

### **Amendments to Pharmacy Working Practices - Health Act 2006**

The Health Act 2006 provides for the amendment of provisions of the Medicines Act 1968 and the Health Act 1999, relating to the requirement for a retail pharmacy business to be under the 'personal control' of a pharmacist. Instead, there will be a general statutory duty on the pharmacist in charge of each pharmacy. The provisions came into force from the 1 October 2006 and the requirements can be summarised as follows:

- Each retailer pharmacy business, so far as concerns the keeping, preparing and dispensing of non-general-sale medicinal products is under the management of a single 'superintendent'.
- Each individual pharmacy must have a 'responsible pharmacist' who will have professional accountability for all processes in the pharmacy and must ensure the safe and effective running of the pharmacy at the premises in question.
- A notice must be conspicuously displayed at the premises stating the name of the responsible pharmacist in charge of the pharmacy at that time, together with his registration number.
- A record of the responsible pharmacist at any one time must be kept at each pharmacy premises, including the times when the responsible pharmacist is absent from the pharmacy.

#### **Potential Implications**

The amendments aim to modernise pharmacy services and allow certain activities to be delegated to appropriately trained registered pharmacy technicians, mainly to allow pharmacists to provide services in the community away from the retail outlet. However, there may be implications for the zero-rating of drugs and medicines under Schedule 9 Group 12. Zero-rating can only be applied to goods dispensed "by a person registered in the register of pharmaceutical chemists"; consequently any prescriptions dispensed while the pharmacist is absent from the premises would not appear to fall within the zero-rating. There are also record-keeping implications if HMRC confirm that zero-rating will not apply for such supplies in the absence of the registered pharmaceutical chemist.

Retailers are likely to have real issues deciding the correct VAT treatment to be applied to the two types of supply and in providing related documentary evidence. The amendments implemented have implications for both retailers and the NHS and we feel that group lobbying (possibly via the Pharmaceutical Services Negotiating Committee) to HMRC may be the best strategy to maintain the zero-rating. As a minimum, affected retailers need to be made aware of the VAT issues so that they can consider how to manage them whilst lobbying takes place.