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THE PHARMACY COUNCIL



The Pharmacy Council is pleased to submit this report for the year ended 30 June 2009 to the Minister of Health. This report is presented in accordance with section 134 of the Health Practitioners Competence Assurance Act 2003.

AT A GLANCE – COMPARISONS FROM 2008 ANNUAL REPORT

- **Number of pharmacists holding practising certificates increased by 3.3% from 2008**
- **Number of non-practising pharmacists remains stable**
- **Recertification audit numbers doubled**
- **Recertification audit results shows similar (95%) compliance with CPD requirements**
- **Competence referrals to Council increased slightly from 2008**
- **Numbers of pharmacists referred to Health Committee are stable**
- **Complaints received about pharmacists increased by 50% (from 41 to 63)**
- **Professional Conduct Committee investigations increased by 70% (from 11 to 19)**
- **Annual Practising Certificate fees – remain same for all practitioners since 2005 – pharmacists (\$495) and intern pharmacists (\$365)**

MISSION

The Council will protect and promote the public wellbeing by ensuring pharmacists practise competently.

VISION

The Pharmacy Council helps ensure that New Zealand pharmacists perform to the highest standards to improve public well-being.

VALUES

- Uncompromising commitment to public safety
- Consistent fair and transparent processes
- Patient and consumer focus
- Ensure best practice

DUTIES AND FUNCTIONS OF THE PHARMACY COUNCIL

The Pharmacy Council has a duty to strive to ensure the highest standards of excellence in the practice of pharmacy are met and to ensure that proper standards of integrity, conduct, and concern for the public good are maintained.

The functions of the Pharmacy Council under section 118 of the HPCAA are:

- a) to prescribe the qualifications required for scopes of practice within the profession, and, for that purpose, to accredit and monitor educational institutions and degrees, courses of studies, or programmes;
- b) to authorise the registration of health practitioners under the Act and to maintain registers;
- c) to consider applications for annual practising certificates;
- d) to review and promote the competence of health practitioners;
- e) to recognise, accredit and set programmes to ensure the ongoing competence of health practitioners;
- f) to receive and act on information from health practitioners, employers, and the Health and Disability Commissioner about the competence of health practitioners;
- g) to notify employers, the Accident Compensation Corporation, the Director-General of Health, and the Health and Disability Commissioner that the practice of a health practitioner may pose a risk of harm to the public;
- h) to consider the cases of health practitioners who may be unable to perform the functions required for the practice of the profession;
- i) to set standards of clinical competence, cultural competence, and ethical conduct to be observed by health practitioners of the profession;
- j) to liaise with other authorities appointed under the Act about matters of common interest;
- k) to promote education and training in the profession;
- l) to promote public awareness of the responsibilities of the authority;
- m) to exercise and perform any other functions, powers, and duties that are conferred or imposed on it by, or under this Act or any other enactment.



PHARMACY COUNCIL MEMBERS

AT 30 JUNE 2009



There were no changes made to the Pharmacy Council membership in the year from 1 July 2008 until 30 June 2009.

Back row standing from left:

Carolyn Oakley-Brown BPharm MNZCP, RegPharmNZ (Chair) is a Christchurch pharmacist and has been a member of the Council since its inception. Carolyn has wide experience as both a community pharmacist and pharmacy proprietor and is actively involved in medicines management programmes. She is a member of the new Canterbury Clinical Network.

Dr Judith Johnston BA (Hons), MA, PhD is a management consultant with many years of experience in both the public and private sectors, including many years in the health sector.

Andi Shirtcliffe B.Pharm, PG Cert Pharm, PGDipClinPharm, MNZCP, MPS RegPharmNZ (Deputy Chair) is a former pharmacy proprietor who currently works in the Wellington area as a consulting pharmacist, and provides clinical pharmacist services in the rest home and private hospital areas. Andi also works part-time in a long stay psychogeriatric hospital. Andi is a previous Pharmaceutical Society of New Zealand Councillor.

Jo Mickleson BPharm, Diploma in Management, RegPharmNZ is a pharmacist from Nelson with wide experience in both community and hospital pharmacy. Jo is currently a member of the Hospital Advisory Committee to the Nelson-Marlborough District Health Board and has held roles as a clinical pharmacist as well as positions in the areas of policy and management.

Front row standing from left:

Keith Crump DipPharm, PG Dip Pop Health, MPharm, RegPharmNZ is a pharmacist based in Auckland with experience in hospital, teaching and primary care roles. Keith currently divides his time working in Pharmacy Related Roles for the Funding and Planning Team for Waitemata DHB, teaching undergraduate BPharm students and post grad students for Otago University, and clinical work as a mental health pharmacist for the Waitemata DHB.

Dr Andrew Bary PhD, BPharm (Hons), FNZCP, MPS, RegPharmNZ is a pharmacist based in Queenstown. Andrew has experience in community pharmacy, as a pharmacy proprietor and in pharmacy research and education.

Professor John Shaw BSc, Dip ClinPharm, PhD, FNZCP, FRPharmS, FPS, RegPharmNZ is Head of the School of Pharmacy at the University of Auckland. John is actively involved in current pharmacy practice and brings an academic perspective to the Pharmacy Council.

Darryn Russell MIndS is Director of Māori Development in the Office of the Vice Chancellor at the University of Otago. Darryn is a director of Araiteuru Whare Hauroa (a Māori health provider in Dunedin City) and Retara Holdings. He is also a ministerial appointee to the Disciplinary Tribunal of the Social Workers Registration Board and Trustee with J R McKenzie Trust (leading national philanthropic organisation). Darryn remains an active participant in Ngāi Tahu communities, commercially and developmentally.



CHAIRPERSON'S REPORT



As the Council commenced operations in September 2004, this report marks the fourth full year of our responsibility for the regulation of pharmacists. Taking time to reflect over these years I realise that this year has been one of reviewing standards and processes of the Council as well as providing further support and assistance to members of the profession and the public on the standards that can be expected of a competent pharmacist.

Following the strategic plan set in 2007, we have continued to implement strategies under each key area. This includes further work on the development of cultural competence standards for the profession, and the development of a new scope of practice for Prescribing Pharmacists. Both of these projects have been progressed well this year, with the assistance of pharmacists who have taken the time to respond to consultation documents and meetings, and in 2010 both of these projects are due for completion.

We cannot operate alone, and one key focus for the Council is to develop and maintain our relationships with our key stakeholders in the health sector, both in New Zealand and overseas. Our close alignment with the Australian Pharmacy Council (APC) ensures we have similar standards for pharmacists and allows us to achieve the best of economies of scale in shared work on accreditation and examination functions. An important milestone this year has been the invitation from the APC for the Council to become a full voting member, which will come into effect later this year. We have also continued to maintain dialogue with our colleagues in the United Kingdom. On a personal trip to the UK in April I met with the Royal Pharmaceutical Society of Great Britain to discuss opening up the pathway for NZ pharmacists to once again be able to practise in the UK. Professor John Shaw from our Council had a subsequent meeting later this year and we have been given confidence that a shortened competence-based route can be made available within the next 2 years, after the doors were closed in 2006. This should once again allow our pharmacists to experience practice in another country and then return to NZ and bring their enhanced skills and knowledge back.

Building on our strong relationships with the professional bodies in pharmacy, including the new Community Pharmacy Leaders forum, has been a continuing focus for us. In response to some reports of misleading and uninformed advertising of medicines, Council prepared and distributed guidelines of ethical expectations for pharmacists and organisations this year and this was a successful combined project undertaken with the Pharmaceutical Society of New Zealand.

Maintaining healthy relationships with education providers for the profession is paramount, and in May this year a regular Council meeting was held in Dunedin, kindly hosted by the Dean of the School of Pharmacy, University of Otago. Councillors and staff met faculty and school staff, students and student representatives and also took the opportunity to meet with local pharmacists and hear presentations of research being carried out within the school. The meeting was most successful in building relationships between the Council and the School of Pharmacy, and was a follow-on from our successful meeting held in 2007 at the Auckland School of Pharmacy. The newly established HOSPOP (Heads of Schools and Professional Organisations in Pharmacy) also met after this meeting in Dunedin.

As part of our responsibility to prescribe relevant qualifications, the Council is continually reviewing the standards for scopes of practice for pharmacists and this year we commenced a review of the intern training programme (5th year of training, post-BPharm degree). External international advice was sought in relation to content of training and structure of assessment, and the Council is now working with the APC to develop Trans-Tasman accreditation standards for this training programme. Full consultation on this programme will take place later in 2009. The accreditation standards for

undergraduate BPharm programmes were also reviewed as part of our alliance with the APC and these come into effect in 2010.

I would like to sincerely thank my fellow Council members for their continued hard work and commitment to the Council, and for their continued support for me as Chair. All Councillors take on extra roles on committees and working parties as part of their Council commitments and when this is added to their other roles it is a big task. I am most grateful for their commitment. A special thanks to Andi Shirtcliffe, Deputy Chair, who has willingly assisted me in my role and represented the Council at Wellington-based meetings that I have been unable to attend. I am also grateful to the large group of pharmacists who assist us by interviewing, assessing and reviewing pharmacists and participating in working parties and advisory groups. Your commitment is extremely valuable and most appreciated.

Finally, a big thank you to the Council staff for all their hard work and dedicated support. We are very fortunate to have such a highly motivated, well qualified team of experienced staff who are ably led by Bronwyn Clark. The supportive partnership that exists between the Council and the staff enables the organisation to function efficiently and effectively.

I look forward to another successful year for the Council.

I would like to leave you with a quote which encapsulates the Council's work to date.

"Look towards the sunrise, the freshness of beginnings, and the reality of excellence".



Carolyn Oakley-Brown BPharm, MNZCP, RegPharmNZ
CHAIR



Heds of Schools and Professional Organisations in Pharmacy (HOSPOP), meeting held Dunedin, May 2009

Attendees from left: Mr Richard Townley (Pharmaceutical Society of NZ (Inc)), Dr Rhiannon Braund (Otago University), Ms Kirsten Simonsen (New Zealand Hospital Pharmacists Association), Mr Alistair McIntosh (Pharmacy Industry Training Organisation), Professor Ian Tucker (Dean, Otago University School of Pharmacy), Ms Annabel Young (Pharmacy Guild of NZ), Dr Simon Young (University of Auckland School of Pharmacy), Ms Gemma Claridge (President NZ Pharmacy Students Association (Otago)), Ms Elizabeth Plant (Pharmaceutical Society of NZ (Inc)), Ms Natasha Bell (President Auckland Pharmacy Students Association), Ms Carolyn Oakley-Brown (Pharmacy Council of NZ), Ms Bronwyn Clark (Pharmacy Council of NZ), Mr Arthur Bauld (Ngā Kaitiaki o Te Puna Rongoā o Aotearoa, Māori Pharmacists' Association), Professor Stephen Duffull (Otago University School of Pharmacy), Associate Professor Sanjay Garg (University of Auckland School of Pharmacy), Ms Leanne Te Karu (Ngā Kaitiaki o Te Puna Rongoā o Aotearoa, Māori Pharmacists' Association)



CHIEF EXECUTIVE AND REGISTRAR'S REPORT



Operationally, the Council staff have had a very busy year implementing the business plan to meet the Council's strategic plan. As part of our continuing quality improvement, we have refined our processes and procedures.

