In October 2016, in response to cuts to community pharmacy funding in England, Welsh Ministers confirmed their intention to see continued investment in the community pharmacy sector in Wales but made future investment conditional on delivering new arrangements for community pharmacies which would, amongst other things, provide for a “greater range of clinically focused services” being available from pharmacies.

Since that time Welsh Government, Health Boards and Community Pharmacy Wales (CPW) have been working to agree reforms to contractual arrangements for community pharmacies designed to deliver Ministers’ aspirations for a community pharmacy service that is able to meet the needs of citizens in Wales, both now and in the future.

In March 2020, CPW and Welsh Government agreed Heads of Terms for a reformed Community Pharmacy Contractual Framework (CPCF). CPW has welcomed the opportunity to work with Welsh Government over the last 21 months to translate those Heads of Terms into a detailed agreement around a new contractual framework which sets out the future contribution the community pharmacy network will make to NHS services in Wales.

The recently released agreement, *Presgripsiwn Newydd. A New Prescription - The future of community pharmacy in Wales* outlines the high-level direction of community pharmacy in Wales and its place in primary care to deliver patient care and *A Healthier Wales*.

CPW welcomed the open and collaborative approach to discussions between Welsh Government officials, Health Board representatives and CPW’s Negotiating Team to agree the reformed contractual framework. CPW believes that the result of these negotiations will begin to optimise the role that community pharmacies will play in the provision of healthcare in Wales through an investment in both service provision and the community pharmacy workforce.

This technical document details the changes to the CPCF and should be read in conjunction with *Presgripsiwn Newydd. A New Prescription - The future of community pharmacy in Wales*. 

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Presgripsiwn Newydd
A New Prescription:
The future of community pharmacy in Wales
Reimagining Community Pharmacy through Contractual Reform

The agreement contains wide-ranging reforms to the CPCF, with commitments to clinical service delivery, workforce development, improving quality and safety and integrating community pharmacy more closely within primary care clusters. Importantly the changes are underpinned by significant reform of CPCF funding to incentivise and reward pharmacies that do more of the things the NHS needs.

The agreement comprises a wide range of reforms under the following four themes:

1. Expanding the clinical role of community pharmacists;
2. A workforce with the skills needed to deliver outstanding pharmaceutical care;
3. A commitment to quality, collaboration and integration within primary care; and
4. Valuing the contribution community pharmacies make to the NHS.

To enable these changes, a new approach to establishment and practice payments have been agreed.

Changes to Establishment payments:

- From April 2022 the current value of establishment payments (£17.6m) will be split into 2 payments – 50% based on Dispensing and 50% based on Clinical Services

Changes to Practice Payments:

- Practice payment will continue to be reduced and will fall to £17.9m from April 2022 and will continue to be paid as a fee per item.

- Two elements of practice payment will be retained within the CPCF from April 2023 onwards:
  - £5.1m for the costs associated with the compliance of the Equality Act
  - £5.1m for the costs associated with the Terms of Service requirements

- £10.2m practice payment will continue to be paid as a fee per item

- Practice payment will be adjusted as required to meet the quantum by the end of the year
Establishment Payment (Clinical Services)

- From April 2022, an establishment payment will be introduced for pharmacies providing a new National Directed Service, the Clinical Community Pharmacy Service (CCPS).

Clinical Community Pharmacy Service (CCPS)

- The CCPS will comprise four services (Emergency Contraception, Seasonal Flu Vaccine, Common Ailments Service and Emergency Medication Supply). These existing services will be moved into national commissioning as a package renamed the CCPS.

- To be commissioned to deliver the CCPS, pharmacies must deliver all four services.

- During 2022-23, a 5th service will be introduced to enable pharmacies to provide both bridging, and quick start, contraception.

- Fee structures for the individual services will be maintained as separate fees subject to the table below.

- Engagement with the CCPS will qualify for the Establishment Payment (Clinical Services):
  
  - In April 2022, the criteria to receive payment will be to sign up to the new service. Contractors who meet these criteria will receive a payment of £12,500 per annum paid in monthly installments for each month in which the CCPS is available.

  - From April 2023, the Establishment Payment (Clinical Services) will also include the Continuity payment and the total funding allocation will increase from £8.9m to £13.3m.

  - The qualifying criteria for future years will be agreed as part of the annual review and, from 2023, is expected to be based on a minimum criterion of delivery. From this point, the CCPS should be available during a pharmacy’s opening hours except when the LHB is notified otherwise.

