

# Update for LPCs and Pharmacy Owners

February and March 2026

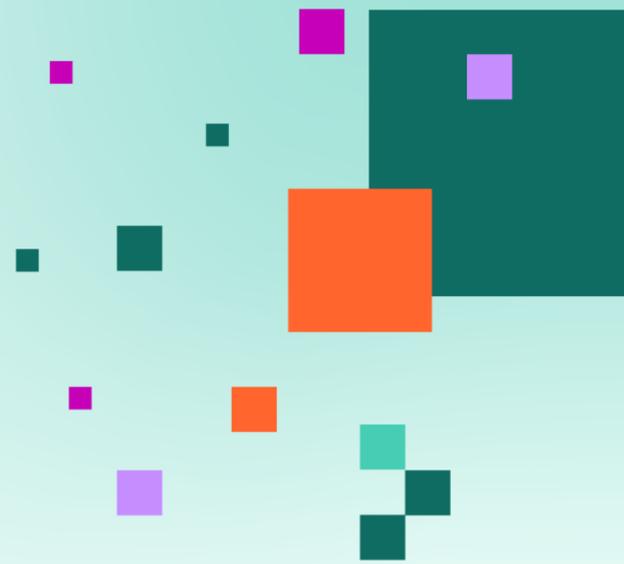
**Fin Mc Caul**  
**Regional Representative**  
**North West Region**



# In this update

- The February meeting of the Community Pharmacy England Committee
- 2026/27 CPCF negotiations
- Sector inputs and polling
- Workplan and levy for 2026/27
- LPC Support and involvement
- Questions and discussion

# The February meeting of the Committee



# Meeting summary and main issues

- The full Committee met in London on 4th and 5th February 2026
- Committee discussions included confirming the Committee's key negotiating positions and supplementary asks for the negotiations
- Explored further potential future options for contract reform and funding models

The two days also covered:

- Inputs from across the sector via opinion polling, including on the persistent challenges and abuse of pharmacy teams
- Approval of budget, workplan and priorities for 2026/27
- Policy and advisory subcommittees
- Observers from LPCs in the East and North Midlands region joined

# Subcommittee updates

## Service Development

- Reviewed progress made on implementing changes to the CPCF agreed in the 2025/26 negotiations, including undertaking a detailed review of the current draft version of the Hypertension Case-Finding Service specification.
- Discussed ongoing work to support locally commissioned services, including plans for the year ahead and the ongoing work to support LPCs and pharmacy owners engaging with local Neighbourhood Health pilot sites.
- Updates were also considered on vaccination services and independent prescribing.

## Funding & Contract

- Discussed core funding-related issues, including analysis of medicines margin and the Drug Tariff as part of ongoing monitoring of reimbursement.
- Considered potential changes to the Margins Survey and Category M pricing methodology.
- General progress updates were provided on critical funding work around branded generics and accelerated payments, much of which is being actively discussed with DHSC.
- Reviewed forecasted delivery of CPCF fees and an analysis of pharmacy opening hours, reflecting on the sector's financial challenges and its growing impact.

# Subcommittee updates

## Legislation & Regulatory

- Reviewed a series of primary and secondary regulatory asks that would benefit the sector to put forward in CPCF negotiations. Discussions explored the detail and practicalities around each ask.
- Considered concerns raised about the increasing number of pharmacy owners being negatively affected by the shortening of the Pharmacy First claim window, which needed to happen to support the introduction of an intermediary band for the monthly payment.
- Discussed the introduction of the NHS Sexual Safety Charter and ICB requests for pharmacies to complete the associated self-assessment, noting the information we have shared with pharmacy owners.

## LPC & Contractor Support

- Reviewed recent legal advice on LPC functions, risks and incorporation, which confirmed that for LPCs, personal liability risks for LPC members remain low given the limited nature of LPC activities as unincorporated associations. Updated guidance and risk-register examples will be shared with LPCs.
- Updates on the engagement strategy, workplan, LPC finances and levy, and noted positive feedback from the 2025 LPC Conference.
- Finalised the approach for the upcoming RSG/TAPR review, which will gather feedback from both Committee members and LPCs and be independently analysed.
- Initial plans for the June–July regional events were discussed: feedback from LPCs welcome.