This year we introduced a Quality Improvement programme and allocated this role to a current staff member. This has enabled us to ensure that our data is of the highest quality and that regular checks are undertaken on a planned basis. We also commissioned an independent review of processes for complaints and notifications, and have made some changes to these to streamline this work. With continuing increases in notifications for competence and health, this will enable staff to manage the workload in the future. Refinements in our IT system, including further database developments and implementation of an electronic document management system have also been implemented to improve workflow in the office. Now that the Minister has released his full report on the review of the Health Practitioners Competence Assurance Act 2003 we will continue to build on our processes of best-practice regulation for pharmacists. Our excellent sharing of information and project work with other Regulatory Authorities in New Zealand continues, and we have taken a lead in some of this work.

With respect to our communications with pharmacists and the public, we were delighted to receive feedback on the accessibility and ease of use of our website by an independent source. Our website is constantly being upgraded and all Council examination results are now available on-line for immediate access by candidates. The facility for on-line payment will be introduced in 2011, following the availability of the pharmacist-only section later this year. We continue to produce hard-copy newsletters, as is the current preference of our registrants, but are investigating a choice of communication options for 2010.

Council staff have participated actively in international health regulation forums in this past year, with Dr Owain George invited to speak at the Professions Association Research Network meeting in Ireland midyear. This was combined with Council presentations at the 9th International Life Long Learning in Pharmacy Conference (Helsinki, Finland) and the Monash Education Conference in Prato, Italy. I was an invited presenter at the Australasian Pharmaceutical Sciences Association conference in Canberra, Australia, and also a presenter and panel member at the Helsinki Conference. I thank the Council for the opportunity to attend these events, and to learn from international colleagues in the areas of competence assessment and pharmacy regulation.

Constant review of cost centres, along with continuing robust financial and risk management processes has allowed us to once again report a positive financial result against budget. This has negated the need for any fee increases for practising certificates for pharmacists, and this is a most pleasing result for the Council.

I continue to appreciate the benefits of the excellent relationship with the Council and, in particular, the Council Chair Carolyn Oakley-Brown. The support given to me and my staff is very much appreciated. Finally I wish to acknowledge and thank the staff of the Council who I have the privilege to work with as part of our team. Their ongoing commitment, energy, genuine teamwork and goodwill are so very much appreciated.

Bronwyn Clark MCLinPharm, MPS, RegPharmNZ
Chief Executive and Registrar

CORPORATE GOVERNANCE



The role of the Council members is to ensure the Council meets the requirements of the Health Practitioners Competence Assurance Act 2003. To ensure these goals are met, Council members set the organisation's strategic direction and monitor the performance of management. Council members are appointed by the Minister of Health, and Council is accountable to the Minister, the profession and the public in how it performs its functions.

COUNCIL MEETINGS

Dates for Council meetings are set in advance and are confirmed at the end of a calendar year for the following 12 months. In the period 1 July 2008 to 30 June 2009 the Council met five times.

Attendance record for Council meetings is as follows

Council Members	1-2 July 2008	16-17 September 2008	2-3 December 2008	3-4 March 2009	25-26 May 2009
Carolyn Oakley-Brown (Chair)	Yes	Yes	Yes	Yes	Yes
Andi Shirtcliffe	Yes	Yes	Yes	Yes	Yes
Judith Johnston	Yes	Yes	Yes	Yes	Attended 1 day. Apology 2nd day.
Darryn Russell	Yes	Yes	Yes	Yes	Yes
John Shaw	Yes	Yes	Yes	Yes	Apology – overseas.
Keith Crump	Yes	Yes	Yes	Yes	Yes
Andrew Bary	Yes	Yes	Yes	Yes	Yes
Jo Mickleson	Yes	Yes	Yes	Yes	Yes

Finance and Audit and Risk Management Committee (FARMC)

The Finance, Audit and Risk Management Committee is a sub committee appointed by Council to assist them to meet their responsibilities relating to financial accountability, the control framework and risk management. Members of this Committee for the year to 30 June 2009 were Darryn Russell (Chair), Carolyn Oakley-Brown and Andi Shirtcliffe. This Committee met five times during the period 1 July 2008 to 30 June 2009.

During the year the Committee's activities included a review of the Committee's terms of reference, review of risk management strategies and the further development of financial policies.

Other Council committees are listed in the Committees section of this report.

STRATEGIC PLAN – TOWARDS 2010

The Council strategic plan was set in 2007. The strategy focuses the Council on the changing health environment, and the requirements for scopes, standards and competencies needed for pharmacists to deliver services in this new world, as well as best-practice risk management and operational systems.

The Council recognises the value of well-trained and competent staff to achieve its goals, as well as the need to demonstrate to the profession, the efficient management of the operational costs within the organisation.

The strategic plan has seven goals as below.

The Pharmacy Council's Strategic Goals moving towards 2010	
Goal 1	To implement the Act (HPCAA 2003) effectively
Goal 2	To continue to develop standards and scopes that reflect the changing health environment
Goal 3	To promote awareness of the Council's role and build effective relationships
Goal 4	To support a workforce that provides for public safety
Goal 5	To operate under effective and best practice governance
Goal 6	To provide a capable organisation to implement Council policy
Goal 7	To implement effective financial processes

The full plan is available on the Council website at www.pharmacycouncil.org.nz

COUNCIL MEMBER PROFESSIONAL DEVELOPMENT

Individual Council members undertook various professional development activities that related directly to their governance roles within the Council. This included attendance at Institute of Directors governance courses.

Council member Darryn Russell attended the Pacific Region Indigenous Doctors Conference (PRIDoC) in Hawaii in December 2008 with partial support from the Council for this attendance. This was related to the leadership role that Mr Russell has with the Pharmacy Council Cultural Competence Working Party and the Pharmacy Reference Group for the Implementation of the Strategy for Māori Health. Council member Professor John Shaw received some support from Council towards a visit to the United Kingdom to investigate courses for non-medical prescribers, which informed the Council as to potential courses that could be provided for the Pharmacist Prescriber Scope of Practice project.

SECTOR LIAISON AND COMMUNICATIONS

The Council continues to have active relationships outside New Zealand, with membership of the Australian Pharmacy Council (APC) and its two committees; the Examining Committee and the Accreditation Committee (formerly New Zealand and Australian Pharmacy Schools Accreditation Committee). The Council is also a member of the National Boards of Pharmacy (NAPB – of the USA), and has relationships with the Royal Pharmaceutical Society of Great Britain and the Pharmaceutical Society of Ireland. Relationships also exist with Canadian Pharmacy Regulatory bodies (in particular the College of Pharmacists of British Columbia, and Ontario College of Pharmacists).

Council also has regular meetings with New Zealand key stakeholders to discuss issues of mutual interest. This year the Council met formally during Council meeting time with the National Executive of the Pharmaceutical Society of New Zealand and Clinical Advisory Pharmacists Association. The Council maintains regular communication with the Pharmacy Guild of New Zealand, New Zealand Hospital Pharmacists Association, Ngā Kaitiaki o Te Puna Rongoā o Aotearoa, Māori Pharmacists' Association, the Health and Disability Commissioner, the Community Pharmacy Leaders forum and other pharmacy organisations. Council is also a member of the Health Regulatory Authorities of New Zealand (HRANZ), whose members comprise all the Regulatory Authorities under the HPCA Act, and is involved in projects of mutual interest with this group.

REGISTRATIONS & PRACTISING CERTIFICATES



REGISTRATION STATISTICS

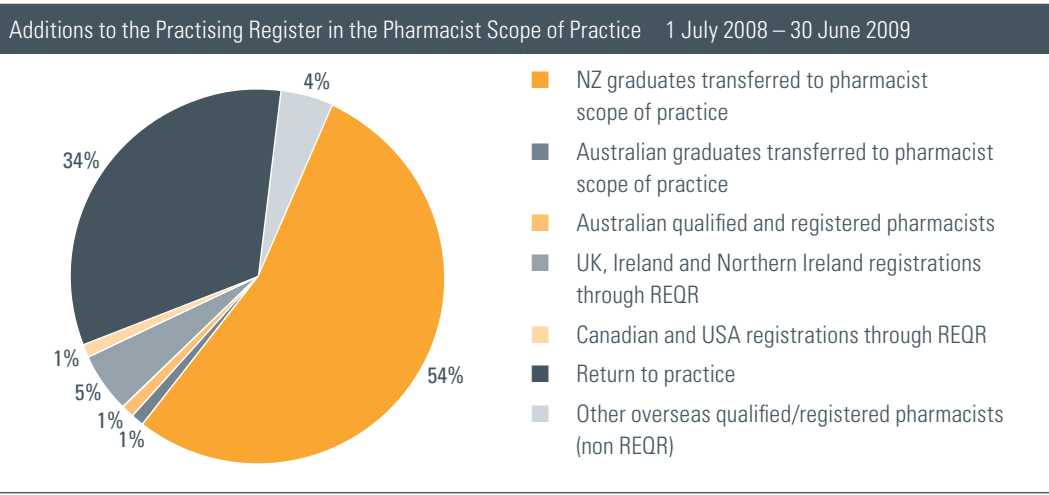
A total of 4,320 pharmacists were registered as practising at 30 June 2009.

As at 30 June 2009	2009	2008	2007	2006	Increase/ Decrease for last year
Total registered in the pharmacist scope of practice	4,320	4,001	3,901	3,823	+319
Practising pharmacists	3,076	2,978	2,889	2,801	+98
Non practising pharmacists	1,017	1,023	1,012	1,022	+6
Total registered in the intern scope of practice	220	231	202	189	-11
Total additions to the register	246	212	368	318	+34
NZ & Australian Graduates registered in pharmacists scope of practice	205	182	192	156	+23
Australian pharmacists registered in NZ under Trans Tasman Mutual Recognition Agreement (TTMRA)	4	13	11	13	-8
UK/Ireland pharmacists registered in NZ through Reciprocal Agreement and Recognised Equivalent Qualifications Route (REQR)	20	12	37	53	+8
Canadian/USA pharmacists registered in NZ through Recognised Equivalent Qualifications Route (REQR)	2	5	n/a	n/a	-3
Registrations from other overseas qualified pharmacists (non REQOR)	15	13	13	11	+2
Certificates of Identity/Requests for Statements of Good Standing issued	94	105	81	274	-11
Removals from the register (removal requested and/or non payment of annual fee)	171	145	167	226	+26

Additions to the practising section of the register

374 additions were made to the practising register in the period 1 July 2008 to 30 June 2009. The additions were interns transferring to the pharmacist scope, overseas qualified and registered pharmacists, and transfers from the non practising register to practising. 276 pharmacists were removed, suspended or requested transfer to the non practising section of the register during the period. The overall result was a net increase of 98 practising pharmacists.