  - A tiered payment structure will be introduced in the future

The following table, taken from Presgripsiwn Newydd. A New Prescription - The future of community pharmacy in Wales, details the direction of travel for the funding allocation over the next 4 years.

It is worth noting that total funding in 2023/24 and 2024/25 is subject to inflationary growth in NHS pay, the level of which is not yet known therefore these figures are indicative.
<table>
<thead>
<tr>
<th>Category</th>
<th>2021/22</th>
<th>2022/23</th>
<th>2023/24</th>
<th>2024/25</th>
</tr>
</thead>
<tbody>
<tr>
<td>CPCF TOTAL</td>
<td>151.2</td>
<td>154.2</td>
<td>154.2</td>
<td>154.2</td>
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<td>80</td>
<td>80</td>
<td>80</td>
</tr>
<tr>
<td>Establishment payments (Dispensing)</td>
<td>17.6</td>
<td>8.9</td>
<td>9</td>
<td>9</td>
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<tr>
<td>Establishment payments (PCCS)</td>
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<td>8.9</td>
<td>13.3</td>
<td>13.3</td>
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<td>Practice Payment</td>
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<td>12.8</td>
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</tr>
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<td>5.1</td>
<td>5.1</td>
</tr>
<tr>
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<td>1.1</td>
<td>1.1</td>
<td>1.1</td>
</tr>
<tr>
<td>Quality &amp; Safety</td>
<td>3.6</td>
<td>3.6</td>
<td>3.6</td>
<td>3.6</td>
</tr>
<tr>
<td>Continuity</td>
<td>4.3</td>
<td>4.3</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Primary Care Cluster Leads</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Choose Pharmacy Application</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
<td>0.4</td>
</tr>
<tr>
<td>Clinical services including PCCS</td>
<td>11.4</td>
<td>15</td>
<td>16</td>
<td>18</td>
</tr>
<tr>
<td>Independent Prescribing (IP) services</td>
<td>1</td>
<td>4</td>
<td>12</td>
<td>18.2</td>
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<tr>
<td>IP set-up</td>
<td>0.2</td>
<td>0.2</td>
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<tr>
<td>STTT consumables</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>Arrangements for self-isolating patients</td>
<td>5.8</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Workforce Enabler (technician funding)</td>
<td>0</td>
<td>4.3</td>
<td>4.3</td>
<td>0</td>
</tr>
<tr>
<td>Unallocated</td>
<td>0</td>
<td>5.4</td>
<td>3.9</td>
<td>0</td>
</tr>
</tbody>
</table>
Establishment Payment (Dispensing)

- From April 2022, the value of establishment payments for dispensing will be £12,500 per annum as a flat rate for all pharmacies.
- There will no longer be any tiered rate based on dispensing volume.

Dispensing fees:

- Dispensing fees = professional fees including special fees plus Repeat Dispensing and IM&T payments.
- From April 2022 – the total value of dispensing fees to be set at £80m per annum
- Fees to be adjusted to meet that quantum
- Repeat Dispensing and IM&T fees will be removed and incorporated into the dispensing fees. The required activity remains.
- The Welsh Institute of Health & Social Care report on Reducing Dispensing Volumes will be published shortly after the new CPCF is published.
- Dispensing volume is expected to be reduced due to a combination of changes to period of treatment and movement of some items off prescription (e.g., GF foods)
- Dispensing volume changes are designed to reduce workload and release capacity within the pharmacy to provide more clinical services.

Future Funding mechanism - Dispensing

Following the date of publication of the report into reducing dispensing volumes, expected to be in January 2022:

- Contractors who suffer a 7% reduction in dispensing items (compared to the average over the previous 6 months and where there has also been a decrease on the comparable month in the previous year) will be able to claim a compensatory mechanism. The decrease must be linked to a change in period of treatment and not related to changes in business practice/ temporary closures. Further details will be confirmed early in 2022/23.
In 2022/23, once the dispensing volume paper is implemented:

- Move to a “dispensing pool” model, to provide a degree of fee stabilisation. Transitional arrangements, based on quarterly recalculations, will be introduced when contractors will be provided set fees during each quarter.

- At the end of month 9 of 2022/23, once a review is undertaken to ensure that all GP practices have introduced extended periods of treatment and, if so, a full dispensing pool model based on a contractors share of items dispensed will be introduced from April 2023.

