



# News Alert

Wednesday 3<sup>rd</sup> March 2021

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## PSNC News Alert: PSNC calls on Chancellor to write off pharmacies' COVID loans

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Ahead of today's (3 March) Budget, PSNC has called on the Chancellor of the Exchequer to intervene in the ongoing COVID-19 funding negotiations and ensure that pharmacies do not have to pay back any of the £370m in emergency loans they received last year.

Warning that paying back the loans could put many pharmacies at financial risk and even lead to more pharmacy closures, PSNC CEO Simon Dukes told the Chancellor: "Community pharmacies are the most accessible providers of NHS services in the country, and like the rest of the NHS they expect the Government to honour its commitment to give the NHS whatever it needs."

In a letter sent to the Chancellor last week (25 February), PSNC underlined both the value of the work that pharmacies are doing and the potential damage should any be forced to close. Closures would impact patient services, but they could also threaten disruption of the COVID-19 vaccination programme and put increasing pressure on local GP services.

### [Read PSNC's letter to the Rt Hon Rishi Sunak MP](#)

PSNC has in the last week been doing media work around the open letter which has been covered today by The Times.

### [Read 'The Times' article: Pharmacies at risk of closure following demands to pay back COVID support](#)

We have also been seeking support from Parliamentarians across all political parties. A briefing has been issued to more than 50 MPs and Peers updating them on the funding situation and asking for their help to persuade HM Government to cover contractors' COVID-19 costs. LPCs have also been helping with this work. Some MPs have already written to HM Treasury about the issue and we expect to see further questions, debates and meetings about this issue in Parliament in the coming weeks.

The work follows [PSNC's recent update to contractors on the funding negotiations](#) and comes ahead of the Chancellor's Budget announcement; it will continue over the coming weeks.

Contractors can support the ongoing work by writing to their local MP explaining the value of the services that they are providing, the financial difficulties that paying back the loans would bring, and asking for MPs' help in influencing the Treasury. For briefing materials and key messages please contact: [commsteam@psnc.org.uk](mailto:commsteam@psnc.org.uk)

### **Ahead of the Budget, Simon Dukes said:**

“Community pharmacies have provided an incredible service throughout the COVID-19 pandemic, dispensing more than a billion items safely and offering millions of patients easy access to healthcare advice. But their efforts have come at considerable financial cost, with businesses of all sizes acting in good faith that their COVID-related costs would be covered. PSNC’s analysis indicates that pharmacies’ costs are now at more than £400m and rising: this money has been spent on carrying-out services for the NHS in a COVID-secure environment.

As we have said before, community pharmacy contractors must have their costs fully covered and they must not be asked to subsidise the NHS. We urge the Chancellor to stand by his promise to give the NHS whatever resources it needs to deal with the pandemic, and to confirm in today’s Budget that he will do so for pharmacies. Pharmacies cannot afford to pay back their COVID-19 emergency loans and the Chancellor must now intervene to ensure that they are not asked to do so.”

*Pharmaceutical Services Negotiating Committee*



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