

1. What does your organisation want to see included in the 10-Year Health Plan and why?

The Independent Pharmacy Association (IPA) represents thousands of independent community pharmacies in England, many of them family-owned, having been in their communities for generations. Unlike the big chains, independent pharmacies do not have retail operations to boost profits, and depend on providing healthcare services for 95% of their funding.

As the Government plans to shift care to communities through the 10-year Health Plan, independent pharmacies face a decisive decade. Their survival hinges on the realisation of sustainable funding within this new landscape. The transformation of local healthcare delivery will determine if these vital community lifelines endure or fade away. We advocate for an NHS that fully harnesses the potential of primary care and community pharmacy. Any NHS plan that seeks to move care into the community and shift resources into primary care policymakers must embrace independent community pharmacies.

To make this happen, early intervention is needed to support the NHS long-term plan by urgently addressing the crisis in community pharmacy. This means investing in a new community pharmacy contract that provides sustainable, long-term funding for pharmacies to deliver new and innovative healthcare services to patients. It is also vital that policymakers recognise the unique role of independent community pharmacies, which rely on NHS services for 95% of their funding, compared to retail-focused supermarket-style chains which can supplement their income through retail operations.

The IPA is calling for the following priorities and opportunities to be included in the 10-year plan:

- **Sustainable Funding for Community Pharmacies:** Address the £1.7 billion funding shortfall to ensure these pharmacies can continue providing critical services.
- **Invest in community pharmacy to save the NHS money:** Investing in primary care saves £2 in secondary care costs for every £1 spent, reducing the strain on hospitals.
- **Establish a Primary Healthcare Taskforce:** Establish a taskforce to create an integrated primary care model that enhances collaboration between pharmacies, GPs, dentists, and optometrists. This will improve access and health outcomes while reducing duplication of effort.
- **Recognise that asking community pharmacies to do more with less funding will undermine any attempt to move care into the community:** Since the 2019-2024 Community Pharmacy Contractual Framework was launched, pharmacy patient 'touchpoints' have rapidly increased while community pharmacy funding has remained flat. When this is looked at alongside ever-increasing cost pressures.
- **Embrace and fund community pharmacy to provide preventive health care services:** An approach to community pharmacy that offers the flexibility to embrace and fund innovative community pharmacy services that can save money by offering earlier stage interventions. The IPA and member pharmacies have produced some of the most innovative community pharmacy services in areas such as weight loss, hypertension, and more.
- **Reform of Pharmacy Reimbursement Mechanisms:** Update the retained margin system and Drug Tariff to reflect fluctuating medicine prices, ensuring that pharmacies are not dispensing at a loss.

Given the above, we hope that the NHS long-term plan will reflect the fact that community pharmacy funding and policymaking should be given greater priority in healthcare decisions. These measures are essential to building a resilient healthcare system that prioritises prevention, early intervention, and community-based care.

However, it is crucial to recognise that this has been far from the reality. The sector has suffered years of underinvestment by successive governments. There has been persistent institutionalised failure both to understand the potential of community pharmacy and to recognise that it is a fundamental part of the NHS. The NHS long-term plan must specifically acknowledge that independent community pharmacies, which receive 95% of their funding from the NHS and lack large retail operations, require a pharmacy contract that aligns funding with the ambitions outlined in the plan. The NHS 10-year plan offers a once-in-a-lifetime opportunity to truly tackle the deep-rooted issues in community pharmacy while also giving it the power to provide even better healthcare.

2. What does your organisation see as the biggest challenges and enablers to move more care from hospitals to communities?

Community pharmacies sit at the heart of communities and are one of the best-placed healthcare providers. We are already playing a crucial part in managing patient care in the community, but with the right Government support and funding, we could do even more. We have the greatest potential to shift care to the community, but our current funding mechanism holds us back. As it stands the ongoing funding crisis, which has been exacerbated by recent Budgetary measures such as increases to Employee National Insurance, we face is the biggest obstacle to achieving this goal.

Challenges to moving more care to communities

- **Inadequate Funding:** The current financial pressures leave many independent pharmacies unable to expand services with innovations in the way they would like. We can do even more to manage long-term conditions or provide minor illness consultations. However, many of the existing schemes to take advantage of this have failed to provide adequate funding.
- **Pharmacy First:** Pharmacies receive a fee of £15 for each consultation; this does not cover the cost of time spent with patients, nor does it cover consultations that do not result in action under the scheme. So much more could be done if pharmacies were able to be funded properly. Even if a Pharmacy First consultation may have helped the patient, signposting them to where they can get help or reducing pressure on other areas of the NHS, the pharmacy only receives the fee under particular circumstances.
- **Rising Dispensing Volumes:** Dispensing 60 million more prescription items annually compared to 2017/18 without proportional funding increases puts unsustainable pressure on the sector.
- **Medicine Shortages:** Persistent drug shortages reduce efficiency and increase workload, diverting time from patient care.

