



COVID-19 Update

Tuesday 31st March 2020

This new, daily update contains important information for community pharmacy teams about the ongoing response to the COVID-19 pandemic.

COVID-19 Funding Update: Ministers agree £300 million cash injection

Ministers have agreed to inject a total of £300 million of advance funding into community pharmacies over the next two months in recognition of the significant cashflow pressures facing the sector at this point in the COVID-19 pandemic.

The payments will need to be reconciled at a later date (i.e. they are not new money for the sector) and they will be paid as 'uplifts' to contractors' January and February payments which are payable in early April and May.

The two injections will be worth £200 million on 1st April 2020 (or soon after) and £100 million at the end of April/early May.

The NHS Business Services Authority (NHSBSA) is working to recalculate payments with the intention that the extra £200 million can be paid at the same time as the 1st April 2020 payment.

PSNC has been in urgent negotiations with Ministers and the NHS for a number of weeks, making the case for urgent cashflow assistance to help contractors this month. We are also in ongoing discussions about the need for more funding for the sector to recognise increasing costs arising from factors such as increasing prescription numbers, staffing costs, one-off costs and rising drugs bills, all resulting from the pandemic.

While this funding injection is a step in the right direction, PSNC has told HM Government that it is not sufficient to cover contractors' rising costs and to help them to manage the new pressures on their businesses.

We are seeking a long-term increase to total pharmacy funding in recognition of the unprecedented challenges that pharmacies are already facing as a result of the COVID-19 pandemic: negotiations on this will continue.

PSNC Chief Executive Simon Dukes said:

"In negotiations over the past month we have made clear to HM Government that community pharmacy is at a critical point, with pharmacy teams and businesses under extreme pressure and many pharmacies now not financially viable.

We welcome the intention of this cash injection, and in particular Ministers' recognition of the impressive way in which pharmacies are rising to the many challenges presented by the COVID-19 pandemic. But this funding gesture alone is not enough: we have informed HM Government that it simply will not be sufficient to help many contractors to meet the rapidly increasing costs that they are facing as a result of this pandemic.

We are continuing our dialogue with the Minister, with officials and with the NHS, and in the coming days we and the other national pharmacy organisations will be putting yet more evidence to them, trying to persuade them of the very urgent need for further emergency funding support, over and above the agreed global sum of £2.592 billion, for this vital part of the NHS."

[Click here to watch a video Message from Simon Dukes, PSNC CEO](#)

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Pharmaceutical Services Negotiating Committee



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