

**From the Permanent Secretary
and HSC Chief Executive**



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Your ref: TJ

Date: 18 December 2018

Dear Mr Kelpie,

Thank you for your letter of 4 December 2018 in which you provided details of a motion passed by Derry City and Strabane District Council in relation to funding of community pharmacy services.

This Department together with the Health and Social Care Board have been fully committed to finding a way forward to develop sustainable funding arrangements for community pharmacy services that support patient outcomes in the context of new pharmacy contractual arrangements.

In that context, and as a result of ongoing discussions with Community Pharmacy Northern Ireland (CPNI), the Department was pleased to recently announce a financial package of £11.1m by way of additional funding to support community pharmacy services up to March 2020. This funding is in addition to £104m funding per annum confirmed for 2018/19 and 2019/20 and includes increased funding for pharmacies providing services within isolated rural communities.

A copy of the press release setting out more detail on the funding package is attached for information and is also available from:

www.health-ni.gov.uk/news/additional-funding-announced-community-pharmacy/

Finally, a commitment has also been made to consider what changes might be appropriate for discounting arrangements that apply to the reimbursement of medicines dispensed.

That is in response to concerns raised by CPNI that contractors are not being fully reimbursed for the cost of some medicines dispensed.

I trust this is helpful.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'R. Pengelly', is positioned above the printed name.

RICHARD PENGELLY

PRESS RELEASE

Additional funding announced for Community Pharmacy

Date published: 16 November 2018

A new funding package for community pharmacies has today been announced by the Department of Health.

The additional allocations of up to £11.1m will be made available up to March 2020.

The new package is in addition to £104m per year funding confirmed for 2018/19 and 2019/20.

The additional allocations announced today comprise:

- £9m being made available across Northern Ireland up to 31 March 2020 to address immediate pressures within the community pharmacy network and support services for patients in social care settings. This additional funding will include extra support for pharmacies in rural locations;
- Transformation funding of up to £2.1m being made available immediately for launch of a Pharmacy First service for this winter season, which will be the first point of contact for patients for the treatment of a range of common conditions.

Consideration is also being given to further proposals for transformation funding to increase access to pharmaceutical care for patients, utilise the expertise of pharmacists, promote professional cooperation and build capacity in the health system

Today's announcement is the outcome of discussions with Community Pharmacy Northern Ireland (CPNI) and builds on the draft Memorandum of Understanding agreed between the Department, the Health and Social Care Board (HSCB) and CPNI to develop new contractual arrangements.

Richard Pengelly, Permanent Secretary of the Department of Health, said: **“Community pharmacies are often the first point of contact for patients seeking advice on their health, accessing the safe supply of medicines, treatment of common complaints and important public health services. The additional funding being announced today will help ensure that local populations have access to the most visited provider among all of the health services available.**

“We are very mindful of the growing pressures facing community pharmacists in different parts of the province. Officials from the Department and the Health and Social Care Board have been working very hard to make today's announcement possible.

“I would like to thank the individual community pharmacy contractors who I met personally to discuss the challenges facing their businesses.”

He added: **“Intensifying financial pressures across the health and social care sector mean we are simply unable to satisfy all of the demands for additional funding. Today’s package is a significant recognition of our commitment to community pharmacy.”**

The funding package includes confirmation of a financial envelope of £104m per annum for 2018/19 and 2019/20 for the delivery of community pharmacy services within contractual arrangements.

The Department and HSCB are also committed to ensuring that the network of community pharmacies can support the needs of local populations most effectively. Therefore, the HSCB been asked to complete a needs assessment exercise for community pharmacy services in Northern Ireland. Pending completion of the needs assessment, the HSCB will be consulting with CPNI on the introduction of a temporary suspension of new applications to join the pharmaceutical list while this work is ongoing.