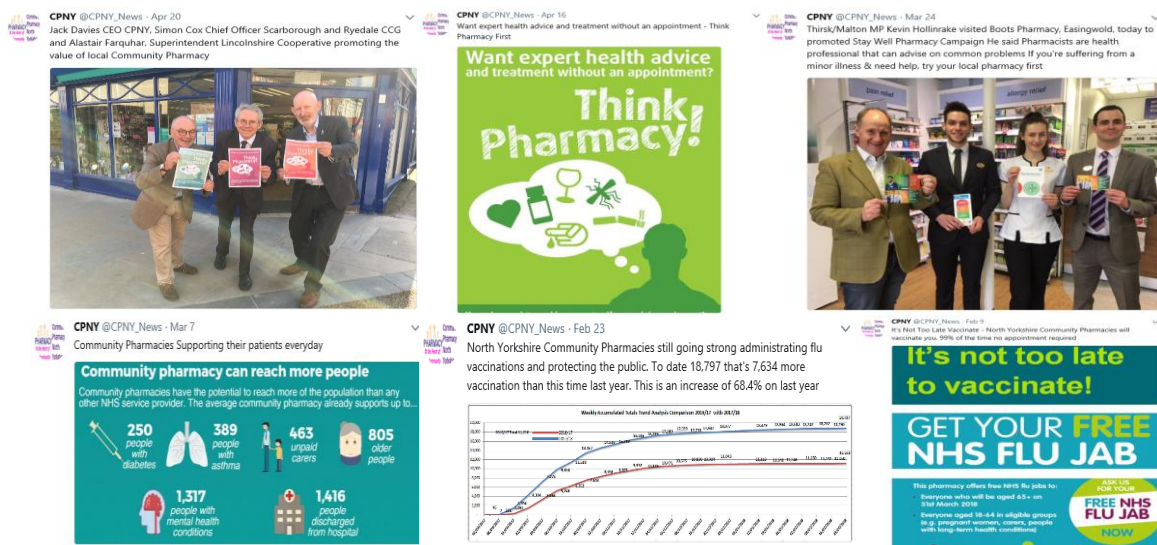
Communication and Engagement

CPNY's main instrument of communication is the 'Weekly Email Update' which grows in popularity. Feedback informs CPNY that for many Area Managers and Contractors it has been the main source of information and reminders.

At present, the communication is received by 557 recipients. This includes not only pharmacies, but Area Managers, Superintendents, CCA Service Managers, Owners and Locums. It has become a reliable source of information and is used by Commissioners to communicate updates on matters that pharmacies need to know about.

The Healthy Living Pharmacy Facebook page remains popular with Health Champions as a source of campaign resources and encouragement.

CPNY has over the last year gained a presence on Twitter as more and more of its contractors and staff are using it. It has also become an instrument for prompting the work of Community Pharmacy as the tweets below demonstrates.

