

Hon. Jill Hennessy MP  
Minister for Health  
GPO Box 4057  
MELBOURNE VIC 3001

Dear Minister

## **MINISTERIAL STATEMENT OF EXPECTATIONS - VICTORIAN PHARMACY AUTHORITY**

Thank you for your letter dated 23 June 2016.

The Victorian Pharmacy Authority (the Authority) is pleased to provide this response to your Statement of Expectations for the period 1 July 2016 to 30 June 2017, including activities planned and currently being undertaken.

### **Improvements**

*Consulting stakeholders - principally pharmacists - during 2016-17 to identify further opportunities to reduce the regulatory burden on small business and improve the performance of the Authority.*

The Authority publishes a monthly communiqué to keep stakeholders informed about its activities, and a broader quarterly circular on current issues for licensees and pharmacists. The Authority evaluates its communications in accordance with its stakeholder engagement plan. Communiqués and circulars are published on the Authority's website and also distributed by email. The Authority consults stakeholders annually when reviewing its guidelines, and at other times such as when implementing new inspection protocols.

During 2016-17 the Authority's stakeholder engagement plan will include seeking and evaluating feedback from licensees and stakeholders with the aim of identifying opportunities to reduce the regulatory burden on pharmacy businesses and improve its regulatory performance. This will include:

- Feedback on the Authority's application processes; and
- Feedback on the effectiveness of the Authority's communications.

Any improvements implemented as a result of stakeholder feedback will be communicated back to stakeholders via communiqués and circulars.

*Prioritising regulatory activities based on an established risk framework. This will include for example prioritising inspections of pharmacy premises on the basis of a risk assessment.*

In 2015-16 the Authority enhanced its risk-based approach to regulation by applying a more structured approach to managing and prioritising regulatory risks. This included reviewing and assessing regulatory risks and incorporating them into the risk database. This data is currently used to prioritise the Authority's inspection program. The Authority will now use this information to further inform planning and prioritisation of its activities.

In early 2016 the Authority made improvements to its database to aid the compilation of inspection statistics.

- Statistics obtained from inspection reports will be used to focus the inspection program, and its education component, towards areas of significant non-compliance and risk. This information will also be relayed to stakeholders and licensees in communications and during inspections.
- Inspectors will utilise statistics at quarterly meetings in 2016/17 to plan the focus of future inspections.

The Authority has investigated risk-based methods to evaluate facilities where pharmacists undertake sterile compounding in consultation with pharmacist stakeholders.

- The Authority will implement a program to evaluate existing facilities for sterile compounding to ensure provision of safe and suitably controlled working environments with respect to product and patient safety.

*Designing and implementing a publicly available performance measurement framework that provides information on the Authority's activities and intended outcomes.*

The Authority acknowledges that it is at a low level of maturity in this area. In 2015-16 the Authority reviewed the performance measurement systems put in place by equivalent pharmacy regulators with a view to benchmarking its performance and found that other regulators were also at a low level of maturity.

The Authority not only sees this as an area to improve its regulatory efficiency and outcomes, but also as an opportunity to provide leadership in the national alignment of pharmacy regulation by sharing its work on performance measurement with the Pharmacy Premises Regulation Authorities of Australia (PPRAA<sup>1</sup>) group.

- The Authority will implement a publicly available performance measurement framework by 30 June 2017.

The Authority has and will continue to share information on its inspection protocols and reporting and collaborate with other state/territory pharmacy premises regulators where possible with the aim of achieving national consistency.

*Developing a systematic approach to collaborating and sharing information with other regulators, including with the Department's Drugs and Poisons Regulation business unit and the Australian Health Practitioner Regulation Agency.*

The Authority will continue to undertake periodic liaison with the Australian Health Practitioner Regulation Agency (AHPRA), the Drugs and Poisons Regulation business unit within the Department of Health and Human Services, and other regulators to determine ways to improve information sharing and achieve clearer and more consistent regulation.

Authority field officers commenced joint inspections of facilities where pharmacists prepare radiopharmaceuticals with departmental Radiation Safety Officers in July 2016 and this will continue with the aims of sharing information and expertise, and reducing duplication and the regulatory burden on pharmacists.

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<sup>1</sup> PPRAA comprises state/territory pharmacy premises regulators working to achieve national consistency in pharmacy premises regulation. The group meets at least bi-annually in Melbourne.

- In 2016-17 the Authority will build on existing protocols supporting interaction with other regulators to facilitate the development of a systematic approach to collaboration and information-sharing. The Authority will also develop new procedures for the assessment and tracking of notifications, including referrals from other regulators.

The Authority has also commenced working towards the development of a Memorandum of Understanding with AHPRA to facilitate the two-way sharing of information for the mutual benefit of regulators and licensees.

### **Reporting and consultation**

In implementing these measures, the Authority will consult with stakeholders as appropriate.

The Authority will report on progress to achieve these improvements and targets within its 2017 Annual Report.

The Authority is committed to identifying opportunities to improve its regulatory performance and will continue to review and streamline its processes.

Yours sincerely



**Toni Riley**  
Chair

17 October 2016