# Subcommittee updates

## Audit & Risk

- Met before the main committee to provide detailed scrutiny of the budget and workplan for 2026/27
- Reviewed levy collection, risk register and management accounts

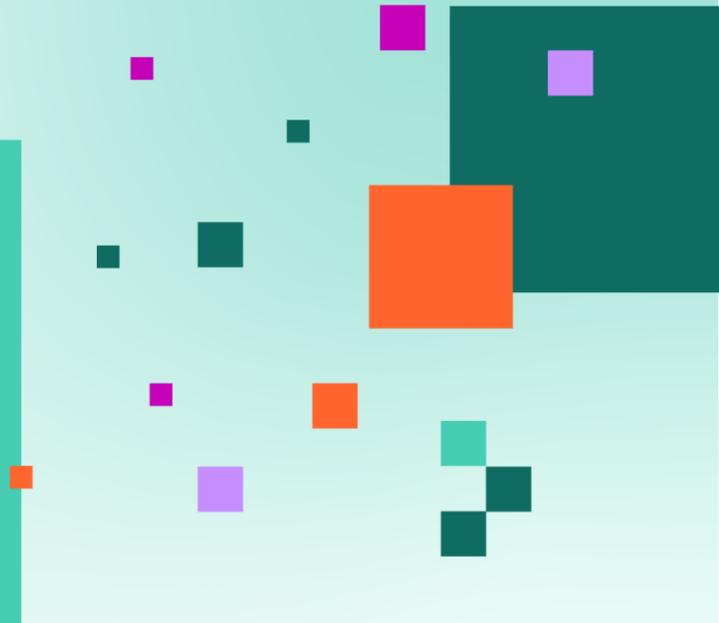
## Governance & People

- Met before the main committee and discussed election preparation and options for identifying sector composition

## Communications & Public Affairs

- Discussed what actions could be taken in response to the pharmacy abuse polling results, including using some of the case studies to raise awareness of the issue through the media and approaching the police to discuss
- The subcommittee also discussed the upcoming tender process for Public Affairs support, with interviews due to be held later this month

# 2026/27 CPCF negotiations



# Mounting pressures

- Pharmacies are **worse off than a year ago** – 2025 funding uplift swallowed by inflation, tax changes and operational pressures
- A **structural £2bn+ funding deficit** – many businesses losing money every month
- **75,000 fewer hours open per week** since mid-2023 – plus an 88% collapse in late evening provision
- Drug Tariff cuts and Category H changes announced last month are another blow – **further destabilising medicines supply**
- Upcoming Budget changes expected to **add millions in extra costs** – via National Living Wage rise and higher business rates

# Make-or-break negotiations

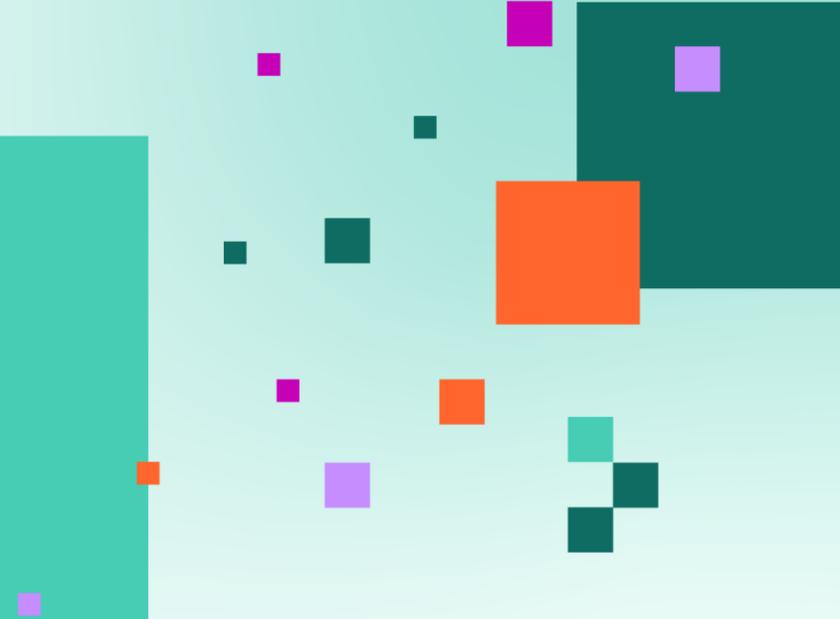
- Community Pharmacy England wrote to Pharmacy Minister Stephen Kinnock to outline the sector's escalating crisis and call on Government to deliver rapid progress towards sustainability
- Negotiations outcome must not only stabilise the sector for 2026/27, but also begin a credible, long-term recovery plan
- We expect negotiations for 2026/27 to commence imminently in February
- Our priorities have been shaped by the sector through many months of engagement, polling and our regional events