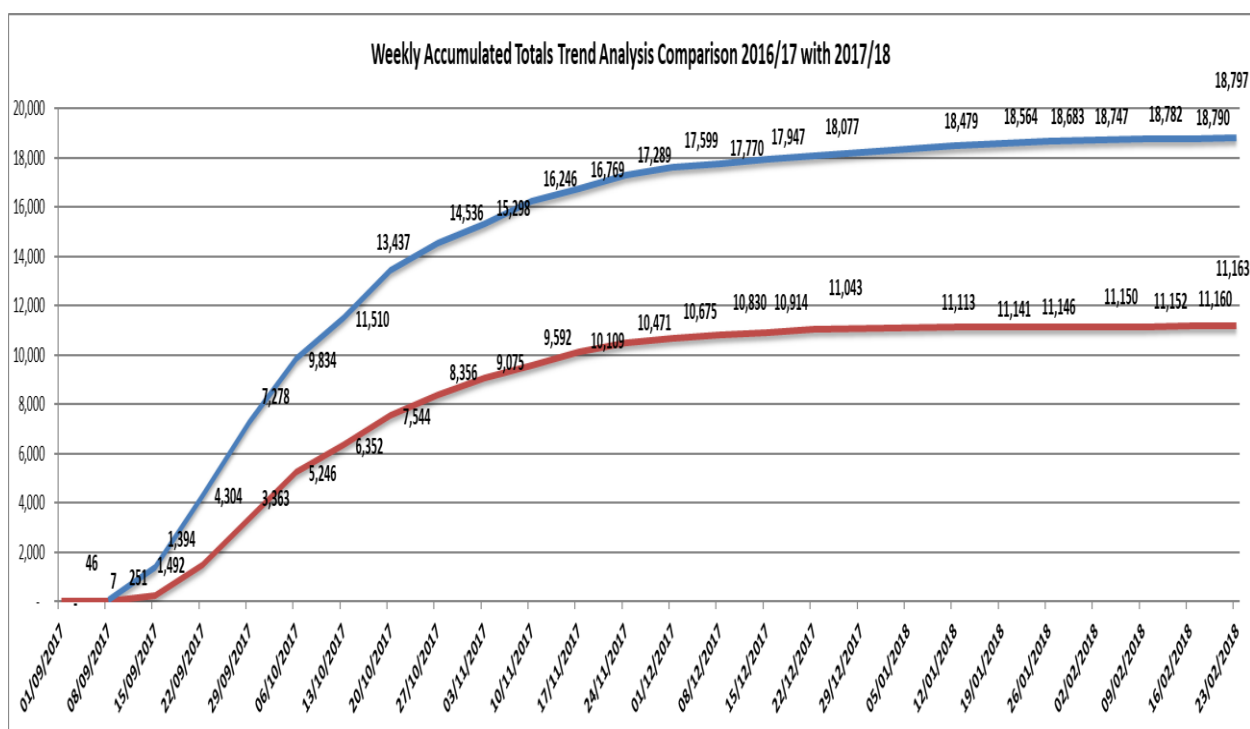


Direct contact with the office, via email and telephone, is up and is increasingly for many contractors the first port of call for both the multiples and independent contractors. Contractors raise a variety of issues and CPNY will always answer the problem directly or signpost them to the relevant information.

The overall communication and engagement with contractors is up in all areas and feedback from contractors is positive. However, CPNY will not sit back on its laurels and will continue the process with the development of its Twitter page.

National Flu Vaccination Service

Pharmacies have had another record year administering flu vaccinations and keeping more people than ever safe this winter from flu. The total flu vaccinations administered in North Yorkshire was 18,797, a 68.39% increase on last year's numbers of 11,163. Over the flu vaccination period, 113 pharmacies offered the service which is an increase of 6 on last year.



With a 68.39% increase North Yorkshire Pharmacies played their part in another national increase. Data from PharmOutcomes and Sonar Informatics has confirmed that for 2017/18 the pharmacy teams hit the 1.2m mark, although the total number of vaccinations administered will be even higher as some pharmacy teams did not use the electronic systems to record administration of vaccines.

Engagement with Commissioners and Enhanced Services



Engagement with local commissioners remains buoyant if not fruitful. This is due to the fact that three out of our 5 CCGs are in financial special measure. That said since the New Year they have been more open to discussing the commissioning of services. This has been as a result of the Prevent, Identify and Monitor (PIM) strategy that the Committee developed at their strategic planning event. Prevention, Identification and Monitoring is premised on the high footfall of people entering their local Community Pharmacy every 28 days to collect their prescription and those customers entering to purchase over the counter items.

This places Community Pharmacy in a unique position to support the CCG and Public Health Commissioners in three cost effective areas of healthcare by implementing the following PIM strategy...

- **Prevention** of illnesses – 85% of Community Pharmacies in North Yorkshire are certified Healthy Living Pharmacy (HLP). In doing so HLPs pro-actively support and promote behaviour change, improving health and wellbeing via running monthly health campaigns and signposting/referring on to support services.
- **Identification** of illnesses/conditions and referrals for early treatment (The footfall in Community Pharmacies puts them in a unique position to undertake this)
- **Monitoring** once identified Community Pharmacies can monitor and feedback to GPs



The footfall argument is one that has struck a chord with commissioners understanding that the closest point of entry into the NHS is the local Community Pharmacy. It also gained national recognition when Bruce Warner NHS Deputy Chief Pharmacist visit Monkbar Pharmacy in York to view a demonstration of the PIM strategy.