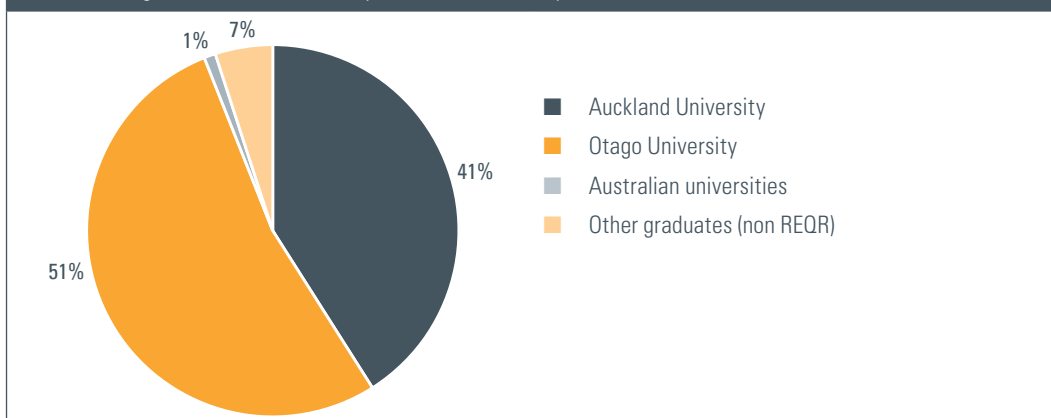
Additions to the Practising Register in the Pharmacist Scope of Practice		1 July 2008-30 June 2009
NZ graduates transferred to pharmacist scope of practice		203
Australian graduates transferred to pharmacist scope of practice		2
Australian registered pharmacists (TTMRA)		4
Registration of pharmacists from Ireland, Northern Ireland and United Kingdom through Recognised Equivalent Qualifications Route (REQR)		20
Registration of pharmacists from Canada and United States of America through REQR		2
Other overseas qualified/registered pharmacists through the Non Recognised Equivalent Qualifications Route (Non REQR)		15
Return to practice		128
TOTAL		374



Registrations in the Intern Pharmacist Scope of Practice

University attended	No. of graduates
Auckland	90
Otago	113
Australian universities	2
Other overseas universities (applications for registration through non Recognised Equivalent Qualifications Route) (non REQR)	15
TOTAL	220

Graduates Registered in the Intern Scope of Practice 1 July 2008 – 30 June 2009



Non practising pharmacists

1,017 pharmacists were registered as not practising at 30 June 2009.

Requests from Australian Registration Boards and Certificates of Identity Issued

In the 12 months ended 30 June 2009 the Council processed a total of 94 requests from Australian Registration Boards and Certificates of Identity for pharmacists applying for registration overseas. This compares with a total of 105 last year.

Country	State	Number	
Australia	New South Wales	30	
	Queensland	19	
	Northern Territory	10	
	South Australia	6	
	Victoria	6	
	Western Australia	4	
	Australian Capital Territory	2	
	Tasmania	1	78
Hong Kong			5
Malaysia			5
Singapore			3
Fiji			1
Ireland			1
United States of America			1
TOTAL			94

Removals

A total of 171 pharmacists were removed from the practising and non practising registers during this period.

Removals from the Practising Register

Total removals following revision of register s. 144 (5)	18
Total deceased removed from practising s. 143	7
Total removals from practising register at own request s. 142	60
Removal due to discipline s. 101 (1) (a)	0

Suspensions from the Practising Register (Pharmacists)

Discipline order s. 101 (1) (b)	1
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Suspensions from the Intern Register

s. 50 (3) (Health)	1
s. 69 (2) (a) (Conduct)	2

COMPETENCE AND FITNESS TO PRACTICE



RECERTIFICATION POLICY AND CONDITION OF OVERSIGHT

Recertification is one mechanism of the HPCAA that the Council can use to ensure pharmacists are maintaining their competence. The Pharmacy Council set a framework for recertification programmes in 2004; the basis for accreditation of future programmes. Currently one recertification programme is available to pharmacists; ENHANCE, which is run by the Pharmaceutical Society of New Zealand (Inc). ENHANCE is a self directed learning process in which pharmacists identify learning that is relevant to their practice and maintain competence by addressing gaps in their knowledge and skills. They follow a four step process; Reflection, Planning, Action and Outcomes, for documenting their continuing professional development (CPD). After a period of applying the new learning to practise, an Outcome Credit is assigned to reflect the relevance and impact of this learning. Pharmacists must demonstrate learning equivalent to 12 Outcome Credits over 3 years and at least 4 Outcome Credits in the first year of participation.

Participation in the ENHANCE recertification programme is a requirement for all pharmacists who hold an annual practising certificate (APC). Pharmacists must declare their active participation annually when applying for an APC, or if moving to the practising register. The Council made changes to its recertification policy in 2008.

If a practising pharmacist is deemed to not participate in ENHANCE, the Council may place a condition on their scope of practice requiring them to *work under the oversight of another pharmacist until they can demonstrate they are participating*. In practice, this means finding another pharmacist with a clear understanding of ENHANCE, and with their assistance, identify, plan and complete relevant learning documentation as required. This is not supervision and does not require the peer to work directly with the pharmacist in their workplace. Reports from the pharmacist (signed by the peer) must be submitted to demonstrate the plan and progress for meeting recertification requirements. After a practice review and 2 CPD records (completed to the required standard) are submitted the condition of oversight is removed.

In setting the condition of oversight as the first option, pharmacists are given an opportunity to demonstrate that they are maintaining their competence with assistance from another pharmacist. If the reports are not submitted or there is little progress towards showing compliance then the Council will consider other options such as supervision.

Recertification audit 2008

150 pharmacists were randomly selected for the second recertification audit in July 2008, and were asked to submit CPD documentation to demonstrate 8 outcome credits for the previous 2 years. Given the Pharmacy Council's requirements, pharmacists had to demonstrate 4 outcome credits or more to pass the audit.

90% of total submissions were received by the 15 working day deadline. Pharmacists not able to submit by this deadline had 5 further working days to submit, but as they had forfeited the opportunity to resubmit, their records had to meet the required standard of a pre-audit check.

Records from 135 pharmacists were sent to the auditors. (8 pharmacists were granted exemption, 4 did not submit documentation and 3 failed the pre audit check). The 7 recertification auditors are practising pharmacists and their selection is representative of the range of pharmacy practice (e.g. community, hospital, education, primary health organisations etc.).

The auditors assessed the records against set criteria, and assessed the outcome credit assigned by the pharmacist. If the auditor considered that the evidence provided was not sufficient to support the outcome credit, a request for further evidence or information was made to the pharmacist by Council staff on behalf of the auditor. 81 (60%) pharmacists were asked to submit further evidence or information to support their CPD documentation. However, after responding to the auditors' requests, pharmacists were generally able to demonstrate they had used their learning.

135/142 (95%) pharmacists passed the audit with 113 (80%) pharmacists demonstrating at least 8 outcome credits and that they were on track to meet the Pharmacy Council's requirement of 12 Outcome Credits in 3 years.

As per recertification policy, a condition of oversight was placed on the scope of practice of pharmacists who failed the audit.

COMPETENCE

Competence is the combination of skills, knowledge, attitudes, values and abilities that underpins a pharmacist's practice. The Pharmacy Council has adopted a set of seven competence standards that describe the practice which a pharmacist is required to meet in order to be deemed competent.

The Council's Professional Standards Committee is delegated to receive notifications concerning pharmacists' competence. The Committee makes enquiries into, and decides whether or not to review, a pharmacist's competence by evaluating all available information. The Professional Standards Committee comprises the Chair, the Registrar and the Competence Policy Advisor.

Competence Reviews are a function of the HPCA Act. It is an educative and enabling process. Individual pharmacists, who come to the attention of the Council as potentially practising below the required level of competence may undergo an independent review conducted by a Competence Review Team. This is not a disciplinary process, but aims to improve the pharmacist's practice so that the pharmacist remains in the pharmacy workforce. In many instances a Practice Counsellor will be appointed to work with the pharmacist a few hours a week for a defined period. This may result in the pharmacist no longer requiring a formal review. With the guidance and support of a Practice Counsellor the pharmacist's practice may be lifted so as to meet the required standard of competence for the practise of pharmacy. The results of a competence review enable the Council to determine what "gaps" there may be in a pharmacist's practice, and direct the pharmacist to further education, assessment, counselling or mentoring.

During the 2008/2009 financial year the Council received five notifications or concerns raised about pharmacists believed to be practising below the required standard of competence. Two of these notifications were from employers, of which one notification resulted in the pharmacist being assessed as not requiring a competence review. Six pharmacists were ordered to undergo a competence review of which two notifications were received in the 2007/2008 year. Two reviews were undertaken during this period with one of the reviews having been ordered in the previous financial year, resulting in a competence programme being ordered.

Competence notifications, reviews, and Competence programmes 1 July 2008 to 30 June 2009

Competence Notification Sources of Concern	Number
Professional Conduct Committee (PCC)	1
Employer notification	2
Pharmacy Council Complaints Screening Committee referral	1
Pharmacist colleague	1
Total referrals	5

Professional Standards Committee Assessment	Outcomes
Deemed competent	1
Review ordered – subsequent removal from the Register granted	2
Review using a Practice Counsellor resulting in the pharmacist being deemed competent	1
Review ordered resulting in a Competence programme being ordered	1
Review ordered – yet to be undertaken	2
Total	7
Note: Review ordered in 2007/2008 resulting in a Competence programme being ordered in 2008/2009	1

HEALTH

Pharmacists, like all members of society, can become ill, have accidents or become addicted to substances. In the case of a pharmacist, however, such illness has the capacity to harm the public if the pharmacist cannot practise safely. The Pharmacy Council Health Committee is there to provide assessment, rehabilitation and support to pharmacists, while ensuring the safety of the pharmacist's practice. The Committee has delegated authority from the Council to discharge the Council's obligations under sections 48-51 of the Act. Its members are the Chair of the Council, the Registrar, and two other members of Council to make a committee of four persons.

Pharmacists are required to inform the Council about concerns regarding their own or a colleague's ability to practise pharmacy safely due to a physical or mental condition. This is a requirement of the Health Practitioners Competence Assurance Act 2003. This includes impairment due to drug and alcohol dependence, mental health disorders, and physical and neurological conditions.

Disclosures and notifications are considered by the Health Committee in accordance with the steps set out in the Act. The Committee process involves assessing the pharmacist's health and monitoring the pharmacist's progress with the aim of enabling the pharmacist to continue to safely practise where possible. Respected, experienced and independent medical practitioners are engaged to undertake assessments and make recommendations to the Committee. Conditions or voluntary agreements with the pharmacist may be required and in some cases a pharmacist's practice may need to be temporarily suspended. Such conditions may include working under supervision, requiring random urinalysis testing for the presence of drugs, and reduced hours of work.

Consideration of health concerns are also made by Council at the time of application for registration as well as any time during the practising life of a pharmacist. In all cases the Committee works with the pharmacist in a confidential manner and the process does not lead to investigation or disciplinary censure.

The Health Committee received two referrals during the year, with one of these files being closed within the year. The registration of the other pharmacist was suspended following advice resulting from the medical practitioner who undertook the medical assessment.