Enablers to moving more care to communities

If pharmacy funding is delivered more sustainably and pharmacy policy reflects the potential of pharmacies as vital healthcare services in the heart of the community, the following advantages can be harnessed:

- **Invest in community pharmacies to save the NHS money and improve healthcare:** Evidence shows that every £1 invested in primary care generates £14 for the economy, making a strong financial case for prioritising community-based services (NHS Confederation). Every £1 invested in primary care saves £2 in secondary care (King's Fund).
- **A more joined-up approach to primary care:** Coordinating efforts between different primary care providers will unlock efficiencies and improve patient outcomes. The IPA has called for an Integrated Primary Care Taskforce in a joint [letter](#) with GPs, dentists, and optometrists.
- **Pharmacy First Scheme:** With appropriate funding, this initiative can reduce GP and A&E pressures by allowing pharmacies to manage minor ailments effectively.

3. What does your organisation see as the biggest challenges and enablers to making better use of technology in health and care?

Pharmacies can be a key part of the solution to the challenges facing the NHS, opening up access and making better use of technology right at the front door of the NHS. However, this will only happen if urgent action is taken to ensure they have the resources to put technology at the heart of high-quality patient care.

Limited access to shared care records hampers community pharmacies ability to coordinate effectively with GPs and other providers, often leaving them disconnected from crucial patient information. Additionally, resource constraints, particularly insufficient funding, restrict their capacity to invest in technology that could streamline operations and improve patient care. However, there are clear opportunities to address these barriers. Integrating pharmacies into shared digital care systems would significantly enhance patient safety, facilitate more thorough medication reviews, and enable better management of long-term conditions. Furthermore, automation tools such as dispensing robots and advanced inventory management systems could help reduce repetitive tasks, allowing pharmacists to focus more on providing direct patient care and fostering stronger community health outcomes.

Funding is at the very heart of this issue. Pharmacies cannot innovate their way out of a crisis, and investments in new technologies are difficult for many pharmacies to justify due to cost pressures, cash flow issues, and many medicines being prescribed at a loss by pharmacies.

4. What does your organisation see as the biggest challenges and enablers to spotting illnesses earlier and tackling the causes of ill health?

Community pharmacies are well-positioned to deliver preventive services, but a lack of adequate funding limits their ability to expand these offerings. Despite their potential, underfunding restricts their capacity to contribute more significantly to public health efforts. Additionally, there is significant variability in the availability of pharmacy-based services across the country and inconsistencies in how these services integrate with other primary care providers. For example, the “Pharmacy First” initiative could be enhanced by introducing mechanisms that incentivise consultations as a means of supporting patients. Rather than only offering payment to pharmacies when specific criteria are met, it would be beneficial to promote these services more widely within GP surgeries and through Integrated Care Boards to address disparities in health outcomes.

Pharmacies are conveniently located at the heart of many communities, making them well-placed to offer essential services such as screening, vaccinations, and health checks. Their accessibility plays a crucial role in providing preventive care. To maximise this potential, public awareness campaigns that highlight the important role pharmacies can play in preventive health could help to increase their utilisation. Encouraging earlier identification of health issues would not only benefit individuals but would also contribute to better overall public health outcomes.

5. What are your ideas for change?

Quick to Do (Next Year or So)

- **Increase Pharmacy Funding:** Close the £1.2 billion funding gap to stabilise the sector and prevent closures.
- **Review Reimbursement Mechanisms:** Update the retained margin cap and Drug Tariff to ensure pharmacies are not operating at a loss.
- **Tackle Medicine Shortages:** Implement measures to stabilise drug supply chains and reduce administrative burdens on pharmacy teams.
- **Expand Pharmacy First:** Properly fund this scheme to relieve pressure on GPs and A&E while empowering pharmacies to deliver more services.

In the Middle (2 to 5 Years)

- **Implement a Primary Healthcare Taskforce:** Establish the taskforce to integrate primary care providers and improve access.
- **Introduce Digital Integration:** Ensure community pharmacies have access to shared care records to improve collaboration and patient care.

Long-Term Change (More Than 5 Years)

- **Incentivising patient-facing services:** The Government can transform primary care and community care in the future by ensuring a properly funded service that incentivises patient-facing services that deal with a wide scope of patient queries and conditions without the need for an appointment. Pharmacists are highly-trained clinical professionals who could contribute so much more to healthcare and be more accessible than any other area of healthcare.
- **Shift to a Neighbourhood Health Service: Address the funding balance between primary care and hospitals and** transition to a community-focused NHS with primary care at its core, reducing reliance on hospitals. The community pharmacy can become the accessible link point between the network of organisations forming the service.
- **Invest in Technological Advancements:** Equip pharmacies with advanced tools to enhance efficiency, improve patient outcomes, and enable early diagnosis of illnesses.
- **Transform Funding Models:** Align funding mechanisms with the actual costs of providing care keep pace with operating costs. This will ensure the long-term sustainability of community pharmacies and yield a significant cost-saving to the NHS allowing the Government to invest in other key areas.
- **Building a skilled workforce:** Provide extensive training for the existing pharmacist workforce to complement the independent prescribers. This ensures that the current workforce is not left behind, with careful planning required to allocate consultations for an expanding scope of conditions.