

# PARLIAMENTARY DEBATES

HOUSE OF COMMONS  
OFFICIAL REPORT

Sixth Delegated Legislation Committee

DRAFT PHARMACY (PREMISES STANDARDS,  
INFORMATION OBLIGATIONS, ETC.) ORDER 2016

*Tuesday 1 March 2016*

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STRICT ADHERENCE TO THIS ARRANGEMENT WILL GREATLY  
FACILITATE THE PROMPT PUBLICATION OF  
THE BOUND VOLUMES OF PROCEEDINGS  
IN GENERAL COMMITTEES

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**The Committee consisted of the following Members:**

*Chair:* NADINE DORRIES

† Baron, Mr John (*Basildon and Billericay*) (Con)  
 † Brine, Steve (*Winchester*) (Con)  
 Burrowes, Mr David (*Enfield, Southgate*) (Con)  
 † Burt, Alistair (*Minister for Community and Social Care*)  
 † Davies, Chris (*Brecon and Radnorshire*) (Con)  
 † Farrelly, Paul (*Newcastle-under-Lyme*) (Lab)  
 † Foxcroft, Vicky (*Lewisham, Deptford*) (Lab)  
 † Goodman, Helen (*Bishop Auckland*) (Lab)  
 † Gwynne, Andrew (*Denton and Reddish*) (Lab)  
 † Kirby, Simon (*Brighton, Kemptown*) (Con)

† Kyle, Peter (*Hove*) (Lab)  
 † Lilley, Mr Peter (*Hitchin and Harpenden*) (Con)  
 † Mackinlay, Craig (*South Thanet*) (Con)  
 † Quin, Jeremy (*Horsham*) (Con)  
 † Redwood, John (*Wokingham*) (Con)  
 † Smyth, Karin (*Bristol South*) (Lab)  
 † Thompson, Owen (*Midlothian*) (SNP)

Kevin Maddison, Anna Dickson, *Committee Clerks*

† **attended the Committee**

## Sixth Delegated Legislation Committee

Tuesday 1 March 2016

[NADINE DORRIES *in the Chair*]

### Draft Pharmacy (Premises Standards, Information Obligations, etc.) Order 2016

2.30 pm

**The Minister for Community and Social Care (Alistair Burt):** I beg to move,

That the Committee has considered the draft Pharmacy (Premises Standards, Information Obligations, etc.) Order 2016.

It is a pleasure to serve under your chairmanship, Ms Dorries. The draft order makes changes to the pharmacy regulators' powers to regulate pharmacy premises. In broad terms, the intention is to remove the General Pharmaceutical Council's duty to set standards in rules; it will instead set them as code of practice-style obligations that are enforced through disciplinary committee procedures. The Northern Ireland regulator, the Pharmaceutical Society of Northern Ireland, will have a statutory duty to set standards for registered pharmacies, and the draft order will clarify what those standards can cover.

The draft order will make changes to the regulators' ability to issue interim suspensions from the premises register. The General Pharmaceutical Council's powers relating to improvement notices will be amended. It will be enabled to publish reports of pharmacy premises inspections. Its powers to obtain information from pharmacy owners will be changed. A correction will be made to the Pharmacy Order 2010 in respect of the notification of the General Pharmaceutical Council of the death of a pharmacy professional. All the changes have been developed with the agreement of the regulators, the Government and the devolved Administrations. The General Pharmaceutical Council's pharmacy premises standards may relate to the regulation of pharmacy technicians, which is a devolved matter, so the draft order has also been laid in the Scottish Parliament. The draft order was debated in another place on Monday 22 February.

I will give the Committee some background. All pharmacists and pharmacy technicians who practise in Great Britain must be registered by the General Pharmaceutical Council. Pharmacists who practise in Northern Ireland are registered with the Pharmaceutical Society of Northern Ireland. Pharmacy technicians are not a registered healthcare profession in Northern Ireland. Unlike most other healthcare regulators, the pharmacy regulators are also responsible for the regulation of registered premises. The regulation of retail pharmacy premises is the subject of the draft order.

The key change for the General Pharmaceutical Council, and one of the Law Commission's recommendations, is that it should no longer be required to set standards for registered pharmacies in rules. Instead, the standards should be aligned with other regulatory standards and be code of practice style-obligations, enforced through

disciplinary procedures. This supports the General Pharmaceutical Council's approach, since its inception in 2010, to move to an outcomes-based approach to pharmacy premises regulation. Overall, the draft order will align the legal status of registered pharmacies standards with the status of standards for individual registrants.

