Jersey Chemist Contractors Committee - Response to Health and Social Security Scrutiny Panel

Proposed Budget 2027–2030

November 2026

Executive Summary

The Jersey Chemist Contractors Committee (JCCC) welcomes the opportunity to contribute to the Health and Social Security Scrutiny Panel's review of the Proposed Budget 2027–2030.

We recognise the significant challenges associated with maintaining the long-term sustainability of the Health Insurance Fund (HIF) and support efforts to ensure healthcare funding remains sustainable for future generations. We also share concerns expressed elsewhere regarding growing pressures across primary care and the need to invest in services that improve patient outcomes while reducing avoidable demand on hospital services.

Within this context, we believe further consideration should be given to the future sustainability of Jersey's community pharmacy network.

Community pharmacies represent one of the most accessible parts of the Island's healthcare system and are expected to play an increasingly important role in the delivery of preventative care, medicines optimisation, long-term condition management and wider healthcare transformation. However, the sector enters the 2027–2030 Budget period without an agreed long-term funding framework, despite several years of engagement between Government and contractors aimed at developing a sustainable model. Additionally policy changes (including 90-day prescribing) have negatively impacted on the financial sustainability of Community Pharmacies.

The decision to defer wider funding discussions until 2027 means that a number of issues identified by both Government and contractors remain unresolved. These include the financial impact of extended prescribing durations, the absence of an independently verified cost of dispensing model, the sustainability of reimbursement arrangements, and the future commissioning of additional pharmacy services.

At the same time, questions remain regarding the delivery and financial impact of the pharmacy investment package announced in 2023. Greater transparency regarding funding commitments, expenditure, policy impacts and outcomes would assist States Members and the public in understanding the sector's current position and future requirements.

The purpose of this submission is therefore not simply to seek additional funding, but to encourage a transparent, evidence-based examination of how community pharmacy can continue supporting Government's healthcare objectives while remaining financially sustainable.

Matters for Consideration by the Scrutiny Panel

JCCC respectfully requests that the Panel consider the following matters as part of its review of the Proposed Budget 2027–2030:

1. Community Pharmacy Strategy and Funding Framework

The absence of an agreed strategic and financial framework for community pharmacy during the 2027–2030 Budget period, and the implications of deferring wider funding negotiations until 2027.

2. Transparency of the 2023–2026 Investment Package

A full reconciliation of the pharmacy investment package announced in 2023, including:

- Funding announced;
- Funding allocated;
- Funding paid directly to contractors;
- Funding committed to workforce, digital or service-development programmes;
- Funding not yet utilised or delivered.

3. Financial Impact of 90-Day Prescribing

An assessment of the overall impact of extended prescribing periods, including:

- Changes in dispensing volumes;
- Changes in dispensing fee expenditure;
- Consequences for contractor income;
- Implications for stockholding, procurement and operational costs.

4. Independent Cost of Dispensing Review

Implementation of the Comptroller and Auditor General's recommendation to establish an independent assessment of the true cost of dispensing medicines in Jersey, supported by an agreed methodology, governance arrangements and timetable.

5. Interim Arrangements Pending Future Negotiations

Consideration of whether interim support measures are required during 2027 to address ongoing financial pressures while wider funding discussions remain under review.

Unlike many other community healthcare providers, including GP practices, care homes, home care providers and dental practices, community pharmacies have very limited flexibility to offset funding shortfalls through private patient charges. Contractors are therefore largely reliant on Government reimbursement mechanisms to meet the costs of providing essential medicines services, meaning underfunding cannot readily be passed on to patients and must instead be absorbed by the business.

6. Alignment of Pharmacy Funding with Healthcare Transformation

A clear plan setting out the expected contribution of community pharmacy to healthcare transformation during the Budget period, including:

- Future clinical services;
- Independent Prescribing developments;
- Workforce requirements;
- Digital integration;
- Appropriate commissioning and funding mechanisms.

7. Sustainability of the Health Insurance Fund

Consideration of how investment in community and primary care services can contribute to the long-term sustainability of the HIF by reducing demand on more costly areas of the healthcare system and supporting care closer to home.

Conclusion

Community pharmacy contractors have consistently demonstrated a willingness to work collaboratively with Government to support patients, modernise services and contribute to the wider development of Jersey's healthcare system.

Over recent years, contractors have engaged extensively in negotiations, service development discussions and financial reviews aimed at creating a more sustainable and integrated future for pharmaceutical services. While those discussions have not yet resulted in an agreed long-term plan, the underlying challenges identified throughout that process remain.

Community pharmacies continue to face increasing operational costs, medicines supply pressures, workforce challenges and the financial consequences of policy changes introduced across the healthcare system. At the same time, expectations regarding the sector's contribution to prevention, medicines optimisation, Independent Prescribing and care closer to home continue to grow.

We believe there is an opportunity through this scrutiny process to improve transparency regarding previous investment commitments, develop a clearer understanding of the true cost of dispensing

medicines in Jersey, and establish a credible framework for the future development of community pharmacy services.

Appropriately funding core dispensing services should not be viewed solely as a financial pressure on the Health Insurance Fund. Rather, it represents an investment in a vital part of Jersey's healthcare infrastructure that supports safe access to medicines, helps manage long-term conditions, and enables the wider transformation of healthcare services.

JCCC remains committed to working constructively with Government, Ministers, officials and other stakeholders to develop solutions that are evidence-based, sustainable and aligned with the needs of Islanders.