Five pharmacists continued to be monitored by the Committee with one of these files being closed during the year. Four files continue to be open requiring little or no monitoring by the Committee. The registration of one of these pharmacists remains suspended.

Health Committee Activity 1 July 2008 to 30 June 2009	New referrals received
Suspended	1
Closed	1
Total	2

	Referrals from previous year
Monitoring	2
Open files – no ongoing action	3
Monitoring with conditions	2
Suspended	1
Closed	1
Total	9

COMPLAINTS AND DISCIPLINE



COMPLAINTS

The Pharmacy Council has a duty under the Health Practitioners Competence Assurance Act 2003 (the Act) to consider information that raises questions about the appropriateness of the conduct or the safety of the practice of pharmacists. All complaints received by the Pharmacy Council alleging that the practice or conduct of a pharmacist has affected a health consumer are forwarded to the Health and Disability Commissioner (HDC), as required by section 64 (1) of the Act.

The Complaints Screening Committee (CSC), with delegated authority from the Pharmacy Council, considers complaints and matters of concern brought to the Council's attention, as well as those complaints referred pursuant to section 34 (1) (a) of the Health and Disability Commissioner Act 1994 by the Commissioner. The CSC determines what, if any action should be taken, and if further action is required, the CSC then determines the most appropriate route by which that matter should be further considered. The Committee discharges the Council's obligations pursuant to sections 65 and 68 of the Act by referring complaints and concerns to a Professional Conduct Committee (PCC) for investigation. Notices of conviction are referred directly to a PCC, pursuant to section 68 (2) of the Act.

Complaints Screening Committee Activity 1 July 2008 to 30 June 2009

Source	Number of complaints	Outcome
Consumers	15	Referred to HDC
Health and Disability Commissioner	26	19 referred by HDC for follow-up action by Council
Pharmacists, including proprietors	12	6 resulted in referrals to PCCs; 6 followed up by Council
Other health practitioners/organisations	5	3 resulted in referrals to PCCs; 1 followed up by Council and 1 referred for consideration of a competence review
Courts – notices of convictions	5	PCC

Six Treatment Injury Event Notifications were received from the Accident Compensation Corporation (ACC) concerning consumers who had sought cover after receiving treatment from a pharmacy.

PROFESSIONAL CONDUCT COMMITTEES

Sixteen Professional Conduct Committees (PCC) were commenced in the period 1 July 2008 to 30 June 2009, of which five have been completed. Three PCCs commenced in the 2007/2008 year were completed in the period 1 July 2008 to 30 June 2009. Of the matters investigated by PCCs during this period five were the result of a notice of conviction. Of the eight completed PCCs 2 resulted in the pharmacists being counselled; 1 resulted in consideration of the pharmacist's competence through the use of a Practice Counsellor, 3 resulted in no further action being taken and 2 resulted in charges being laid before the Health Practitioners Disciplinary Tribunal.

Professional Conduct Committee Activity 1 July 2008 to 30 June 2009

Nature of Issue	Source	Number of Pharmacists	Outcome
Fraudulent claiming	Audit & Compliance, MoH	1	Counselling
Concerns about dispensing practices and driving conviction	Notification from Medicines Control and Notice of Conviction	1	Charge proposed to be laid with the Tribunal
Theft	Notification from another pharmacist	1	Charge laid with the Tribunal
Offences against Crimes Act 1961 (theft)	Notice of Conviction	2	1 charge laid before the Tribunal and 1 charge proposed.
Issues of Conduct	Notification from another pharmacist	3	No further action; 1 matter ongoing; competence review
Drink Drive Offences	Notice of Conviction	2	No further action and 1 matter ongoing
Offences against Misuse of Drugs Act, 1975	Notice of Conviction	1	On hold
Practising outside of scope	Non-renewal of APC	2	Ongoing
Concerns about dispensing practices	Notification from another pharmacist; Notification Medicines Control, MoH	6	4 matters ongoing; pharmacist counselled; and 1 matter no further action

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL (THE TRIBUNAL)

The Health Practitioners Disciplinary Tribunal is a separate body set up under the Health Practitioners Competence Assurance Act 2003 to hear and determine disciplinary proceedings brought against all health practitioners. The Tribunal is funded by the pharmacy profession by way of a disciplinary fee collected by the Pharmacy Council as part of the Annual Practising Certificate (APC) fee.

Three pharmacists appeared before the Tribunal in the 2008/2009 financial year. One charge concerned the fraudulent claiming for uncollected prescription medicines. Mr Peter Kwong Yew Chiew had been convicted for offences against the Crimes Act 1961 in the District Court at Palmerston North.

Mr Jason Pandelis Karagiannis was found guilty of professional misconduct following a Professional Conduct Committee investigation into a complaint from his previous employer. This related to consuming alcohol in the pharmacy on a number of occasions and allowing an unqualified person to dispense medication to patients.

In December 2008 Mr Ian Graham May was found guilty of professional misconduct. This finding related to Mr May's dispensing of Sudomyl® in such quantities, and in such a manner, that posed a real risk to public health and safety. The Tribunal found that Mr May had failed to take appropriate action when he had concerns about the excessive amounts of Sudomyl® prescribed.

Further details about cases heard before the Tribunal can be viewed at www.hpdt.org.nz

SIGNIFICANT ACTIVITIES



INTERN TRAINING PROGRAMME (ITP) ACCREDITATION STANDARDS

In the last year the Council has worked collaboratively with the Australian Pharmacy Council (APC) and reached an agreement to produce joint Accreditation standards for intern training programmes in New Zealand and Australia. The intern training programme is the 5th year of training for pharmacists, after the BPharm degree, and must be completed by graduates prior to full registration as a pharmacist. The standards were developed using the principles outlined in the FIP publication *A Global Framework for Quality Assurance of Pharmacy Education* and with guidance from external experts. The joint draft Accreditation Standards completed its first consultation round at the end of June and is expected to be finalised by the end of the year. This collaborative arrangement will ensure consistency in the quality of the intern training programmes across both countries. In addition it will also allow the Pharmacy Council of New Zealand to utilise the accreditation functions and expertise of the APC in the same way it currently does for the accreditation of the undergraduate BPharm degrees.

NEW SCOPES OF PRACTICE FOR PHARMACISTS – PROPOSED PHARMACIST PRESCRIBER

There has been a considered change in the direction and focus of Council's work on a proposed Advanced Scope of Practice, which commenced in 2007. In its 2008 Annual Report, Council indicated that it would set out to validate the Advanced Pharmacist Practitioner (APP) competencies by way of a self assessment tool for pharmacists who identified themselves as practising in the Advanced Scope of Practice.

The results of this research further informed the setting of regulatory requirements for registration in this scope. The findings showed that pharmacists who already have an *active role in advising prescribers in initiating and modifying a patient's medicine therapy* are likely to want to add the ability to prescribe prescription medicines to their practice. These pharmacists are integral members of the health care team making prescribing decisions (e.g. pharmacists on ward rounds) or by referral to the pharmacist for advice (e.g. comprehensive medication review in a primary care setting or resthome with the patient with a view to rationalise/optimize the patient's therapy). This research confirmed that giving these pharmacists the ability to initiate or modify a patient's medicine therapy could contribute significantly to the quality use of medicine for patients. In light of these findings Council determined that prescribing activity was to be an explicit part of this scope and this determination has led to a change in name and direction of the project.

Since the prescribing of prescription medicines is not part of the *Gazetted Pharmacist* scope of practice much of Council's work this year has been focussed on specifying a new scope of practice now known as the *Pharmacist Prescriber* scope of practice and this work will include preparing an application to the Ministry of Health for designated prescribing rights for pharmacists.

CULTURAL COMPETENCE

Under the Health Practitioners Competence Assurance Act 2003 (HPCAA) one of the required statutory functions for Council is to set standards for cultural competency. Throughout 2008 – 2009, work continued on the development of the cultural competence elements to be incorporated into Competence Standard 1. The aim is to create a practice framework whereby all pharmacists integrate cultural competency into their everyday practice.

In July 2008 the first draft of the revised Standard was presented to 50 key opinion leader pharmacists who attended one of two workshops in Wellington and Auckland. While the workshops were very well received, feedback indicated that considerably more work was required to distinguish the knowledge component from the "doing" aspect of the Standard.

The working party acknowledged that a key difference in developing the cultural competence elements versus clinical competence is that essential clinical knowledge is gained at the undergraduate level whereas core knowledge to support the cultural competence standard has still to be learnt i.e. the majority of pharmacists are yet to gain this knowledge.

Following assessment of the feedback from the two workshops, additional consultation was undertaken with a smaller group of pharmacists to further refine the draft Standard prior to consultation with the wider pharmacy profession. Council also determined that consideration be given to the timeline for implementation of the Standard. Given that the cultural competence elements and performance criteria will be part of mandatory Competence Standard 1, Council noted that it may be challenging for an existing group of pharmacists to adhere to the new competencies without having already gained the knowledge required or gained an understanding of why it is important to apply it.

Council noted that there would need to be a reasonable lead-in time before making the Standard compulsory for registered practitioners, and that 2012 would be appropriate, as this timing correlates with the first undergraduate students taught Hauora Māori entering the workforce as Intern pharmacists.

In early 2009, planning began on a series of regional workshops to be held later in the year, where pharmacists will have an opportunity to comment on the draft Standard. The workshops will be structured to allow time for a presentation on health disparities in New Zealand, followed by open discussion on the specific cultural competence elements in the Standard. Full consultation with all interested stakeholders will be undertaken in the latter half of 2009 with the finalised Standard being presented to Council for ratification in December.

PROFESSIONAL STANDARDS

1. English Language Policy for New Zealand Pharmacy Graduates

Consultation on proposed changes to the English language policy for New Zealand pharmacy graduates was undertaken in late 2008. A review of the previous policy ascertained that a small number of graduates were experiencing difficulties with effective English language and communication in the workplace. It also highlighted that both International English Language Testing System (IELTS) results and Council-required testimonials appeared to be equally ineffective at identifying graduates with poor communication skills. Reflection on the use of Council's screening tools for ESL (English as a Second Language) graduates indicated that although they were required of nearly 40% of students, only approximately 5% of students demonstrated English language or communication difficulties.

Respondents to the consultation overwhelmingly supported earlier detection of communication difficulties prior to graduation. A number commented that putting the responsibility back on the "budding professional" to develop their own communication ability is in line with expectations that pharmacists maintain evidence portfolios for their Annual Practising Certificates (APCs). Several also noted that there is increasing evidence that IELTS is no longer an appropriate tool, and that both the testimonials and IELTS tests are artificial indicators of ability, when it is communication competency in the workplace that is important.

In December 2008 the revised English language policy was ratified by Council and took effect on 1 March 2009. The new policy simplifies the requirements by removing the obligation for ESL B.Pharm graduates to provide an IELTS certificate or two testimonials as evidence of their ability to communicate effectively at the point of registration as an intern pharmacist.

As before, all eligible graduates are required to sign a statement agreeing that if a preceptor, other healthcare professional or member of the public finds they are not communicating in English to an acceptable standard, the intern pharmacist will accept the decision of the Pharmacy Council as to whether they remain eligible to practise as a pharmacist in New Zealand.