As a consequence of moving the standards out of rules, they will no longer be included in a statutory instrument that is subject to Privy Council approval. Increasing the autonomy of the General Pharmaceutical Council in this way is in line with Government policy. However, the draft order includes an explicit requirement for the General Pharmaceutical Council to consult Scottish Ministers, as well as English and Welsh Ministers, on changes to pharmacy premises standards.

The General Pharmaceutical Council's standard setting powers are being extended to include associated premises; that is, premises at which activities are carried out which are integral to the provision of pharmacy services. This reflects the fact that, in some respects, the traditional model of pharmacy premises being entirely self-contained operations at which all aspects of the retail pharmacy business are carried out is outdated for some businesses. Integral parts of their business operations—for example, electronic data storage—may be elsewhere. Very similar changes are being made in relation to Northern Ireland.

The disqualification procedures for pharmacy owners and the procedures for removing premises from the premises register will be amended for both regulators: first, so the disqualification procedures apply to retail pharmacy businesses owned by a pharmacist or a partnership, as well as bodies corporate; and, secondly, to clarify that the test to apply sanctions, where premises standards are not met, is whether the pharmacy owner is unfit to carry on the retail pharmacy business safely and effectively. The General Pharmaceutical Council already has powers to issue improvement notices where a pharmacy owner breaches the standards for pharmacy premises.

The draft order will make two amendments to the sanctions provisions relating to breaches of improvement notices. The two changes mean that the General Pharmaceutical Council will deal with all breaches of premises standards as disciplinary matters. Both regulators are being enabled to make suspension orders, pending a full hearing of the case against the owners of pharmacy premises, and to make interim suspensions from the register prior to a disqualification decision or a removal decision taking effect. These changes reflect the move to better align the disciplinary provisions for pharmacy owners, in respect of breaches of pharmacy premises standards, with those for individual registrants.

**John Redwood (Wokingham) (Con):** The power in article 18, which the Minister has already referred to, is that Ministers have to be consulted before a change is made to the rules. What is the point of that? It does not seem that Ministers have any right of veto, or to insist on anything different, so why do they not just trust the regulator?

**Alistair Burt:** Bearing in mind Ministers' overall responsibilities to duties under the NHS, legislation about what pharmacies do and the general mandate of the NHS in relation to pharmacies, a consultation procedure is still required so that Ministers are made aware of the

sort of changes that are being included, to ensure that those changes fit with other aspects of the NHS mandate for which Ministers are responsible. In no sense is that anything other than permissive. If there was disagreement and Ministers did not want to continue, that would be an important part of the discussion. But I do not think that a general duty to consult is necessarily a bad thing and it conforms with other responsibilities that Ministers may have.

The remaining changes are for the General Pharmaceutical Council. It is currently required to make rules in relation not just to premises standards but to the information obligation of pharmacy owners. The latter duty is permissive. The draft order will also clarify when the General Pharmaceutical Council can require pharmacy owners to provide such information and the type of information covered. Currently, there is no provision about how these information-gathering rules are to be enforced, and this gap is being filled by making use of the existing enforcement regime via the General Pharmaceutical Council's improvement notice system. The General Pharmaceutical Council is also being enabled to publish reports and outcomes from pharmacy premises inspections.

The opportunity is being taken to correct an error in the Pharmacy Order 2010 to require notification of the death of a registered pharmacist or registered pharmacy technician by a registrar of births and deaths, or in Scotland a district registrar, rather than by the Registrar General, as the legislation currently states.

A full public consultation on the draft order was conducted across the United Kingdom from 12 February 2015 to 14 May 2015. There were 159 responses and the overwhelming majority supported the proposals, with many welcoming them. However, the need for guidance—whether from regulatory professional bodies or others—was raised in response to a number of the proposals, to help understand the proposed changes and their impact in practice. To supplement the consultation, a number of events were arranged across the UK for patients and the public. Participants at the events gave unanimous support to the proposals for an outcomes-based approach to standards for registered pharmacy premises. The emphasis on patient safety was welcomed and it was recommended that pharmacy users should have a voice in whether good outcomes for patients are being achieved by pharmacies. Publication of inspection reports in Great Britain was also welcomed.