# Negotiating priorities

To make progress with Government on the following areas:

- A **plan to close the funding gap**, with proper indexation for activity and inflation
- A **roadmap for the future**, aligned with 10 Year Health Plan ambitions
- A **margin reset** and continued write-off of over-delivery
- Progress towards the **Community Pharmacist Prescribing Service** (in so far as this is achievable for the sector within the funding available)
- Reforms to aid efficiency and **reduce red tape**

# Sector inputs and polling



# Latest polling (ahead of February Committee)

## Abuse in Pharmacies

- **55%** of pharmacy owners reported **verbal abuse** happening in their pharmacies in the last 6 months (**21%** said it was daily)
- **6%** experienced **physical abuse** in the last 6 months
- We will want to talk to LPCs via CLOT further to co-ordinate what local and national actions we can move forward with to help

## Outlook / Pressures

**Unpredictable revenue stream** and **workforce costs** have been reported as the highest pressures

*2026 Pharmacy Pressures Survey opens next month*



# Jan-Mar 2025: Annual Pressures Survey

- Impact of **serious financial and operational pressures** continues
- **51%** reported that their business was **losing money**, **over 40%** had already reduced staff and **used personal savings**
- **55%** were looking at ways to **further reduce their costs**
- Majority of owners said there was **less time to spend with patients** and teams reported **increasing requests** from people unable to access GPs
- Plus **over 80%** of pharmacy owners said medicine supply issues have worsened over the past year, with **61%** of teams reporting **multiple issues daily**



# Regular sector opinion polling

## Apr–June 2025: Post–CPCF settlement poll

- **4 out of 5** were **positive** about addition of EC; **94%** considered **new route** for rearranging core hours
- But pharmacies were **still struggling financially**