2. First aid requirements for pharmacists

Pharmacists who declare Competence Standard 3, *Provide Primary Health Care*, as part of their practice are required to hold a current first aid certificate. During 2008 there had been considerable discussion regarding the relevance of refresher course content and the time commitment required to complete it.

Given these, and previous comments from within the profession, Council staff took the opportunity to carry out consultation requesting comment on, or alternatives to, a proposed new requirement, which recommended that the minimum on-going requirement be a three yearly refresher course in CPR, equivalent to New Zealand Resuscitation Council (NZRC) Level 2. Individual pharmacists could choose to maintain competency at a higher level but that decision would be based on self-assessment of their own and their community's requirements. For example, a pharmacist practising next to a medical centre might require Level 2 competence only, whereas a pharmacist in a remote or rural setting might choose to maintain their medical emergency training at NZRC Level 3 or 4.

On 1 April 2009, the new competency requirements came into effect. Entry into the profession retains the requirement to hold a first aid certificate in NZQA Unit Standards 6400, 6401 and 6402. Following that, pharmacists are required to complete a CPR refresher course once every three years. If they are designated workplace first aid providers the pharmacist must still comply with Department of Labour requirements regarding first aid competency. Similarly, pharmacists who wish to retain a full first aid certificate for personal reasons will need to continue to do a biennial refresher course.

3. Quality Standards for Pharmacy Services

In 2008, Council participated in a key stakeholder scoping group to determine the need for a revision of the Quality Standards for Pharmacy Services. In April 2009 an expert committee was convened to work on the project under the guidance of Standards New Zealand and funded by the Ministry of Health. The Standard is to be inclusive of both community and hospital based services, and clinical pharmacy services not provided from a pharmacy.

The committee agreed the Standard would be outcomes-based and should be about measurable and auditable continuous quality and improvement of services. However, the Standard is also to be relatively generic in nature with pharmacists needing to interpret its intent in relation to the services they provide. It is acknowledged that outcome-based Standards are more difficult to audit than those of a prescriptive nature but it is important that the Standards are enabling and do not stifle innovation.

As part of the project scope, the current New Zealand Code of Good Manufacturing Practice for the Manufacture and Distribution of Therapeutic Goods Part 3: Compounding and Dispensing 1993 (Code of GMP) and Aseptic Procedures will be reviewed by smaller groups of technical experts. They will then report back to the committee with recommendations of how this could be included in the Standards.

Work on the Standard will continue through to the end of 2009 with public consultation being undertaken in October. The intention is for the new Standard to be published by mid-February 2010.

4. Guidelines – advertising to the consumer and promotion of products of potential misuse

In October 2008, Council was invited to present at the NZ Self-Medication Industry (SMI) conference on how companies advertising and promoting non-prescription products of potential misuse could ensure compliance with the Council's Code of Ethics. Following the presentation, a meeting was held with interested parties to discuss the development of reference guidelines for advertisers before they begin developing promotional campaigns for these products. These guidelines would also be useful to help pharmacists understand the requirements for promotion of particular products.

Concern had previously been expressed that advertising regulations generally appeared less stringent in Australia and since many companies are now Australian based, that same style of promotion was becoming evident in New Zealand.

Draft guidelines were developed by the Council's Professional Standards Advisor and the Pharmaceutical Society's Chief Pharmacist Advisor, in conjunction with a Therapeutic Advertisement Pre-vetting System (TAPS) adjudicator. The draft was primarily a collation of the responsibilities of pharmacists and advertisers taken from a number of sources e.g. Code of Ethics, SMI Code of Practice. The NZSMI CEO had an opportunity to comment on the guidelines before they were finalised, as members of that organisation also needed to understand pharmacists' responsibilities in this area.

In March 2009 following a meeting with product sponsors and the SMI to clarify specific aspects of the draft, the guidelines were approved and published on the Council website. Pharmacists were advised of the guidelines in the June Council newsletter and reminded that they also relate to internet pharmacy advertising and promotion. The guidelines are available on http://www.pharmacycouncil.org.nz/cms_show_download.php?id=101

5. Practice issues

Reviewing and advising on Standard Operating Procedure (SOP) documents is an important component of ensuring safe practice within pharmacy. Recommendations in line with best practice principles and procedures are made when SOPs are received for review following HDC investigations or ACC notifications of treatment injury. Many of the issues raised are then highlighted in the Council newsletter, particularly where they might have relevance to the wider profession.

Recent topics have again included advertising obligations; the care required when dispensing look alike/sound alike medicines; issues around dispensing unfamiliar hospital prescriptions in community pharmacy, and a patient's right to choose their health care provider. Additional newsletter topics have included how to design dispensaries to reduce errors in practice; advice on writing robust SOPs; and how law and ethics go hand in hand i.e. how ethics and law perform complementary but different roles in pharmacy practice.

6. Submissions made to other organisations

This was another year where Council was asked to make submissions on a number of issues. These included the Opioid Substitution Treatment Practice Guidelines; ACC New Regulations for Treatment Providers; PHARMAC's consultation on the addition of a definition of "Relevant Practitioner" to the Pharmaceutical Schedule; Medicines Classification Committee (MCC) codeine pain relief products, and for the Medical Council – Guidelines for Managing Disruptive Behaviour; Advertising Guidelines; Supervision of International Medical Graduates; Best Health Outcomes for Pacific Peoples; and Beliefs and Medical Practice.

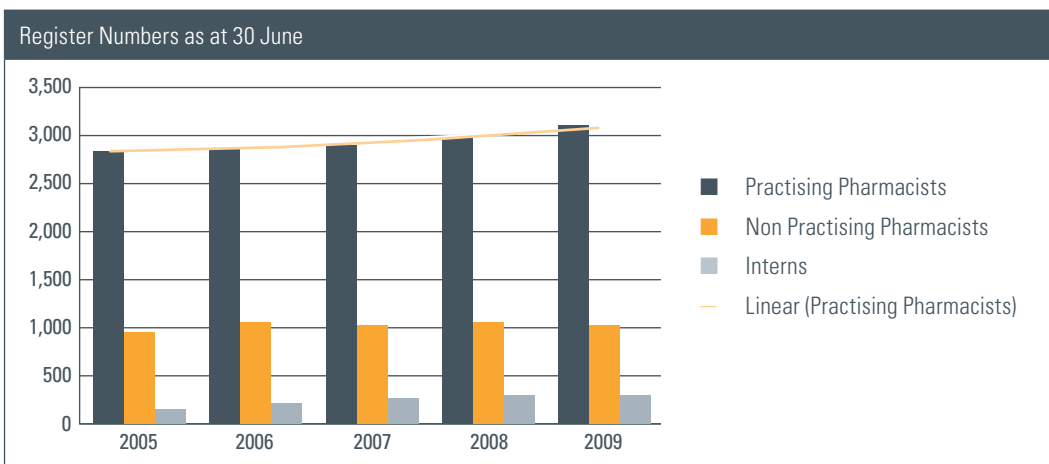
WORKFORCE DEMOGRAPHICS



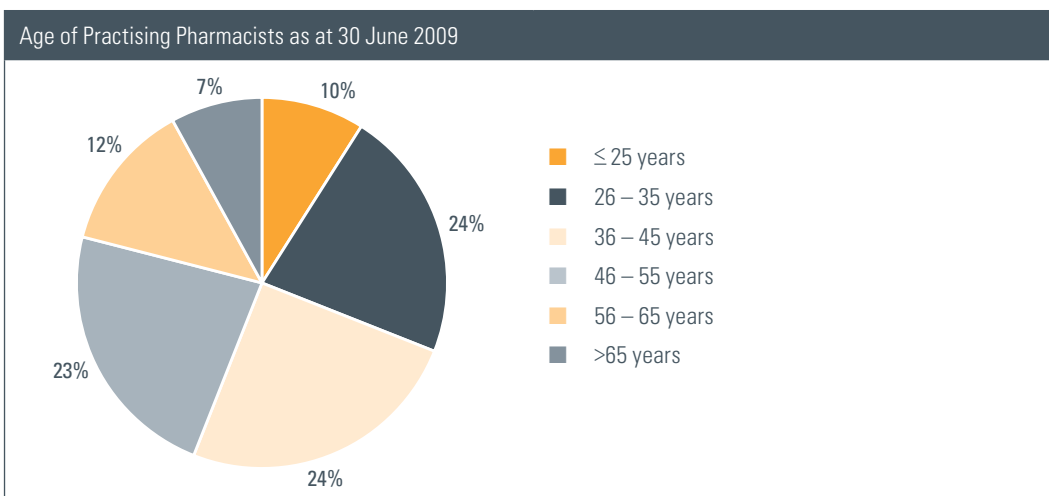
A) REGISTER NUMBERS 2005-2009

As at 30 June 2009, the number of practising pharmacists was 3,076, up 98 (3.3%) from 2008.

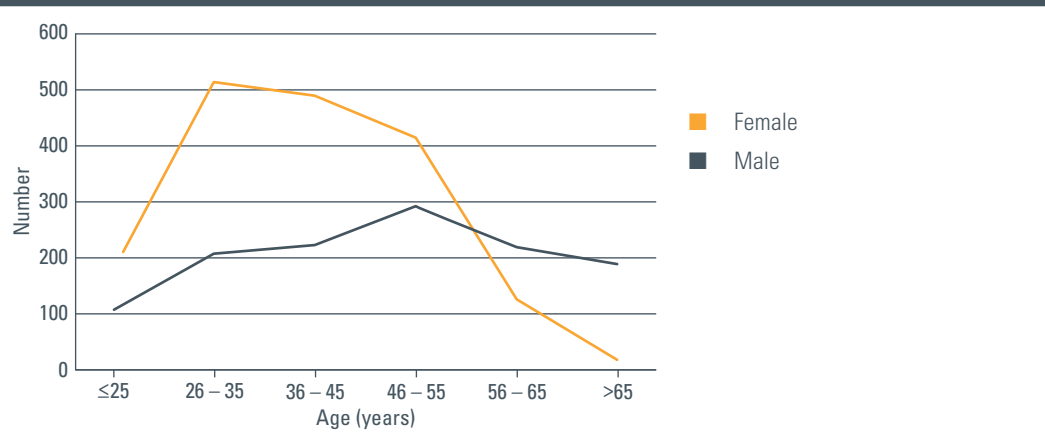
Register Numbers as at 30 June					
	2005	2006	2007	2008	2009
Practising Pharmacists	2,787	2,801	2,889	2,978	3,076
Non Practising Pharmacists	983	1,022	1,011	1,023	1,017
Interns	168	189	202	231	220
TOTAL	3,938	4,012	4,102	4,232	4,313