Current Services by Commissioner

Public Health North Yorkshire County Council

- Alcohol IBA service
- Supervised Consumption
- Needle Exchange
- Sexual Health
- Smoke Free North Yorkshire - via Solutions4Health
- Falls Prevention
- Flu Vaccination (NYCC Staff)

Number of Providers	Commissioners	Services	Activity													Activity
			Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total To Date
88	North Yorkshire County Council	Supervised Consumption	830	773	895	801	748	748	755	758	758	699	700	614	410	10,041
88	North Yorkshire County Council	Supervised Consumption - Out of Area	12	15	11	18	14	28	17	9	8	13	5	4	6	175
20	North Yorkshire County Council	Needle Exchange with Paraphernalia	815	662	749	804	789	785	822	1,093	810	842	910	720	735	10,613
20	North Yorkshire County Council	Rethink Drink Scratch card - Stage 1	5	6	3	36	20	37	16	17	37	4	49	109	15	243
24	North Yorkshire County Council	Alcohol IBA - Stage 2	2	1	-	10	6	12	3	8	17	2	25	37	6	88
63	North Yorkshire County Council	EHC Registration	56	52	44	45	58	51	39	36	46	53	41	40	29	630
63	North Yorkshire County Council	EHC - Stage 2 - LAN 1500mg	30	33	35	28	31	33	22	22	27	28	20	26	23	375
63	North Yorkshire County Council	EHC - Stage 2 - UPA 30mg	23	13	11	16	21	17	15	10	17	21	19	13	6	217
7	North Yorkshire County Council	Varenicline Supply	21	22	29	31	28	19	10	21	18	29	42	47	45	326
43	North Yorkshire County Council	Nicotine Replacement Supply	146	111	96	76	110	98	92	107	119	84	82	95	85	1,343
41	North Yorkshire County Council	Onward Referrals To S4H	-	-	-	-	-	-	-	2	3	1	4	3	-	11
68	North Yorkshire County Council	Falls Service Stage 1	1	10	20	19	11	15	1	10	3	2	7	9	4	113
68	North Yorkshire County Council	Falls Service Stage 2	-	-	-	-	-	-	1	-	-	-	-	-	3	4
Total			1,940	1,688	1,873	1,865	1,825	1,828	1,791	2,083	1,860	1,776	1,897	1,708	1,360	24,062

Public Health City of York Council

- Supervised Consumption
- Needle Exchange
- NRT Patches for Pregnant Women

Number of Providers	Commissioners	Services	Activity													Activity
			Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Total To Date
38	City of York Council	Supervised Consumption	556	443	453	451	441	520	542	491	551	535	501	498	504	7,500
38	City of York Council	Needle Exchange with Paraphernalia	1,005	930	903	904	884	993	963	835	800	785	767	801	789	12,978
8	City of York Council	NRT Patches for Pregnant Women	7	16	21	9	6	8	6	14	17	11	14	17	15	170
Total			1,568	1,389	1,377	1,364	1,331	1,521	1,511	1,340	1,368	1,331	1,282	1,316		20,648

Vale of York CCG

- Palliative Care

Scarborough and Ryedale CCG

- Palliative Care

Hambleton District Council

- Sharps Disposal

The Committee

During the last year due to natural wastage (retirement) the committee decided not to seek replacement with the aim of reducing the committee size to 13 and then 11. This decision was made for financial efficiency gains to ensure that the levy didn't have to be increased at a time of financial cuts being experienced by contractors.

This resulted in the committee being able to support contractors with training to help them maximise their quality payment points.