## Aug–Sept 2025: Next CPCF poll

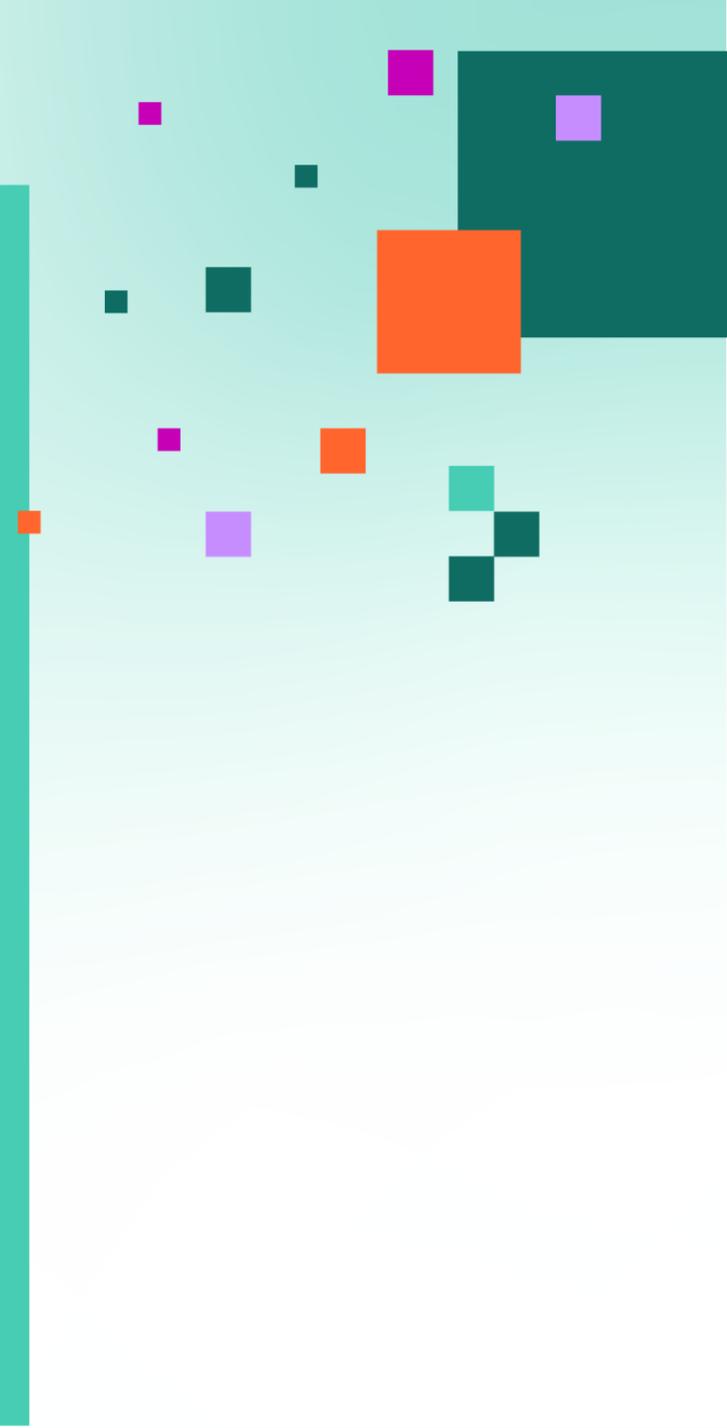
- **90%** said core funding **still wasn't sufficient** to cover costs
- Their priorities **aligned with Committee's objectives**, e.g. primary importance of **securing economic stabilisation**

## Oct–Nov 2025: Winter pressures poll

- **82%** said they were **concerned** about their pharmacy
  - **71%** were neither over- nor under-resourced for winter;
- 16%** felt **under-resourced**

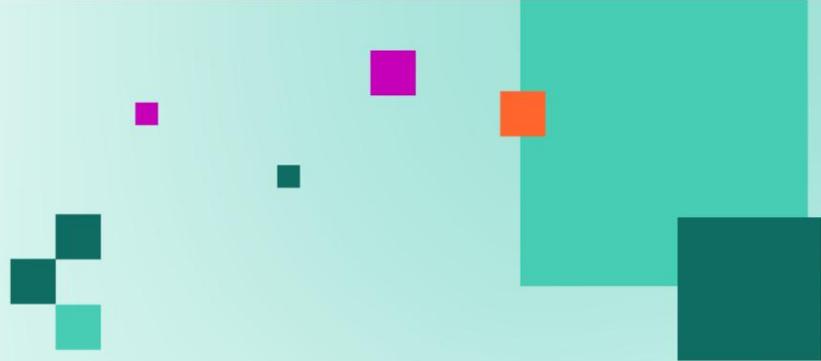


# Workplan and budget for 2026/27



# Our workplan and priorities for 2026/27

- The committee finalised its planning for 2026/27 including the budget and levy
- We have previously published our vision, strategy and objectives, and a copy of our workplan and priorities for 2026/27 are available in the LPC area
- Summarised on the next few slides to help you understand how we will use our budget and feel confident that our levy directly supports work that benefits pharmacy owners



## Community Pharmacy England's Mission

Community Pharmacy England and Local Pharmaceutical Committees champion community pharmacy across England – representing community pharmacy owners at national and local level, and giving them the support they need, negotiating the best deal with the Government and NHS, and influencing positive change because everyone in society needs thriving community pharmacy.

### Our Values, which underpin the Mission, are to:

- be respectful, collaborative, honest and open
- act with integrity
- be tenacious



## Our Purpose and Objectives

Community Pharmacy England's five-year strategy will contribute towards us achieving our ultimate purpose:

**Ensuring a sustainable and ambitious future for community pharmacy, with the right funding and investment to deliver better health outcomes to patients and the public.**

This over-arching purpose can be broken down into the following key objectives:

**Objective 1:** Deliver an improved Contractual Framework to address the current funding crisis and secure a stable future.