B) AGE AND GENDER

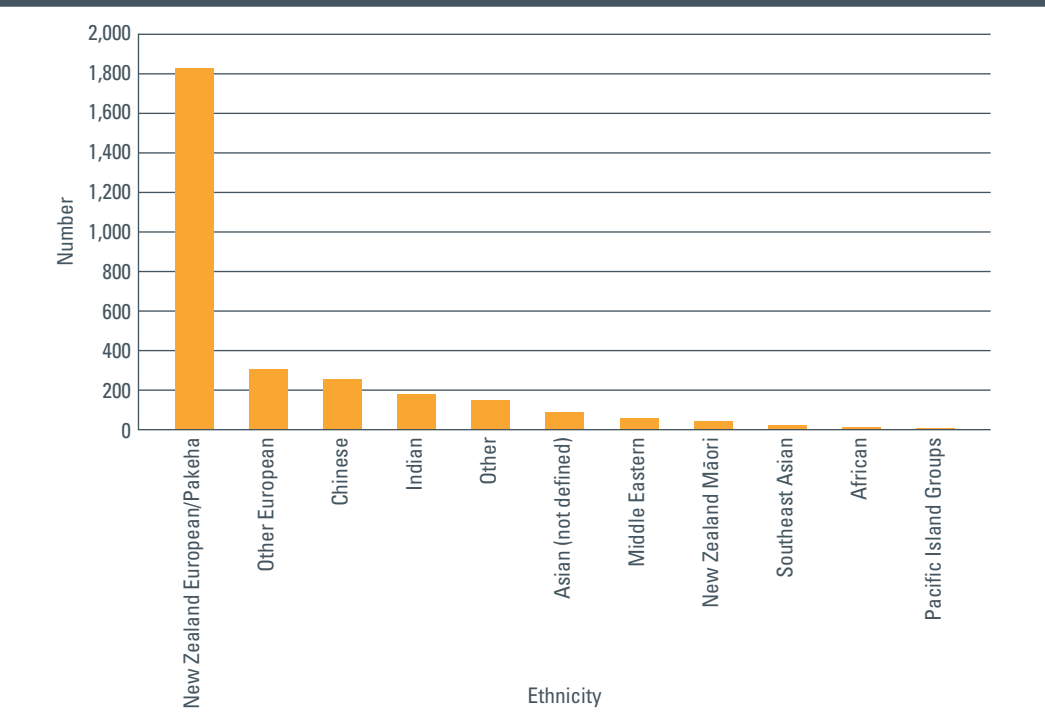


Age and Gender Distribution of Practising Pharmacists as at 30 June 2009



C) ETHNICITY

Ethnicity

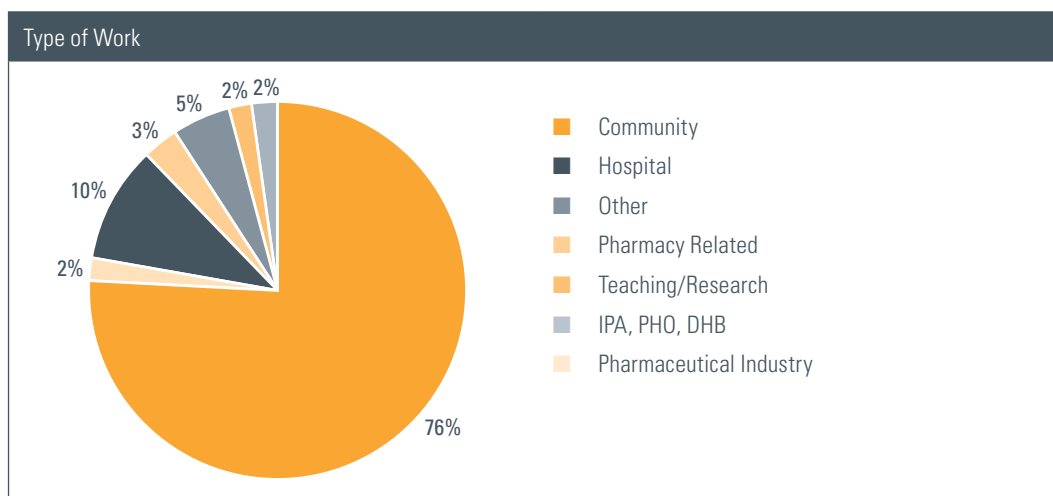


D) TYPE OF WORK

2,723 pharmacists issued with an APC for the year 1 April 2009-31 March 2010 completed the type of work section on the APC renewal form. This represents 89% of the pharmacists on the practising register as at 30 June 2009. The data collected relates to the previous APC year and has been used in this instance to provide an estimate of the number of pharmacists in the different areas of pharmacy employment. The following information was compiled from these responses.

359 of the pharmacists who completed this section of the APC renewal form worked in two or more different areas of pharmacy in the previous 12 months.

Type of Work	Number of Pharmacists
Community	2,347
Hospital	320
Other	151
Pharmacy Related	81
Teaching/Research	72
IPA, etc	62
Pharmaceutical Industry	49
	3,082
Number worked in two or more areas of pharmacy	359
TOTAL RESPONSES	2,723



COMMITTEES AND APPOINTMENTS



COMPLAINTS SCREENING COMMITTEE (CSC)

The Complaints Screening Committee assesses complaints referred (pursuant to section 34(1)(a) of the Health and Disability Commissioners Act) from the Health and Disability Commissioner and discharges the Council's obligations pursuant to sections 65 and 68 of the HPCA Act 2003. The Committee considers the nature and circumstances of the complaint or concern and determines what, if any, action or actions are appropriate to be taken to respond to the complaint or concern. The CSC has delegated authority under section 17 of Schedule 3 of the HPCA Act 2003.

Membership

Jo Mickleson, Councillor
Andi Shirtcliffe, Councillor
Barbara Moore, Professional Standards Advisor

Carolyn Oakley-Brown, Council Chair; and Bronwyn Clark, Chief Executive & Registrar or the Deputy Registrar, Jenny Ragg receive all complaint information and participate as Committee members as required.

PROFESSIONAL CONDUCT COMMITTEE (PCC)

The Professional Conduct Committee receives complaints referred from the Pharmacy Council with respect to professional conduct issues as well as notices of conviction received by the Council under section 67 of the HPCA Act 2003. Each PCC adopts and follows procedures that ensure that the pharmacist, the Pharmacy Council and the complainant are kept informed about the progress of a complaint. The PCC may receive evidence relevant to the complaint, appoint legal advisors and/or investigators as necessary and make recommendations and determinations on completion of its investigation. A PCC is established to address individual issues, and membership comprises three persons: two pharmacists and one layperson. One member of each PCC is usually a Council member.

Pharmacist Members

Andrew Bary (Councillor)
Eleanor Hawthorn (resigned June 2009)
Brian Irvine
Debbie Wallace
Richard Young
Derek Lang
Gary Syme
Nikki Anderson
Muhammed (Joe) Asghar
David Mitchell
Jo Mickleson

Lay Members

Judith Johnston (Councillor)
Darryn Russell (Councillor)
Barbara Tebbs
Karen Harvey
Helen Algar

Law and Ethics Interview Assessors

Pharmacists are required to complete supervised practice on return to practice, as well as those registering under Trans Tasman Mutual Recognition (TTMRA) from Australia or under REQR (UK, Ireland, USA and Canada). They are then assessed for their knowledge and understanding of New Zealand Pharmacy law and ethics. Council has appointed 17 pharmacists located in areas around New Zealand to undertake these interviews on its behalf.

Law and Ethics Interviewers

David McFadzien
Eleanor Hawthorn
Jenny Cade
Di Vicary
Derek Lang
Catherine Keenan
Glen Caves
Andi Shirtcliffe
Amanda Stanfield
Debbie Wallace
Chris Budgen
Anne Davies
Patricia Napier
Bernie McKone
Daryl Sayer
Kate Shaw
Ross Nicholson

HEALTH COMMITTEE

The Health Committee considers notifications, made under section 45 of the HPCA Act 2003, concerning pharmacists who may be unable to perform the required functions of a pharmacist owing to some mental or physical condition. The Health Committee consists of the Chair of the Pharmacy Council, the Chief Executive & Registrar, and two other Councillors to make a committee of four persons.

PREREGISTRATION ASSESSMENT BOARD (PRAB)

The purpose of the Preregistration Assessment Board is to monitor the assessment methodology and tools of the EVOLVE Intern programme, and to review the evidence gathered on individual intern pharmacists completing the programme. The EVOLVE intern programme is a prescribed qualification for registration in the pharmacist scope of practice. The PRAB has delegated responsibility from the Council to determine whether intern pharmacists have successfully completed the programme, and therefore meet the standard required to register in the pharmacist scope of practice.

PRAB Board Members

Dr Andrew Bary (Chair)
Dr Rhiannon Braund
Ass Prof Janie Sheridan
Andi Shirtcliffe

Moderation Sub Committee Members (also Board Members)

Mary-Anne O'Rourke (Chair of sub committee)
Rosemary Thompson
Dianne Wright

PROFESSIONAL STANDARDS COMMITTEE

The Professional Standards Committee has delegation from Council to make enquiries into, and decides whether or not to review, the competence of pharmacists. This is a function described under s. 36 of the HPCA Act. This is in response to notifications made to Council that suggest that a pharmacist may pose a risk of harm to the public by practising below the required standard of competence. The Chair of Council, the Chief Executive & Registrar and the Competence Policy Advisor are the members of this Committee.

COMPETENCE REVIEW TEAM AND PRACTICE COUNSELLOR

The Competence Review Team determines whether a pharmacist is practising to the required standard of competence when concerns have been raised about their competence to practise. The competence of the pharmacist being reviewed is assessed against the seven competence standards. The standards are set by the Council, and are a written description of the skills, knowledge and attitudes a pharmacist must demonstrate to be deemed competent. Fifteen pharmacists have been appointed as Competence Reviewers by the Council. Some of these pharmacists have also been appointed as Practice Counsellors, who oversee and provide support to a pharmacist's practice, and monitor and report to the Council on their performance in the pharmacist scope of practice.

HEALTH PRACTITIONERS DISCIPLINARY TRIBUNAL (HPDT)

Tribunal Members are appointed by the Minister of Health. Three pharmacists and one lay person are selected for each Tribunal hearing. For further details see www.hpdt.org.nz

Chair

Bruce Corkill

Deputy Chairs

Kate Davenport

Sandra Moran

Pharmacists

Ellen McCrae

John Dunlop

Warren Flaunty

Andrew Orange

Mary-Anne O'Rourke

Lynette Lee (resigned January 2009)

Daryl Sayer

Dianne Vicary

REPRESENTATION ON OUTSIDE BODIES

Heads of Schools and Professional Organisations in Pharmacy (HOSPOP)

Otago University School of Pharmacy, Board of Studies

Otago University School of Pharmacy, Admissions Committee

The University of Auckland School of Pharmacy, Board of Studies

Australian Pharmacy Council (APC) – Carolyn Oakley-Brown

Australian Pharmacy Council Accreditation Committee (formerly the New Zealand and Australian Pharmacy Schools Accreditation Committee (NAPSAC))

Australian Pharmacy Council Examining Committee

Health Regulatory Authorities of New Zealand (HRANZ)

ACC Pharmacy Liaison Committee

Pharmacy Industry Training Organisation (PITO)

Standards NZ Pharmacy Services Committee

Carolyn Oakley-Brown

Darryn Russell

Bronwyn Clark

Bronwyn Clark

Bronwyn Clark

Andi Shirtcliffe

Bronwyn Clark

Carolyn Oakley-Brown

Barbara Moore

Owain George

Barbara Moore

FINANCE



09

AUDIT REPORT



TO THE READERS OF THE PHARMACY COUNCIL OF NEW ZEALAND'S FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009.

