

NHS Pharmacy Contract: Indicative Income Tables

The following tables illustrate the income levels that could be expected by an average pharmacy in £ (sterling) for Essential Services provided under the national contract. These figures are based on the arrangements for **April 2014** and are outlined in relation to dispensing volume.

Notes about the figures used in this guide:

- Income relating to ETP/IT and Advanced Services is not included.
- Special fees and allowances have been distributed in proportion to monthly items for illustrative purposes only. In practice, individual pharmacy income will vary according to the mix of products dispensed.
- Special arrangements apply for Essential Small Pharmacies (ESPS and ESPLPS arrangements). This guide does not cover those arrangements.

Table 1: Indicative **monthly** income in £ for national contract Essential Services by item band as at **April 2014**.

Items per month	Total income from fees and allowances pcm	Estimated average buying profit	Indicative total income pcm	£ per item
1,000	1,169	808	1,977	1.98
1,100	1,783	889	2,672	2.43
1,600	2,506	1,293	3,799	2.37
2,430	6,088	1,964	8,052	3.31
2,750	6,694	2,222	8,916	3.24
3,060	7,283	2,473	9,756	3.19
4,000	8,840	3,232	12,072	3.02
5,000	10,495	4,040	14,536	2.91
6,000	12,151	4,848	17,000	2.83
7,000	13,807	5,657	19,463	2.78
8,000	15,463	6,465	21,927	2.74
9,000	17,118	7,273	24,391	2.71
10,000	18,774	8,081	26,855	2.69
11,000	20,430	8,889	29,319	2.67
12,000	22,086	9,697	31,783	2.65

Table 2: Indicative **4 monthly** income in £ for national contract Essential Services by item band based on fees and allowances payable in **April 2014**.

Items per 4 month	Total income from fees and allowances per 4 months	Estimated average buying profit	Indicative total income per 4 months
4,000	4,675	3,232	7,907
4,400	7,132	3,556	10,688
6,400	10,023	5,172	15,195
9,720	24,353	7,855	32,208
11,000	26,776	8,889	35,665
12,240	29,133	9,891	39,024
16,000	35,359	12,929	48,288
20,000	41,981	16,162	58,143
24,000	48,604	19,394	67,998
28,000	55,227	22,626	77,854
32,000	61,850	25,859	87,709
36,000	68,473	29,091	97,564
40,000	75,096	32,323	107,420
44,000	81,719	35,556	117,275
48,000	88,342	38,788	127,130

Table 3: Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **April 2014**.

Items per month	Item fee	Establishment payment	Special fees and allowances	Repeat dispensing set up fee	Practice payments (including contribution for DDA)	Total income from fees and allowances pcm	£ per item
1,000	900	-	94	125	50	1,169	1.17
1,100	990	-	103	125	565	1,783	1.62
1,600	1,440	-	150	125	791	2,506	1.57
2,430	2,187	1,940	228	125	1,609	6,088	2.51
2,750	2,475	2,016	258	125	1,821	6,694	2.43
3,060	2,754	2,092	287	125	2,026	7,283	2.38
4,000	3,600	2,092	375	125	2,648	8,840	2.21
5,000	4,500	2,092	469	125	3,310	10,495	2.10
6,000	5,400	2,092	562	125	3,972	12,151	2.03
7,000	6,300	2,092	656	125	4,634	13,807	1.97
8,000	7,200	2,092	750	125	5,296	15,463	1.93
9,000	8,100	2,092	844	125	5,958	17,118	1.90
10,000	9,000	2,092	937	125	6,620	18,774	1.88
11,000	9,900	2,092	1,031	125	7,282	20,430	1.86
12,000	10,800	2,092	1,125	125	7,944	22,086	1.84

Table 4: Indicative **4 monthly** income in £ from **fees and allowances** for Essential Services by item band as at **April 2014**.

Items per 4 month	Item fee	Establishment payment	Special fees and allowances	Repeat dispensing set up fee	Practice payments	Total income from fees and allowances for 4 months	£ per item
4,000	3,600	-	375	500	200	4,675	1.17
4,400	3,960	-	412	500	2,260	7,132	1.62
6,400	5,760	-	600	500	3,163	10,023	1.57
9,720	8,748	7,759	911	500	6,435	24,353	2.51
11,000	9,900	8,063	1,031	500	7,282	26,776	2.43
12,240	11,016	8,367	1,147	500	8,103	29,133	2.38
16,000	14,400	8,367	1,500	500	10,592	35,359	2.21
20,000	18,000	8,367	1,875	500	13,240	41,981	2.10
24,000	21,600	8,367	2,250	500	15,888	48,604	2.03
28,000	25,200	8,367	2,625	500	18,536	55,227	1.97
32,000	28,800	8,367	3,000	500	21,184	61,850	1.93
36,000	32,400	8,367	3,375	500	23,832	68,473	1.90
40,000	36,000	8,367	3,750	500	26,480	75,096	1.88
44,000	39,600	8,367	4,125	500	29,128	81,719	1.86
48,000	43,200	8,367	4,500	500	31,776	88,342	1.84

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,060 items** as at **April 2014**

Income component	Expected average income	
	pcm in £	Calculation basis
Item fee	2,754	3,060 items at standard 90p per item
Establishment payment	2,092	Monthly equivalent of maximum annual total of £25,100
Special fees and allowances	287	3,060 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	2,026	3,060 items at standard 66.2p per item
Total income from fees and allowances pcm	7,283	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **April 2014**

Income component	Expected average income	
	pcm in £	Calculation basis
Item fee	4,500	5,000 items at standard 90p per item
Establishment payment	2,092	Monthly equivalent of maximum annual total of £25,100
Special fees and allowances	469	5,000 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	3,310	5,000 items at standard 66.2p per item
Total income from fees and allowances pcm	10,495	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **April 2014**

Income component	Expected average income	
	pcm in £	Calculation basis
Item fee	7,200	8,000 items at standard 90p per item
Establishment payment	2,092	Monthly equivalent of maximum annual total of £25,100
Special fees and allowances	750	8,000 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	5,296	8,000 items at standard 66.2p per item
Total income from fees and allowances pcm	15,463	

For support, please contact the PSNC Information Team (info@psnc.org.uk / 0844 381 4180)