**Objective 2:** Drive the success of the Pharmacy First service, blood pressure service and contraception service to demonstrate their value and the potential for a greater role for community pharmacy in clinical services and the funding needed to achieve it.

**Objective 3:** Promote the role of community pharmacy as a vital part of an integrated primary care system and as hubs for community health.

**Objective 4:** Build the investment case for further expansion of clinical services that can be developed into major service interventions.

**Objective 5:** Lead future thinking on the funding, commissioning and regulatory policies that will enable community pharmacies to deliver services effectively and sustainably and respond to changing Governmental/NHS England priorities.

**Objective 6:** Ensure that we continue to support the community pharmacy sector effectively and that they can feed into our thinking through communications and engagement, working closely with the LPC network and driving standards of management, governance, accountability and transparency.

# Objective 1: Deliver an improved Contractual Framework to address the current funding crisis and secure a stable future

Key programmes:

- Negotiations 25/26 implementation, evaluation and 26/27
- Roadmap and Strategy, the future of the network and engagement with DHSC/NHSE on a shared plan
- Annual flu and Covid vaccination negotiations
- Strengthening resilience of the supply chain
- Securing sustainability for the sector – and creation of a shared roadmap for the sector
- Building relationships with evolving DHSC and NHSE teams

## **Objective 2: Drive the success of clinical services to demonstrate their value and the potential for a greater role**

- Clinical services delivery monitoring and support for LPCs
- IT/digital integration
- Clinical potential promotion

## **Objective 3: Promote the role of community pharmacy as a vital part of an integrated primary care system**

- Influencing and stakeholder engagement and relationships
- 10-Year plan and medium-term planning framework to create opportunities for community pharmacy
- Monitoring health and scope of the sector and heat-mapping risk
- Neighbourhood developments with LPCs

## **Objective 4: Build the investment case for further expansion of clinical services**

- Investment case for clinical services future
- Independent Prescribing
- LPCs support for locally commissioned services

## **Objective 5: Lead future thinking on the funding, commissioning and regulatory policies**

- Funding models
- Reimbursement reform
- NHS modernisation and reform agenda
- Market entry and regulation

- Data infrastructure

## Objective 6: Ensure that CPE continues to support the community pharmacy sector effectively

- Contractor and LPC engagement and multi-channel and new channels use
- Constitution, composition and elections
- HR infrastructure and support for LPCs on employment and HR matters
- LPC support covering elections support, help for running LPCs, local influencing work, neighbourhood and local commissioning, LPC learning and development programme
- LPC engagement through CLOT, Forum of Chairs, Treasurers meetings, Conference of LPC Representatives
- Pharmacy owners can continue to feed into our thinking on an ongoing basis through communications and engagement, working closely with you – this will include engagement after the outcome of the negotiations, and a further set of regional events

# Budget and Levy – Impact on LPCs

- This year's levy figures incorporate both an uplift and the annual recalibration based on the most recent full-year pharmacy income data. We recognise that the impact of these changes will feel different across the country, depending on local shifts in NHS income:
  - 13 LPCs will see a flat or reduced levy of between 0 to -5%.
  - 28 LPCs will see an increase of 1 to 5% (with 21 of these between 1 to 3%).
  - 9 LPCs will see an increase above 6%, primarily driven by significant related prescription volume distribution changes.
- A summary of levy by each LPC in England, along with further background information about the basis of the levy and the annual recalibration, is available in the LPC area of our website and will be sent to Treasurers and Chief Officers.