Committee Members Composition April 2017 to March 2018

Members	Role	Body Representing	Area
Tamzin Burn	Committee Member	CCA	Scarborough/Whitby
Liz Colling	Committee Member	CCA	Scarborough
Steve Collins	Committee Member	CCA	Harrogate
Warren Cunningham	Committee Member	CCA	Thirsk
Shaun Davies	Treasurer	CCA	Harrogate
Ian Dean	Chair	IC	York
Tracey Chambers	Vice Chair	IC	York
Tom Hajdas	Committee Member	AIMp	Scarborough
Richard Harrison	Committee Member	IC	York
Chris Kendall	Committee Member	CCA	Ripon
Samina Khan	Committee Member	IC	Pateley Bridge

Code CCA = Company Chemist Association representative
 AIMp = Association of Independent Multiple Pharmacies
 IC = Independent Contractor representative

Committee Members' Attendance at Committee Meetings and Strategic Planning Day

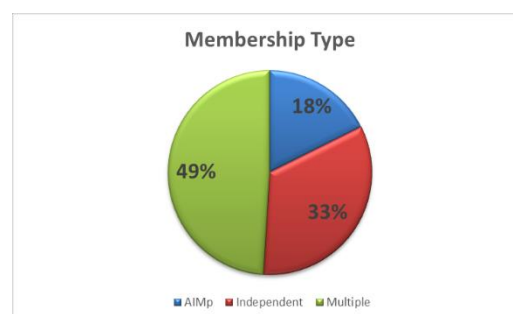
CPNY Member	May-17	Jul-17	Oct-17	Jan-18	Strategic Planning Feb 18	Mar-18	Total	Maximum Attendances	% Attendance
Warren Cunningham	1	1	1	1	1	1	6	6	100.0
Shaun Davies	1	1	0	1	1	1	5	6	83.3
Ian Dean	1	1	1	1	1	1	6	6	100.0
Richard Harrison	1	1	1	1	0	1	5	6	83.3
Tamzin Burn	1	1	1	0	1	1	5	6	83.3
Tom Hajdas	1	1	1	1	1	1	6	6	100.0
Liz Colling	1	1	1	1	1	0	5	6	83.3
Samina Khan	1	0	1	0	1	1	4	6	66.7
Chris Kendall	1	1	0	1	1	1	5	6	83.3
Steve Collins	1	1	1	1	1	0	5	6	83.3
Tracey Chambers	1	1	1	1	1	1	6	6	100.0
Total	11	10	9	9	10	9	58	66	87.9

Committee Expenses

Name	Designation	Travel	Locum Cover for Attending Meetings	Total
Tamzin Burn	Member	£ 88.20	£ 1,400.00	£ 1,488.20
Tracy Chambers	Vice Chair	£ 177.10	£ 2,525.00	£ 2,702.10
Liz Colling	Member	£ 306.31	£ 2,500.00	£ 2,806.31
Steve Collins	Member	£ 103.50	£ 1,000.00	£ 1,103.50
Warren Cunningham	Member	£ 226.80	£ 1,500.00	£ 1,726.80
Shaun Davies	Treasurer	£ 145.80	£ 1,250.00	£ 1,395.80
Ian Dean	Chair	£ 1,233.70	£ 2,925.00	£ 4,158.70
Ian Dean (Yorcare Ltd)	Chair		£ 2,500.00	£ 2,500.00
Tom Hajdas	Member	£ 93.15	£ 1,550.00	£ 1,643.15
Richard Harrison	Member	£ 42.30	£ 1,500.00	£ 1,542.30
Chris Kendall	Member	£ 123.30	£ 1,250.00	£ 1,373.30
Samina Khan	Member	£ 133.65	£ 1,000.00	£ 1,133.65
	Totals	£ 2,673.81	£ 20,900.00	£ 23,573.81

CPNY Membership

Membership Type	Number	Percentage
AIMp	27	17.6
Independent	51	33.3
Multiple	75	49.0
Total	153	



Treasurer's Report (Shaun Davies)

As the treasurer of CPNY it is incumbent upon me to maintain probity of the LPC finances so that contractors are getting value for their levy payments and that the LPC expenditure is justified. Since assuming the role of treasurer in 2017 I have adhered to our policies and procedures to ensure our dealings are transparent and open to scrutiny. All expenditure, including those of committee members, is agreed and accounts reviewed, for 2017-18. I have presented to the committee at regular intervals a summary of cash flow month by month and they have been communicated to the full LPC committee and verified annually by an independently appointed accountant. These accounts are included in the annual report for examination by contractors.

