

23 July 2015

Ms Susan Cardell Joint Committee of Public Accounts and Audit PO Box 6021 Parliament House Canberra ACT 2600

Dear Ms Cardell,

Re: Review of Australian National Audit Office Report No. 25 (2014-15)

The Pharmaceutical Society of Australia (PSA) welcomes the opportunity to make a submission to the Inquiry into Australian National Audit Office (ANAO) Report No.25 (2014-15), *Administration of the Fifth Community Pharmacy Agreement*.

PSA is the peak national professional pharmacy organisation representing Australia's pharmacists working in all sectors and locations. There are over 28,000 registered pharmacists in Australia, of which approximately 80 per cent work in the community sector.

As PSA provided a comprehensive submission to the Audit Office in 2013, our response to the inquiry aims to address identified shortcomings in the administration of the Agreement at the development and implementation phase, given that the negotiation phase for the Sixth Community Pharmacy Agreement (6CPA) has been completed.

In the attached logic model, we set out a number of measures to address the issues identified in the previous Agreement; the first of which is to establish an overarching governance group for the 6CPA, including representatives from the Department of Health, the Pharmacy Guild, the PSA and a consumer organisation.

We would be happy to provide further detail on this proposed approach if requested.

Sincerely,

Dr. Lance Emerson

Chief Executive Officer

PSA is pharmacy.

ADMINISTRATION OF THE COMMUNITY PHARMACY AGREEMENT – LOGIC MODEL



Learnings from the Audit Office Report need to be fed into the development and implementation of an effective evaluation framework to allow the Commonwealth to assess value for money and the performance of the Agreement against objectives

1. Auditor General. 2015. ANAO Report No.25 2014–15: Administration of the Fifth Community Pharmacy Agreement. Australian National Audit Office.

2. Australian Government. 2015. The Sixth Community Pharmacy Agreement between the Commonwealth of Australia and the Pharmacy Guild of Australia.

3. Australian Government. 2010. The Fifth Community Pharmacy Agreement between the Commonwealth of Australia and the Pharmacy Guild of Australia.

OUTCOMES – IMPACT

SHORT TERM MEDIUM TERM LONG TERM

Short term results

- Effective mechanisms and arrangements in place for directing funds appropriately
- Greater transparency and genuine consultation

Medium term results

- Community and target groups with the most need being recipients of services
- Increased uptake and sustainable implementation of programs
- Increased delivery of programs

Ultimate Impact

- The ability to effectively assess that the Commonwealth is receiving value for money from the Agreement overall
- Greater transparency and accountability for funds
- A sustainable pharmacy sector
- Improved patient health outcomes

EXTERNAL FACTORS

- Change in the broader fiscal environment
- Regulatory changes (eg. location rules / competition policy)
- Opposition and/or support from other interest groups