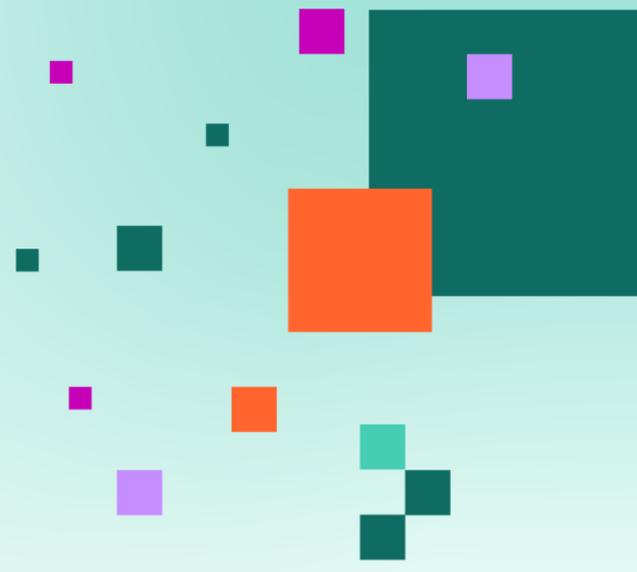
# Budget and levy summary

- For 2026/27, the total levy to LPCs will be approximately £4.9m. This reflects a very carefully considered overall 3% uplift (around £145,500) to ensure we can continue to resource our work and our collaboration with you, at what remains a difficult time for community pharmacy.
- Our Audit and Risk Subcommittee scrutinised the budget in detail, and the Committee approved it with a strong focus on doing everything possible to keep any increase as low as possible, without compromising a demanding workplan
- Details including rationale are available in the LPC levy letter, distributed early February
- Thank you for engaging with our planning process after we shared indicative figures we shared in November, and discussing them further at the January finance briefing.

# Budget and our value

- Our latest Annual Report sets out how levy funded work has been invested and the significant value generated for pharmacy owners, including £3.073 billion of baseline CPCF funding and £215 million for Pharmacy First and Primary Care Recovery services.
- In addition, routine margin work delivers annual adjustments that dwarf CPE's total levy requirement and protect contractor income on an ongoing basis.
- To help explain how LPCs and CPE are funded, we have put together some information for pharmacy owners, including how the levy collected from LPCs is used to resource our work, see: <https://cpe.org.uk/lpcs-and-local/funding-of-lpcs-and-community-pharmacy-england/>
- If have any questions about your levy or would like support with local communications, please contact James Wood as we are happy to help.

Seeking your input and  
LPC support



# RSG/TAPR Review

We are planning to undertake a review of the implementation and effectiveness of the Review Steering Group (RSG) recommendations via the Transforming Pharmacy Representation Programme (TAPR)

## The purpose is to:

- Evaluate whether the actions taken under the RSG and TAPR programmes have been effective.
- Gather structured feedback from CPE Committee members and LPCs on progress
- Support future governance, LPC support and operational decisions based on evidence.



# RSG/TAPR Review

It will consist of three main parts:

- A survey of CPE Committee members, incorporated into the broader Committee effectiveness review.
- A survey of LPCs, focused on core areas of RSG/TAPR implementation.
- A potential discussion with Professor David Wright to provide an independent perspective, subject to his willingness.

**The LPC survey window will open around the 24th February until the 8th May and we would encourage you to complete as a committee exercise**

**CLOT and LPC Chairs have been asked to help shape the survey**



# Upcoming events

Data Security and Protection Toolkit 2026 Workshop (11th February)

Category H / Drug Tariff Changes Webinar (16th February)

Stress and Resilience Workshop (26th February)

Forum of LPC Chairs (11th March)

Media Training for LPCs (31st March)

**Register: [cpe.org.uk/our-work/updates-events/our-events/](https://cpe.org.uk/our-work/updates-events/our-events/)**

**Most available on-demand**



# A Prescription for Success

Following the launch of [A Prescription for Success](#) at the Conference of LPC Representatives in November 2025, we have produced a set of documents to support local LPC conversations with ICB system leaders, Health and Wellbeing Boards, Public Health Directors and MPs.

Included:

- Template letter for local stakeholders (ICBs, Local Government)
- Summary for MPs
- Slides and Executive Summary

Find copies at [cpe.org.uk/vision](https://cpe.org.uk/vision)



# Neighbourhood Support

We have made available a **one-page infographic** to highlight community pharmacy's accessibility, population reach and alignment with health priorities. Other resources include:

- **Presentation Slide Resources**
- Editable slide decks help communicate pharmacy's strategic role in neighbourhood care and frailty pathways.
- **Customisable Documents**
- Flexible Word documents describe pharmacy contributions to population health and support local adaptation

Find copies at **in the LPC Area of our website**



# Questions and discussion

