

ELLIOT COLBURN MP



HOUSE OF COMMONS

LONDON SW1A 0AA

The Rt Hon. Rishi Sunak MP
Chancellor of the Exchequer
HM Treasury
1 Horse Guards Road
London
SW1A 2HQ

14 October 2020

Our Ref: EC7859

Dear Rishi,

RE: Pharmacy Funding

I met virtually last night with representatives from local pharmacies in my constituency, and we discussed their concerns around the impact of current funding on independent pharmacies in England, as well as the wider policy and economic environment. You may be aware of the September 2020 report by EY into this very topic, which has highlighted some of the key issues:

- Pharmacist consultations and other services can relieve pressure on GPs and planned care services, but 87 per cent of pharmacies report they can not afford to take on the staff to provide more services;
- The NHS has encouraged longer opening hours for community pharmacy, but those with above average opening hours are almost 2x as likely to be in financial deficit;
- Community pharmacy funding in England is £2.6bn (2.3 per cent of total NHS England spend), which has already been reduced by c. £200m since 2016;
- Community pharmacy's role is a contributory factor to UK medicines spend being 16 per cent lower per capita than the OECD average;
- EY estimate that 38 per cent of the pharmacy network is in financial deficit, with 52 per cent of owners planning to sell their businesses;
- By 2024, it is projected that this will rise to 64-85 per cent under current funding arrangements. In EY's base case scenario, a network wide £497m deficit (19 per cent of revenues) is projected.

I enclose a copy of EY's report for convenience. I am visiting all the pharmacies in my constituency during the upcoming Recess, and I should like to be able to reassure them that Ministers are taking this matter under active consideration. I should be very grateful if you – or a Treasury Minister – could commit to meet with me in the coming weeks to discuss what steps the Government is taking to address this funding crisis. I am writing similarly to the Health Secretary, as I believe it would be helpful to bring Ministers from HMT and DHSC together to resolve this.

With best wishes,

A handwritten signature in blue ink, appearing to be 'EC', with a long horizontal flourish extending to the right.

Elliot Colburn
Conservative Member of Parliament for Carshalton and Wallington

Serving the people of Carshalton and Wallington

Tel: 020 7219 5862

E-mail: info@elliotcolburn.co.uk