The Auditor-General is the auditor of the Pharmacy Council of New Zealand (the Pharmacy Council). The Auditor-General has appointed me, Alex Skinner, using the staff and resources of KPMG, to carry out the audit of the financial statements of the Pharmacy Council, on his behalf, for the year ended 30 June 2009.

Unqualified Opinion

In our opinion the financial statements of the Pharmacy Council on pages 32 to 39:

- comply with generally accepted accounting practice in New Zealand; and give a true and fair view of:
 - the Pharmacy Council's financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.
- based on our examination the Pharmacy Council kept proper accounting records.

The audit was completed on 14 October 2009, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Council and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements did not have material misstatements whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Council;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements.

We evaluated the overall adequacy of the presentation of information in the financial statements. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Council and the Auditor

The Council is responsible for preparing the financial statements in accordance with generally accepted accounting practice in New Zealand. The financial statements must give a true and fair view of the financial position of the Pharmacy Council as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The Council's responsibilities arise from the Financial Reporting Act 1993.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in the Pharmacy Council.

A handwritten signature in black ink, appearing to read 'Alex S.', with a long horizontal flourish extending to the right.

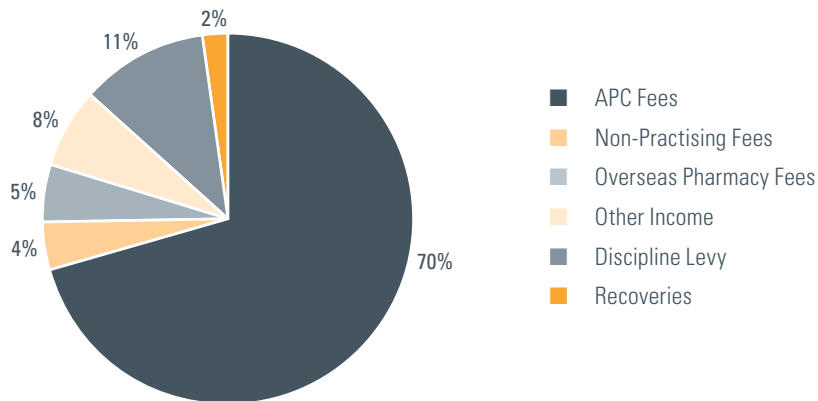
Alex Skinner
KPMG
On behalf of the Auditor-General
Wellington, New Zealand

FINANCIAL OVERVIEW

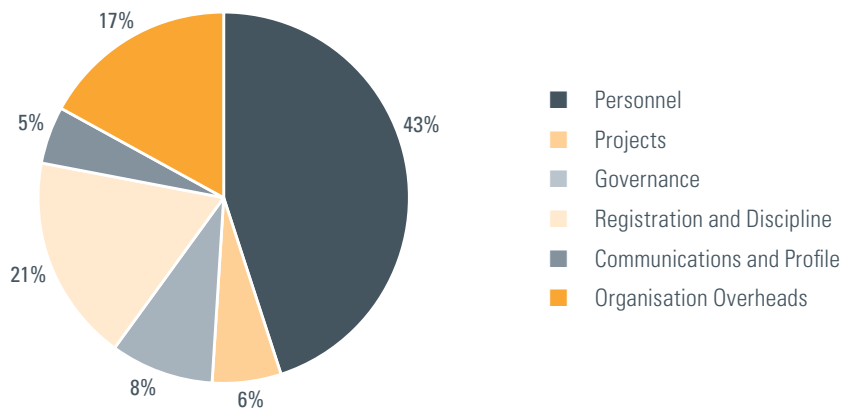


The Council is pleased to report the financial year ended with an operating surplus against budget. This is due to a positive revenue result and some operational savings made during the year. Despite increasing costs the Council managed to achieve a modest surplus and this has improved the overall equity position. This will enable the Council to continue to develop standards and scopes that reflect the changing health environment and continue to fulfil its obligations under the HPCA Act 2003.

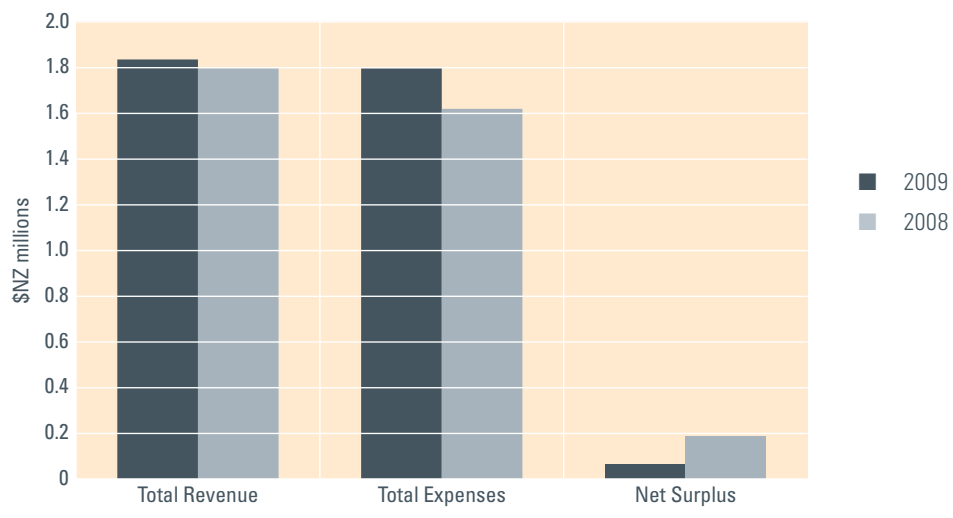
2009 Revenue



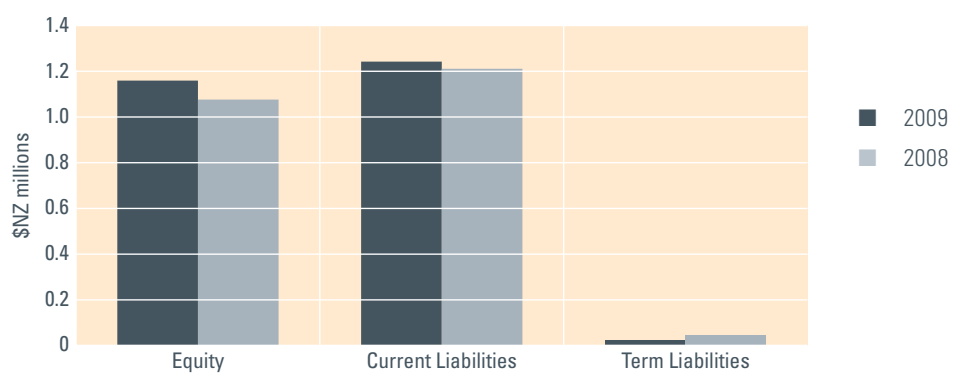
2009 Expenditure



2009 Financial Performance



2009 Financial Position



FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009



STATEMENT OF FINANCIAL PERFORMANCE FOR THE YEAR ENDED 30 JUNE 2009

Revenue	Note	2009 \$	2008 \$
Annual Practising Certificate Fees	1	1,451,980	1,407,894
Non-Practising Fees		81,241	81,129
Registration Fees		47,389	49,153
Other Fees	2	100,534	71,711
Interest and Other Income		134,792	150,097
Recoveries		45,549	52,665
Total Revenue		1,861,485	1,812,649
Expenditure			
Registration & Discipline	3	378,810	289,489
Projects		102,896	97,068
Governance	4	130,617	128,081
Communications & Profile		98,756	80,885
Operating & Administration	5	1,088,202	1,032,597
Total Expenditure		1,799,281	1,628,120
Net surplus/(deficit) for the period		62,204	184,529

STATEMENT OF MOVEMENTS IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	2009 \$	2008 \$
Net surplus/(deficit) for the period	62,204	184,529
Total recognised revenue and expenses	62,204	184,529
Equity at the beginning of the year	1,083,940	899,411
Equity at the end of year	1,146,144	1,083,940

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2009

Assets	Note	2009 \$	2008 \$
Current Assets			
Cash & Cash Equivalents	6	1,693,856	2,118,081
Term Deposits	7	500,000	0
Accounts Receivable		32,874	8,954
Other Receivables & Prepayments		83,260	67,184
Total Current Assets		2,309,990	2,194,219
Non-Current Assets			
Property, Plant and Equipment	8	91,218	115,787
Intangible Assets	9	14,275	13,880
Total Non-Current Assets		105,493	129,667
TOTAL ASSETS		2,415,483	2,323,886
Liabilities			
Current Liabilities			
Accounts Payable		46,198	52,209
Other Payables & Accruals		56,666	40,249
Employee Entitlements		52,198	53,717
Income Received in Advance	10	1,103,717	1,072,651
Total Current Liabilities		1,258,779	1,218,826
Non-Current Liabilities			
Income Received in Advance – HPI Project	11	10,560	21,120
Total Non-Current Liabilities		10,560	21,120
Equity		1,146,144	1,083,940
TOTAL LIABILITIES AND EQUITY		2,415,483	2,323,886



Carolyn Oakley-Brown
Chair of Council



Bronwyn Clark
Chief Executive & Registrar

Date: 14 October 2009

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2009

Cash flows from operating activities	Note	2009 \$	2008 \$
Cash was provided from:			
Statutory fees and levies		1,710,367	1,643,801
Discipline Recoveries		23,472	44,738
Interest		104,887	127,574
Other revenue		784	18,725
Cash was disbursed to:			
Suppliers and employees		(1,750,259)	(1,587,593)
Net cash inflow from operating activities	12	89,251	247,245
Cash flows from investing activities			
Cash was disbursed to:			
Purchase of Fixed Assets		(13,476)	(41,022)
Repayment of Loan		0	(52,787)
Term Deposit		(500,000)	0
Net cash (outflow) from investing activities		(513,476)	(93,809)
Net (decrease)/increase in cash held		(424,225)	153,436
Add opening cash and cash equivalents		2,118,081	1,964,645
Closing cash and bank balances		1,693,856	2,118,081
Represented by:			
Cash and cash equivalents		1,693,856	2,118,081

These financial statements should be read in conjunction with the attached accounting policies and notes to the accounts.

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 30 JUNE 2009



REPORTING ENTITY

The Pharmacy Council of New Zealand (Pharmacy Council) is a statutory body constituted under the Health Practitioners Competence Assurance Act 2003 (HPCA Act 2003) and has a duty to protect the public and promote good pharmacist practice. The Pharmacy Council is responsible for the registration of pharmacists, the setting of standards for pharmacists, accreditation of education programmes and ensuring pharmacists are competent to practise.

The Pharmacy Council was established under the HPCA Act 2003 on 18 December 2003 and commenced operations on 18 September 2004.

BASIS OF PREPARATION

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP).