In summary, the key proposals concerning the continuing development of an outcomes-based approach to standards for registered pharmacy premises build on best practice. The proposal that the standards should not be placed in legislative rules follows as a consequence of this approach and will enable the General Pharmaceutical Council, and eventually the Pharmaceutical Society of Northern Ireland, to respond quickly when reviewing and updating the standards to keep pace with the increasingly rapid changes in pharmacy service provision. I commend the draft order to the House.

2.39 pm

**Andrew Gwynne** (Denton and Reddish) (Lab): It is a pleasure, as always, to serve under your chairmanship, Ms Dorries. I thank the Minister for his useful overview of the effects of the draft order.

No one will disagree with the overall aim of improving standards and practice in the distribution and use of medicines. Medicines are a critical and essential part of the healthcare system in this country, and the accurate dispensing of medicines and the quality of the advice given by pharmacists are of paramount importance.

Overall, the draft order is eminently sensible, but it must be looked at in the context of where community pharmacy is going. Around 1.6 million people visit pharmacies every day. Pharmacies are among the most high-frequency interfaces of the health and social care system, so they have huge potential to fulfil many of people's most regular requirements of that system and potential to take the strain off accident and emergency departments and GP surgeries. I am therefore a little confused that the Government are pushing ahead with reductions in the community pharmacy budget, which I understand will be the subject of an oral question in the other place tomorrow afternoon.

Ministers themselves estimate that between 1,000 and 3,000 community pharmacies will have no option but to shut their doors. Those closures will mean job losses and worsening pay for people across the sector. Pharmacists are often seen as simply suppliers of medication that others prescribe, but I am sure that the Minister will agree that they are so much more than that. The Opposition worry that this will become a self-fulfilling prophecy. Pharmacists carry out legal and clinical checks, administer vaccinations and emergency contraception, and review the effectiveness of people's medication. The changes in the sector will be regressive, and I hope that the Minister will reconsider them.

My colleague Lord Hunt of Kings Heath made an excellent point when the draft order was debated in the other place. When the Health and Social Care Bill was debated in 2012, there were discussions about whether community pharmacists could be represented on the boards of clinical commissioning groups. The Government decided against that, but I suspect that because pharmacists are not around the table we often miss their valuable contributions in discussions on various parts of the healthcare system, of which they are usually a crucial part. Lord Hunt was right to say that we are missing a trick here.

We are happy to support the draft order and we note that the responses to the Government's consultation were overwhelmingly positive, but I have placed on the record the concerns of Her Majesty's Opposition with the Government's approach to the pharmacy sector and I hope that the Minister will take those concerns away.

2.43 pm

**Helen Goodman** (Bishop Auckland) (Lab): It is a great pleasure to see you in the Chair this afternoon, Ms Dorries. My hon. Friend the Member for Denton and Reddish, who sits on the Front Bench, has anticipated the thrust of the argument that I want to present to the Minister.

The draft order looks broadly deregulatory. The Minister has consulted on it and there is support for it, but it should be considered in the context of the 6% cuts to the community pharmacy budget about which I have received significant representations from pharmacists in my constituency. Pharmacists in Bishop Auckland, Kirk Merrington and Cockfield, and the County Durham

[*Helen Goodman*]

and Darlington local pharmaceutical committee have written to me and are extremely concerned about the impact of those cuts on their pharmacies.

I wrote to the Minister and he wrote in response that he had a marvellous strategy for pharmacies, which I could not quite square, and that they were going to do all these new, wonderful things. If they are going to do lots of new, wonderful things, it seems odd to be cutting the money, but he can no doubt explain to us what he means. He also wrote that it was not sensible to subsidise pharmacies if they were close to each other and that around two thirds or three quarters of them—I cannot remember the number—were close to another pharmacy. I have to tell him that Kirk Merrington and Cockfield are villages and it takes half an hour on the bus to get from those villages to anywhere else with a pharmacy. It is important that he addresses the rural dimension of not continuing to provide proper support for pharmacists who—as everyone on the Committee is no doubt fully aware—can provide significant benefits to public health.

2.44 pm

**Paul Farrelly** (Newcastle-under-Lyme) (Lab): Following my hon. Friend's contribution, I also want to put something on the record. I have had representations from pharmacists in Newcastle-under-Lyme in north Staffordshire who face funding cuts. They are, quite frankly, baffled, because they are also expected to do more on the frontline to help patients and relieve pressure on GP surgeries, which, like much of our health service, are embattled at the moment.