The past financial year has been extremely challenging for the entire sector and funding pressures have been a source of grave concern. With this in mind we have taken several measures to enhance the value for our contractors by reduction in committee size and frequency of meetings whilst maintaining and developing the capability of the LPC.

Our income primarily from the LPC levy was £143,999.83, gaining £392.54 interest and additional incomes from “Walk In My Shoes” and other funding generated an additional £20,967.46. Our year end reserves after verified accounts of expenditure of £146,933.72 are at £87,469.06, this is at the PSNC recommended level of approx. 50% of annual expenditure.

After deductions of our greatest expenditure of PSNC levy and staff wages, the largest outlay has been for contractor support training at around £24,000, this has been focussed on support for contractors enabling Quality Payment income to be received by almost every contractor in our region. LPC members expenses were at £23,750.01: the majority of which is for locum backfill when attending training and meetings, many members regularly donate a substantial amount of personal time to the LPC also.

Presented below for contractors is the abridged income and expenditure account for the year ending 31st March 2018.

SUMMARY INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 MARCH 2018

ACCOUNTANT'S REPORT

We have prepared, without carrying out an audit, the attached Income and Expenditure Account from the records, information and explanations supplied to us.

Royston Parkin
Chartered Certified Accountants
3 Railway Court
Ten Pound Walk
Doncaster
DN4 5FB

Dated: April 2018

North Yorkshire LPC

Summary of receipts and payments for the year ended 31st March 2018

		2018	2017
Receipts			
Levy	£	143,999.83	£ 141,000.16
Interest	£	392.64	£ 420.01
Miscellaneous	£	20,967.46	£ 24,629.96
Total Receipts	£	165,359.93	£ 166,050.13
Payments			
PSNC Levy	£	40,743.96	£ 40,744.00
Staff wages	£	35,702.53	£ 37,756.74
Staff expenses	£	3,369.00	£ 4,057.88
Pension Contributions	£	51.63	£ -
Members expenses	£	2,700.01	£ 4,062.77
Members locum re-imbursement	£	21,050.00	£ 31,612.50
Contractor support/ Training	£	24,047.45	£ -
Room hire/meeting costs	£	2,499.56	£ 3,938.94
Training/conference	£	694.50	£ 1,513.94
Telephone	£	-	£ 69.99
Insurance Bank Charges and taxes	£	113.60	£ 113.60
HMRC (PAYE & Corporation tax)	£	9,061.77	£ 8,546.58
Auditor	£	480.00	£ 468.00
Payroll service fee	£	366.00	£ 108.60
Recruitment	£	-	£ -
Sundry	£	127.47	£ 304.37
Sponsorship	£	-	£ 30.00
Service Gift	£	-	£ -
Newsletters / Leaflets	£	2,791.20	£ 3,417.00
Stationery and IT	£	1,289.84	£ 733.90
Subscriptions	£	-	£ 299.00
PSNC Legal Fee	£	-	£ 14,273.00
Office fees	£	3,390.00	£ 3,380.00
Pharmoutcomes	£	-	£ 2,008.28
unpresented cheques w/off	-£	1,544.80	£ -
Total Payments	£	146,933.72	£ 157,439.09
Difference between Receipts and Payments	£	18,426.21	£ 8,611.04
Opening Bank Balance	£	71,434.61	£ 60,431.81
Deduct unpresented Cheques	-£	2,391.76	£ -
	£	69,042.85	£ 60,431.81
Add unpresented cheques			£ 2,391.76
Closing Bank Balance	£	87,469.06	£ 71,434.61
	£	-	