

Written evidence submitted by The Company Chemists' Association (RTR0158)

The Company Chemists' Association (CCA) has compiled this written submission following the 24th May oral evidence session as part of the Committee's ongoing inquiry into workforce recruitment, training and retention in health and social care.

During the session, Taiwo Owatemi MP asked Ravi Sharma, the Royal Pharmaceutical Society Director for England, to write to the committee on pharmacist shortages and closures. As a representative trade association of large pharmacy businesses who between them employ over 9,600 pharmacists, and to which this question was directed to, we feel it appropriate to follow-up with the Committee on this topic. We have taken each of Ms Owatemi's questions in turn and provided a response.

The CCA is the trade association for large pharmacy operators in England, Scotland and Wales. Our members are ASDA, Boots, Lloyds Pharmacy, Morrisons, Rowlands Pharmacy, Superdrug, Tesco and Well, who between them own and operate around 5,500 pharmacies, representing nearly 50% of the market. The CCA has previously submitted written evidence to this inquiry as part of the Community Pharmacy Workforce Development Group ([RTR0134](#)), a cross-sector employer working group.

The Company Chemists' Association response

Is there a shortage of pharmacists?

The CCA undertook a review of the community pharmacist workforce in England, using the best available data from our regulator The General Pharmaceutical Council (GPhC) and Health Education England, and our findings indicate that the workforce is in a very fragile state. Indeed, over the last five years, a shortfall of over 3,000 community pharmacists has developed in England.

The register of pharmacists held by the GPhC shows that there are 51,453 pharmacists in England. A 2019 GPhC survey found that 62% of these work in community – we therefore estimate that there are 31,900 pharmacists working in community settings in England. Despite an increase in the number of pharmacists on the register, many contractors report an increase in pharmacist vacancies. This is reflected in Health Education England's Community Pharmacy Workforce Survey 2021¹ (published January 2022) which found that vacancy rates have more than doubled since 2017.

Contractors are also reporting significant increases in locum hourly pay rates. Locate a Locum's annual locum rates report², found that between 2020 and 2021, locum pharmacist rates had increased by an average of 64% in England and 123% in Scotland. This rise indicates that demand is outstripping supply.

We also know that there are other factors at play. The HEE survey found that each pharmacy had, on average, 0.46 more pharmacists working in them in 2021 compared to 2017. Each pharmacy needs more pharmacists to cover the same number of hours each week. This has been driven by changing working patterns due to an increase in part time working, reduced working hours and portfolio working. Moreover, the 2021 HEE survey highlighted high vacancy rates among pharmacy support staff (headcount vacancy rates are as follows: accuracy checkers (19%), trainee dispensing assistants (13%), medicine counter assistants (12%) and trainee medicine counter assistants (17%)) which are impacting upon the workload of pharmacists.

¹ Health Education England, [Community Pharmacy Workforce Survey 2021](#), published January 2022.

² Locate a Locum, [Annual Locum Rates Report](#), 11th April 2022.

Primary Care Network (PCN) recruitment of pharmacists is also another major driver of shortages across the pharmacist workforce. In 2020, the updated GP contract³ set out a reimbursement scheme for the recruitment of 26,000 additional roles into PCNs via the Additional Roles Reimbursement Scheme (ARRS). It was estimated there would be around 6 FTE pharmacists per PCN – 6,000-7,000 in total. In March 2022, NHS Digital confirmed⁴ that 4,722 pharmacists had been recruited into PCNs. Assuming that 62% of pharmacists on the GPhC register work in community pharmacy, we estimate around 2,960 of these come from community pharmacy – which is higher than the estimated number of new registrants who start working in community pharmacies in England every year.

The workforce challenges have been highlighted by others in the sector. The Pharmaceutical Services Negotiating Committee's (PSNC) Pharmacy Pressures Survey found that 91% of pharmacies are experiencing staff shortages, nine in ten pharmacy teams are reporting a significant increase in phone calls from patients about prescriptions, and 86% are reporting a rise in requests for healthcare advice. The RPS' 2021 Workforce Wellbeing survey⁵ found that 89% of pharmacies are at high risk of burnout, and 32% had considered leaving the profession entirely. Meanwhile, in August 2021, Community Pharmacy Scotland called for⁶ a “temporary stop to the recruitment of pharmacy workforce to GP primary care support roles”.