2.45 pm

**Alistair Burt**: I am grateful to the Committee for its response and appreciate the support for the draft order in that narrow part of our discussion. I did anticipate that one or two other issues might be raised. With your permission, Ms Dorries, if you feel that those contributions were in order, I am happy to respond briefly.

The draft order is set in the context of the changes being proposed to community pharmacy. Let me lay out, as best I can, what the Government have in mind. In essence, we want to see community pharmacy better integrated into primary care, by increasing the number of pharmacists who bring their skills to GP practices, care homes, and urgent care and public health settings. We need a clinically focused pharmacy service, better integrated with primary care and public health, in line with the five year forward view.

We are consulting with the pharmacy sector and patient groups on how to introduce, for example, the pharmacy integration fund. That will transform how pharmacists operate in the NHS, reducing pressure on A&E and GPs by making better use of pharmacists' terrific clinical skills to help deliver seven-day health and care services. Proposals for discussion include more pharmacists in GP practices, working closely with GPs to optimise the use of medicines and promote healthy living; patients often seeing a pharmacist instead of a GP, particularly for minor ailments, adding capacity to the system and freeing up appointments; establishing a named pharmacist in care homes who can discuss and review medicines and work with the patients to get the

best possible outcomes; and integrating pharmacists as part of all care processes as standard, as a key means of maintaining public health and preventing ill health.

We want to see that development in pharmacy, and to an extent we are going with the grain of what the pharmacy sector has been looking for for some time. Studies by the Royal Pharmaceutical Society and the Nuffield Trust say that pharmacy needs to change, and needs to recognise that it can contribute further to the NHS, in addition to the excellent services that are based in more and more high street pharmacies. Not all high street pharmacies provide the same services; one issue is that some 40% of pharmacies are in a cluster of three or more pharmacies within ten minutes' walk.

To address the point made by the hon. Member for Bishop Auckland, we are proposing an access fund whereby more NHS resources will be devoted to pharmacies in areas where the cluster argument does not apply. Quite sensibly, no one wants to lose a pharmacy; if a pharmacy finds itself having difficulties with the new financial regime, we want to make sure that it is able to continue. Discussions are already proceeding with pharmacy representatives about how the access fund will be set out, because there must be national standards—a set of rules to let people see how things are done.

We feel that the combination of the access fund, which will make sure that pharmacies in key areas can continue their work, with the integration fund, which will assist more pharmacists to work in different settings, is what pharmacy needs. Let me be honest among all colleagues: it would be great if that could be done against a background of no reductions in finance, or ever more finance going in, but we are not in that situation. We need to fulfil the commitment, made by my party at the general election, to put more funding into the NHS. That £8 billion commitment is now a £10 billion commitment by 2020. All colleagues know that it is not just about the extra money; it also depends on the £22 billion of efficiencies set out by Simon Stevens, chief executive of the NHS. All parts of the NHS need to contribute to those efficiencies, and that includes pharmacy. It is the Government's genuine belief that, even within the new envelope that will provide £2.63 billion to pharmacy this year, it will be possible for pharmacies not only to continue their excellent work, but to develop it in the ways that I have set out and that we believe pharmacy wants as well. That is what we intend.

There will be an opportunity for further discussion and debate about this; I know colleagues are receiving letters about it, so the debate has some way to go. We are in discussion and negotiation with those who represent pharmacies; there is an interesting conversation taking place and we want to see it continue.

**Helen Goodman**: Is the £2.6 billion subsidy partly for medicine, or is it a subsidy for the infrastructure of the pharmacy network?

**Alistair Burt**: I would not say that this is a subsidy. It is payment made by the NHS and the taxpayer for the provision of premises and the work that pharmacists do. It is essentially more about infrastructure. The drugs bill is beyond that; that is the agreement. It is still a significant amount of money that will go into the provision of services. Where we find pharmacy services

looking to work in different ways, which is already happening—there are pharmacists in GP surgeries and on some hospital wards—we want to encourage that process, without damaging the exceptionally good high street service that is provided by the majority of pharmacists, which we want to see continue.

The draft order fits in with that approach by changing the rules on the regulation of premises. It will make sure that the regulators can do their job in the way we all

want to see—with procedures for guidance, as opposed to strict legislative rules. This is in line with the autonomy of professional regulatory bodies that the profession and the Government are looking for. I am grateful for the Committee's support.

*Question put and agreed to.*

2.52 pm

*Committee rose.*

