



Statement Calling for Urgent Reform of the NHS Community Pharmacy Contract

The Independent Pharmacies Association (IPA) is seeking legal advice on the requirement by the NHS for pharmacies to supply medicines at a loss.

At present, community pharmacies are placed in an untenable position when dispensing certain medicines. Due to ongoing market volatility, rising acquisition costs, and delays in reimbursement—often up to two months after supply—pharmacies are increasingly required to dispense medicines at a financial loss. They cannot pass on their costs to patients. In situations where a pharmacy makes the difficult decision not to supply a medicine because doing so would leave them significantly out of pocket, they risk being deemed in breach of their NHS contractual obligations.

This situation is fundamentally unjust and economically unsustainable. No business should be contractually obligated to provide services at a guaranteed loss, particularly when doing so places its financial viability—and ultimately patient access to care—at risk.

We therefore call on our sector to:

- Unite in seeking urgent reform of the NHS pharmacy contract to reflect current economic realities.
- Advocate for a fair and responsive reimbursement system that ensures pharmacies are not forced to dispense at a loss.

At IPA we are also calling on all pharmacy representative bodies, professional organisations, and sector leaders to come together with urgency and unity to address this growing and unsustainable issue within the current NHS community pharmacy contractual framework.

To this effect we will be liaising with other pharmacy bodies to seek their support in:

- Commissioning an independent legal advice to clarify the rights of pharmacy contractors operating under these conditions.
- Challenging any contractual expectations that compel pharmacies to jeopardise their financial stability in order to remain compliant.

Community pharmacies are a cornerstone of primary care. If they are to continue serving patients effectively, they must be supported by a contract that is fair, sustainable, and fit for purpose.

Failure to act risks will reduce access to essential medicines for patients across the country as more pharmacies are unable to bear the costs.

Now is the time for collective action.