The Pharmacy Council qualifies for Differential Reporting exemptions as it has no public accountability and is small as defined by the Framework for Differential Reporting. All available differential reporting exemptions allowed under the Framework for Differential Reporting have been adopted except for FRS-10 Statement of Cash Flows, as a statement of cash flows has been disclosed.

MEASUREMENT BASIS

The accounting principles recognised as appropriate for the measurement and reporting of financial performance and financial position on a historical cost basis are followed by the Pharmacy Council.

SPECIFIC ACCOUNTING POLICIES

The following specific accounting policies that materially affect the measurement and reporting of financial performance and financial position have been applied:

Property, Plant and Equipment

Property, plant and equipment are recorded at cost and depreciated over the estimated useful lives of the assets. Subsequent expenditure that extends or increases the asset's service potential is capitalised. For assets acquired on or after 1 April 2005 the Pharmacy Council has elected to calculate depreciation on a straight-line basis at existing rates as follows:

Leasehold Improvements	10 years
Furniture & Fittings	10 years
Office Equipment	5 years
Computer Equipment	3 years

Intangible Assets

Intangible assets are recorded at cost and depreciated over the estimated useful lives of the assets.

Website	3 years
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Goods & Services Tax (GST)

The Statement of Financial Performance and Statement of Cash Flows have been prepared on a GST exclusive basis. All items in the Statement of Financial Position are stated net of GST with the exception of receivables and payables, which are stated inclusive of GST, if any.

Receivables

Receivables are recorded at estimated net realisable value after due provision for doubtful debts.

Taxation

The Pharmacy Council is exempt from taxation pursuant to Section CB 4 (1)(e) of the Income Tax Act 1994. The Council was registered as a charitable entity under the Charities Act 2005 on 30 June 2008 to maintain its tax exemption status.

Revenue Recognition

The Pharmacy Council's annual practising year for pharmacists is from 1 April to 31 March. Only those fees and levies that are attributable to the current financial year are recognised in the statement of financial performance. Revenue is deferred in respect of the portion of the annual practicing fee that has been paid in advance.

Operating Leases

Payments made under operating leases are recognised in the Statement of Financial Performance.

Statement of Cash Flows

The following are the definitions used in the Statement of Cash Flows:

- cash is considered to be cash on hand, current accounts.
- operating activities include all transactions and other events that are not investing or financing activities.
- investing activities are those activities relating to the purchase of fixed assets, loan repayment and term deposits.
- financing activities are those activities which includes both equity and debt not falling within the definition of cash.

Changes in Accounting Policies

There have been no changes in accounting policies during the period.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2009



(1) Annual Practising Certificate (APC) Fees

Represents APC Fees received from interns and pharmacists for the year. This fee includes an administrative component and a discipline levy.

	2009	2008
	\$	\$
(2) Other Fees		
Overseas Pharmacist Fees	85,267	57,215
Other Fees	15,267	14,496
	100,534	71,711
(3) Registration and Discipline		
Registration	137,106	106,653
Discipline	204,637	151,889
Competence & Health	37,067	30,947
	378,810	289,489
(4) Governance		
Councillors' fees	79,530	79,324
Councillors' expenses	51,087	48,757
	130,617	128,081
(5) Operating & Administration		
Audit Costs	15,640	14,462
Depreciation	37,650	35,243
Eftpos Costs	23,507	18,676
Information Technology costs	17,584	19,600
Insurance	13,636	13,914
Legal costs	15,104	8,504
Premises costs	101,071	98,946
Operating Leases	22,973	23,305
Sundry costs	27,146	27,278
Personnel	781,602	742,338
Printing & Stationery	9,051	9,595
Postage & Courier	8,590	9,128
Telecommunications	14,648	11,608
	1,088,202	1,032,597

	2009	2008
	\$	\$
(6) Cash & Short-term Deposits		
Petty Cash	200	200
ANZ – Cheque Account	17,062	28,783
ANZ – Call Account	76,594	89,098
ANZ – Term Deposit	1,600,000	2,000,000
	1,693,856	2,118,081

(7) Term Deposits		
Kiwi bank – Term Deposit	500,000	0

(8) Property, Plant & Equipment

	Cost 2008 \$	Depn for year 30 June 2008 \$	Accum. Depn 30 June 2008 \$	Book Value 30 June 2008 \$	Cost 2009 \$	Depn for year 30 June 2009 \$	Accum. Depn 30 June 2009 \$	Book Value 30 June 2009 \$
Leasehold Improvements	70,700	5,905	21,428	49,272	70,700	7,070	28,497	42,203
Computer Equipment	63,995	17,636	39,759	24,236	64,616	15,268	55,026	9,590
Furniture & Fittings	60,250	5,946	21,304	38,946	65,371	6,273	27,576	37,795
Office Equipment	8,511	1,550	5,178	3,333	8,511	1,702	6,881	1,630
TOTAL	203,456	31,037	87,669	115,787	209,198	30,313	117,980	91,218

(9) Intangible Assets**Website****Cost**

Opening balance	24,336	6,618
Additions during the year	7,733	17,718
Closing balance	32,069	24,336

Accumulated Depreciation

Opening balance	10,457	6,250
Depreciation for the year	7,337	4,206
Closing balance	17,794	10,456

Book Value**14,275** **13,880****(10) Income Received in Advance**

Represents APC fees and levies relating to the 2009/2010 year (2008: 2008/2009 year).

(11) Health Practitioners Index Project

During the 2004/2005 financial year the Pharmacy Council entered into a contract with the Ministry of Health to participate in the Health Practitioners Index (HPI) Project.

The Ministry of Health (MOH) is working with the health sector to introduce the HPI, a national database that will include information about registered health practitioners. The Pharmacy Council has agreed to supply information about its practitioners to the Ministry of Health for the purpose of establishing the HPI.

The agreed cost of the project is \$76,300 (excluding GST) and covers costs relating to database changes, consultation, project management and ongoing provision of data to the MOH for the duration of the project. During the 2006/2007 financial year 80% of the project cost was received by the Pharmacy Council and the remaining 20% was received in the 2007/2008 financial year.

In accordance with NZ GAAP the revenue is recorded as Income Received in Advance in the Statement of Financial Position and recognised on a straight-line basis in the Statement of Financial Performance over the duration of the project.

	2009	2008
	\$	\$
(12) Operating cash flows reconciliation		
Net operating surplus/ (deficit) for the period	66,267	184,529
Add/(Deduct) non-cash items:		
Depreciation	33,587	35,243
Add/(Deduct) working capital items:		
Accounts Receivable	(23,920)	9,355
Other Receivables & Prepayments	(16,076)	(12,560)
Accounts Payable	(6,011)	(4,253)
PAYE/Withholding Tax	11,430	4,244
Other Payables & Accruals	4,777	(6,840)
Employee Entitlements	(1,519)	14,493
Income Received in Advance	31,066	33,799
Income Received in Advance – HPI Project	(10,560)	(10,560)
GST Receivable	210	(205)
Net Cash inflow/(outflow) from operating activities	89,251	247,245
(13) Commitments – Operating Leases		
Lease commitments under non-cancellable operating leases:		
Not more than one year	132,155	131,311
One to two years	124,415	133,841
Three to five years	228,072	346,303
	484,642	611,455
(14) Capital Commitments and Contingent Liabilities		
(i) Capital Commitments		
During the 2007/2008 year the Pharmacy Council entered into an IT contract for \$32,000 to further develop the Council's website. The project was scoped in two phases and as at 30 June 2009 \$17,000 of this remained unspent. (2008: \$4,000)		
(ii) Contingent Liabilities		
As at 30 June 2009 the Council had two disciplinary cases before the Health Practitioners Disciplinary Tribunal (HPDT) with estimated legal costs of up to \$35,000 to be incurred. There is a possibility that a percentage of these costs, as awarded by the HPDT, will be recoverable. (2008: \$35,000)		
(15) Adoption of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS)		
In September 2007, the Accounting Standards Review Board announced the delay of the mandatory adoption of NZ IFRS for certain entities. The Pharmacy Council satisfies the deferral criteria and has therefore decided to delay the adoption of the NZ IFRS standards.		
(16) Related Parties		
Council members are paid fees for attending to Council and committee business. Certain Council members are also practising pharmacists and deal with the Pharmacy Council of NZ on the same basis as other pharmacists. There were no other related party transactions.		
(17) Events after Balance Date		
No events occurred subsequent to balance date (2008: nil).		

COUNCIL STAFF



Chief Executive & Registrar

Bronwyn Clark MClInPharm, MPS, RegPharmNZ

Overall responsibility for regulatory functions carried out by the Pharmacy Council and general management of the organisation.

Personal Assistant to Chief Executive & Registrar

Caroline Joyce

Provides administration support to Chief Executive & Registrar and responsible for travel and meeting arrangements.

Deputy Registrar

Jenny Ragg

Secretary to Council. Management of complaints, fitness to practice and notification procedures.

Administration Manager

Claire Paget-Hay Dip Tchg(Sec), Dip HR Management

Responsible for overall management of office systems, registration procedures and personnel.

Registrations Officer

David Priest

Responsible for NZ and overseas pharmacist applications for registration and Annual Practising Certificates. Maintains register and processes registration applications.

Registrations Assistant

Frances Moore

Responds to enquiries from overseas pharmacists and assists Registrations Officer with processing of registration applications.

Accounts Assistant

Maree Dawson

Processes accounts payable and receivable, payroll and provides general accounts assistance.

Accountant

Mary Yee CA

Responsible for accounting operations, preparation of financial reports, auditing and annual report.

Competence Policy Advisor

Owain George BPharm, PhD, RegPharmNZ

Policy development for competence and assessment of pharmacists

Competence Projects Developer

Sandy Bhawan BSc, BPharm, PGCertPharm, MPS, RegPharmNZ

Responsible for undertaking specific projects in the competence area

Professional Standards Advisor

Barbara Moore Dip.Pharm, Dip Bus Stud, MPS, RegPharm NZ

Policy development for professional standards for pharmacists. Responds to enquiries from pharmacists and the public regarding practice issues.

Competence Policy Co-coordinator

Sue Thompson

Provides administration assistance to the Competence Policy Advisor and co-ordinates competence and assessment plans. Assists with administration peak load.

GENERAL CONTACT DETAILS

Physical address:

Level 2, Vodafone on the Quay
40 Johnston Street
Wellington 6011

Postal address:

PO Box 25137
Wellington 6146

SOLICITORS

Kensington Swan
PO Box 10246
Wellington 6143

Buddle Findlay
PO Box 2694
Wellington 6140

BANKERS

ANZ Banking Group (New Zealand) Ltd
215-229 Lambton Quay
Wellington 6011

AUDITORS

KPMG
10 Customhouse Quay
PO Box 996
Wellington 6140

Physical address:

Level 2, Vodafone on the Quay,
40 Johnston Street,
Wellington, 6011
New Zealand

Postal address:

PO Box 25137,
Wellington 6146,
New Zealand

Phone:

+64 4 495 0330

Fax:

+64 4 495 0331

Email:

enquiries@pharmacycouncil.org.nz

Website:

www.pharmacycouncil.org.nz