**Hospital Items:**

- From April 2022, any increase in costs associated with hospital items will be excluded from the CPCF calculation and met by health boards. Average of last three full years (2018/19 to 2020/21) to be used as baseline.
Collaborative Working

- Collaborative Working Scheme requirements will be agreed as part of the annual review each year
- Funding will remain the same at £1500 per contractor
- The purpose of collaborative working will remain as engagement with primary care clusters and improvement of working relationships with other healthcare professionals within the cluster
- Any underspend will be distributed as in previous years – contractors who have claimed for collaborative working will receive their share of the underspend based on the number of claims made.

Quality & Safety Scheme

- Quality & Safety Scheme requirements will be agreed as part of the annual review each year
- Funding will remain the same at £5,000 per contractor
- Any underspend will be distributed as in previous years – contractors eligible for Quality & Safety will receive their share of the underspend based on the number of claims made.

Continuity

- The Continuity payment will be retained at a level of £6,000 per annum, per contractor for 2022/23
- Continuity payment will cover Emergency Contraception as well as the Common Ailments Scheme and Flu Vaccination for 2022/23
- The Continuity scheme will cease at the end of 2022/23 and the funding will move to the Establishment Payment (Clinical Services)
- Any underspend will be distributed as in previous years – contractors who have claimed for Continuity will receive their share of the underspend based on the number of claims made.

Primary Care Cluster Community Pharmacy Leads

- The PCCCPL role will continue at the current level of £2000 per lead for 2022/23
- An evaluation of the role to be completed in 2022/23
Clinical Services:

- Phased increases in funding for clinical services from £11.4m in 2021/22

- Funding to increase to £15m in 2022/23

- Funding in future years to be agreed as part of an annual review but indicative funding of up to £18m (not including inflationary growth) for 2024/25 has been agreed. Funding increases partly dependent on the increase to the total CPCF in that year.

- Clinical Services funding to be split into monthly allocation (at LHB level)

- Monthly distribution of Clinical Services funding:

<table>
<thead>
<tr>
<th>Month</th>
<th>Service allocation</th>
<th>Month</th>
<th>Service allocation</th>
</tr>
</thead>
<tbody>
<tr>
<td>April</td>
<td>£1m</td>
<td>October</td>
<td>£2m</td>
</tr>
<tr>
<td>May</td>
<td>£1m</td>
<td>November</td>
<td>£1.5m</td>
</tr>
<tr>
<td>June</td>
<td>£1m</td>
<td>December</td>
<td>£1.25m</td>
</tr>
<tr>
<td>July</td>
<td>£1m</td>
<td>January</td>
<td>£1.25m</td>
</tr>
<tr>
<td>August</td>
<td>£1m</td>
<td>February</td>
<td>£1m</td>
</tr>
<tr>
<td>September</td>
<td>£1.5m</td>
<td>March</td>
<td>£1.5m</td>
</tr>
</tbody>
</table>

- Distribution of underspends to be based on existing year-end method but applied monthly

- Future uplifts of Clinical Services fees to be based on NHS Wales Agenda for Change Band 7 uplifts
**Independent Prescribing Service:**

- Phased increases in funding for Independent Prescriber services from £1m in 2021/22

- Funding to increase to £4m for 2022/23 to coincide with the introduction of the National Directed Service

- Funding in future years to be agreed as part of an annual review but indicative funding of up to £18.2m (not including inflationary growth) for 2024/25 agreed. Funding increases partly dependent on the increase to the total CPCF in that year.

- Set-up funding of £0.2m for Health Boards for development costs (DPP/DSMP costs etc) to be maintained

- Funding for National Directed service to be based on a hybrid of availability as well as delivery/activity

- Quarterly fee of £250 to support ongoing governance requirements and professional development of the IP (paid when the pharmacist makes a declaration that it has taken place and a record of the activity is kept for Health Boards to inspect)

- National Directed service will allow the provision of a national extended minor illness service and/or national contraception service, the service will allow Health Boards to agree other prescribing services with contractors to meet local needs

- Pharmacies providing Independent Prescriber services must deliver the CCPS first
- Advanced Service Fees from 1 April 2022, fees based on a banded structure:

In the first year there will be no thresholds to meet to allow contractors the opportunity to embed the service

It is expected that the majority of contractors providing Independent Prescribing will be in Band 2.