Community pharmacy in England is subject to flat funding with the current five-year Community Pharmacy Contractual Framework agreed in 2019 and not accounting for inflationary pressures ever since. Between 2014 and 2019 in England, healthcare expenditure per capita rose from £2,415 to £3,104⁷ (a rise of +9.5%). During that same period, the pharmacy sector saw a decrease of -10.7% in spend per capita. By 2024, we have calculated that the sector will have faced a real-terms cut in funding of more than 25%. A 2020 EY report commissioned by the GPhC found that 40% of large pharmacy chains sampled are running at a loss. The CCA has campaigned for a fairer funding settlement that reflects the true cost of doing business. Without the necessary funding, businesses are unable to develop long-term plans and undertake the necessary investment in workforce. Without this, they are unable to provide the necessary training programmes to retain the workforce.

Pharmacy closures

The workforce challenges are affecting all parts of the community pharmacy sector. In February 2022, the All-Party Pharmacy Group heard how the recruitment and retention challenges affected an independent contractor, an independent multiple and multiples. Therefore, it is incorrect to assume that these affect large multiples only. However, the impact may more acutely affect larger contractors whose business model will differ significantly from that of a small independent.

For example, an independent business owner may sacrifice their scheduled day off or annual leave to ensure there is a pharmacist on site if a locum was not available. A responsible employer cannot ask its employees to make such sacrifices.

³ BMA and NHS, [Update to the GP contract agreement 2020/21 -2023/24](#), February 2020.

⁴ NHS Digital [Primary Care Workforce, England - collated full-time equivalent \(FTE\) net change since March 2019 - Direct Patient Care staff, September 2021 to March 2022](#) available online via [Primary Care Workforce Quarterly Update, 31st March 2022](#), 19 May 2022

⁵ Royal Pharmaceutical Society, [2021 Workforce Wellbeing Survey](#)

⁶ Community Pharmacy Scotland, [Recruitment of Pharmacy Workforce](#), 30th August 2021

⁷ The King's Fund, [The NHS budget and how it has changed](#),

Pharmacies are not allowed to open unless there is at least one pharmacist onsite. Businesses are reporting increased difficulties in recruiting pharmacists, due to the shortfall highlighted earlier which is more severe in some parts of England. For example, NHSE/1's South West website⁸ states: *"There is a shortage of pharmacy staff in the Southwest of England, where there are many unfilled vacancies. Demand for pharmacists and pharmacy technicians has never been greater"*.

High vacancy rates and high rates of absences are making it more and more difficult to ensure there is a pharmacist on site at short notice. Workforce pressures have increased during Covid and appeared to peak before Christmas, owing to winter pressures and the Omicron variant of Covid-19. Whilst some of these pressures appear to have reduced, due to the relaxation of self-isolation rules, they still remain high. Unfortunately, this leads to instances of temporary closures or reduced working hours.

Rising locum rates may lead to locums deciding not take as many shifts as they would have otherwise done.

The CCA is therefore calling on the Department of Health and Social Care and NHSE to work with the sector to develop a workforce strategy for the entirety of primary care to reduce the likelihood of such closures in the future.

Current structures in place to withhold payments to pharmacies which close

There are no standing fees for pharmacies to simply open anymore. There are no financial incentives for any pharmacy not to open. To earn any income, they must provide all contracted services throughout their contracted opening hours. If pharmacies do not open, they are not able to provide services to patients and are not reimbursed accordingly.

Pharmacies are, however, subject to breach notices if they are deemed to breach NHS terms of service. They can also be fined. So even worse than payments being withheld, businesses that cannot open will be out of pocket.

When pharmacies make the decision to close this is only ever after exploring and exhausting all possible options. Each of the CCA's members have robust processes in place to support affected patients, and take a risk-based management approach to minimise the impact and support the most vulnerable patients. They also work closely with local NHSE regional teams or Health Boards in Scotland and Wales to ensure full visibility of challenges and minimise the impact on other parts of the health system.

No pharmacy wishes to or sets out to close but closures are at risk of rising without Government intervention to address the workforce challenges and chronic under-investment in the sector over many years. A workforce strategy for the whole of primary care is urgently required to outline plans to ensure that community pharmacies can recruit and retain the staff that they need.

Benefits of moving to a GP model

There are many differences between the different primary care contracts, including between General Practice and community pharmacy. For instance, as previously stated, community pharmacy is reimbursed for work completed. GP practices are paid whether they open or not. Our understanding is that when General Practices are struggling with closures due to staff shortages, the NHS can step in and provide staff.

⁸ NHS England and NHS Improvement South West, [Opportunities to work as a Pharmacist in the South West](#)

Given that the entire community pharmacy sector is experiencing staffing challenges such a model would not work in practice, as the NHS would face similar challenges, unless they were to re-purpose some of the 4,772 pharmacists now working in the PCNs.

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