<table>
<thead>
<tr>
<th>Band</th>
<th>Availability</th>
<th>Funding</th>
<th>Number of consultations</th>
<th>Fees above upper limit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>80 hours/month&lt;sup&gt;1&lt;/sup&gt;</td>
<td>£1803</td>
<td>Up to 100 consultations</td>
<td>Above upper limit each consultation will be remunerated at £17.17/consultation</td>
</tr>
<tr>
<td>2</td>
<td>110 hours/month&lt;sup&gt;2&lt;/sup&gt;</td>
<td>£2318</td>
<td>Up to 130 consultations</td>
<td>Above upper limit each consultation will be remunerated at £17.17/consultation</td>
</tr>
<tr>
<td>3</td>
<td>150 hours/month&lt;sup&gt;3&lt;/sup&gt;</td>
<td>£3090</td>
<td>Up to 180 consultations</td>
<td>Above upper limit each consultation will be remunerated at £17.17/consultation</td>
</tr>
</tbody>
</table>

<sup>1</sup> Over a minimum of 2 days/week

<sup>2</sup> Over a minimum of 3 days/week

<sup>3</sup> Over a minimum of 4 days/week
From April 2023 thresholds will be introduced to the service and the fees will be: (subject to uplift)

<table>
<thead>
<tr>
<th>Band 1</th>
<th>Consultations</th>
<th>Minimum</th>
<th>Threshold</th>
<th>Upper limit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>20</td>
<td>40</td>
<td>100</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td>Below min. £17.17/consultation</td>
<td>1803/month once reach threshold</td>
<td>Above upper limit £1803 + £17.17/consultation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Once reach min. £1133/month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Band 2</td>
<td>Consultations</td>
<td>30</td>
<td>60</td>
<td>130</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td>Below min. £17.17/consultation</td>
<td>£2318/month once reach threshold</td>
<td>Above upper limit £2318 + £17.17/consultation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Once reach min. £1442/month</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Band 3</td>
<td>Consultations</td>
<td>50</td>
<td>100</td>
<td>180</td>
</tr>
<tr>
<td>Payments</td>
<td></td>
<td>Below min. £17.17/consultation</td>
<td>£3090/month once reach threshold</td>
<td>Above upper limit £3090 + £17.17/consultation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Once reach min. £2060/month</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- After April 2023, the first 6 months of newly commissioned IP services will not be subject to a threshold to allow new services the time to establish.
- Any underspend from IP funding to be added to the Clinical Services underspend and distributed to qualifying contractors in the relevant HealthBoards
Other contractual reform changes:

Unallocated funding within the CPCF:

- Unallocated funding of £5.4m in 22/23 will be returned to contractors via practice payment. This will be reviewed later during the year and may change.

- It is expected that the unallocated funding within the CPCF will be distributed back to contractors on a monthly basis based on their NHS income of both services and items in future years.

- Approach to future years (dependent on Annual review):
  - Unallocated funding in 23/24 to be returned to contractors based on 50% items and 50% services income
  - Any unallocated funding in 24/25 to be returned to contractors based on 25% items and 75% services income
  - 25/26 onwards any unallocated funding to be redistributed based on 100% services income

Medicine Use Reviews:

- Currently suspended, the MUR service will be discontinued from 31 March 2022 and funding transferred to other parts of the CPCF

Discharge Medicine Review Service:

- From April 2021, the cap of 140 DMRs/ annum was removed
- Funding for DMRs has moved into Clinical Services
- Fee for DMRs to increase to £44, backdated to 1 April 2021
- Fees for DMRs will increase in line with other clinical services from 2022/23
- Future of DMRs likely to include pharmacy technician provision – pilot to be carried out and evaluated
**Fair Return**

- Historically services were an “add-on” with majority of contractor’s profit being received from dispensing, fair return were set at a marginal level of 15% or 25%.

- All services (excluding SFV, CAS, EC, Supervised administration, needle and syringe supply and IP services) to be subject to an increase in rate to 35%.

- Service fees will remain the same but monthly enhanced services total to be multiplied by 1.174.

- Backdated to 1 April 2021.

**Emergency Contraception**

- Fee per consultation to increase to £20, backdated to April 2021.

- Fee increase due to the urgent nature of the request to provide the service.

- Service to be extended to include provision of national bridging contraception service providing 3 months of contraception after EC consultation.

- Fee to increase to £30/ consultation when bridging consultation is also provided (later in 2022/23).
Common Ailments Service

Service fees will be increased as in the table below, backdated to 1 April 2021:

<table>
<thead>
<tr>
<th>Registrations</th>
<th>Current Annual Fee</th>
<th>New Annual Fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 to 50</td>
<td>£1,001.55</td>
<td>£1,200</td>
</tr>
<tr>
<td>51 to 100</td>
<td>£2,003.28</td>
<td>£2,400</td>
</tr>
<tr>
<td>101 to 150</td>
<td>£3,004.91</td>
<td>£3,600</td>
</tr>
<tr>
<td>151 to 200</td>
<td>£3,910.68</td>
<td>£4,800</td>
</tr>
<tr>
<td>201 to 250</td>
<td>£5,008.18</td>
<td>£6,000</td>
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<tr>
<td>251 to 300</td>
<td>£6,009.81</td>
<td>£7,200</td>
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<td>301 to 350</td>
<td>£7,011.45</td>
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<td>351 to 400</td>
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<tr>
<td>401 to 450</td>
<td>£9014.83</td>
<td>£10,800</td>
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<tr>
<td>451 to 500</td>
<td>+£20.83 per registration over 450</td>
<td>£12,000</td>
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<tr>
<td>501 to 550</td>
<td>+£20.83 per registration over 450</td>
<td>£13,200</td>
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<tr>
<td>551 to 600</td>
<td>+£20.83 per registration over 450</td>
<td>£14,400</td>
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<tr>
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<td>+£20.83 per registration over 450</td>
<td>£15,600</td>
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<tr>
<td>651 to 700</td>
<td>+£20.83 per registration over 450</td>
<td>£16,800</td>
</tr>
<tr>
<td>701 +</td>
<td>+£20.83 per registration over 450</td>
<td>+ £25 per registration over 700</td>
</tr>
</tbody>
</table>

- During 2022/23, pharmacies will participate in a structured data collection exercise to determine the type and volume of conditions being seen and referred by, and to, general practice. This will allow Welsh Government to assess the benefit to the NHS of including further conditions in the common ailment scheme further enhancing the role and contribution pharmacists make to reducing demand on NHS services.

Needle and Syringe Supply:

- Fee (paid at the 10th pack supplied) will increase to £3.50
- Fee increase takes into account the workload associated with entering data into the Harm Reduction Database
- Backdated to April 2021
Supervised Administration:

- Fees to increase to take into account additional workload requested on entering data onto NECAF in comparison to previous paper-record services (in some LHBs)
- Fees for supervision of Methadone/Espranor to increase to £2.50
- Fees for supervision of Buprenorphine to increase to £3.50
- Backdated to April 2021
Workforce reform

The wider availability of clinical services is dependent on pharmacists having the appropriate clinical skills to provide them, including independent prescribing. It will also depend on pharmacy technicians and the wider pharmacy workforce being available in sufficient numbers and with sufficient competence to take on roles previously undertaken by pharmacists.

The responsibility for workforce development, will in the main, be taken forward by HEIW. The investment in workforce from HEIW has been agreed outside of the £154.2m CPCF funding.

HEIW agreement:

- At least 60 Independent Prescriber places per annum funded with £3000 backfill and all HEI fees paid
- Access to Pre-Registration Pharmacy Technician training funded through HEIW with £2000 backfill
- Access to courses for pharmacy staff to gain the necessary qualifications to progress to pre-registration pharmacy technician training
- Access to extended, advanced and higher-level post-registration education
- Protected Learning Time pilot and evaluation
- Changes to Foundation and Post-Registration Foundation training as part of IETP changes – Further increasing IP training

Workforce Enablers (from CPCF funding):

- Two-year incentive to encourage recruitment and retention of pharmacy technicians in community pharmacy
- Funding available in 2022/23 and 2023/24:
  - £2000/ annum for pharmacies with a pre-registration pharmacy technician
  - £4000/ annum for pharmacies with a registered pharmacy technician
• £5000/ annum for pharmacies with a registered pharmacy technician undertaking training to become an accuracy training technician

• £6000/ annum for pharmacies with an accuracy checking technician (registered with the GPhC)

• Monthly declaration by pharmacy of total technician (or pre-registration pharmacy technician) hours worked

• Payments are pro-rata against a 37.5 hour week

• One claim per pharmacy – pharmacy decides which level to claim (up to a maximum of £6000 per annum)

• Underspend from Workforce Enabler to be returned to the unallocated funding for redistribution on NHS income

Other Workforce reform:

• Wales National Workforce Reporting System – it is expected that this will be introduced later in 22/23

• NHS Jobs access – community pharmacy access to NHS Jobs rolled out to all contractors early in 2022

Other contractual agreements and enablers:

• Terms of Service review to be carried out during 2022/23 to reduce unnecessary bureaucracy and administrative burden

• ePrescribing Review implementation by DHCW

• Digital – pharmacists and pharmacy technician access to WGPR, Video Consulting service and further extension of WGPR and eSummaries on Choose Pharmacy

• Promotion of community pharmacies as part of the Help Us to Help You campaign