

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 **December 2011** 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 **December 2011**.

Items per Month	Total Income from Fees and Allowances	Estimated Average Buying Profit	Indicative Total Income per Month	£ per item
1,000	1,160	556	1,717	1.72
1,100	1,867	612	2,479	2.25
1,600	2,623	890	3,513	2.20
2,360	6,210	1,313	7,523	3.19
2,670	6,830	1,485	8,316	3.11
3,000	7,486	1,669	9,155	3.05
4,000	9,242	2,225	11,467	2.87
5,000	10,999	2,781	13,780	2.76
6,000	12,755	3,338	16,093	2.68
7,000	14,512	3,894	18,406	2.63
8,000	16,268	4,450	20,718	2.59
9,000	18,025	5,006	23,031	2.56
10,000	19,781	5,563	25,344	2.53
11,000	21,537	6,119	27,656	2.51
12,000	23,294	6,675	29,969	2.50

Table 2: Indicative **4 monthly** income in £ for national contract Essential Services by item band based on fees and allowances payable in **December 2011**.

Items (4 months)	Total income from fees and allowances (4 months)	Estimated Average Buying Profit	Indicative Total Income (4 months)
4,000	4,642	2,225	6,867
4,400	7,468	2,448	9,916
6,400	10,492	3,560	14,052
9,440	24,840	5,251	30,091
10,680	27,322	5,941	33,263
12,000	29,944	6,675	36,619
16,000	36,970	8,900	45,870
20,000	43,995	11,126	55,121
24,000	51,021	13,351	64,372
28,000	58,047	15,576	73,622
32,000	65,072	17,801	82,873
36,000	72,098	20,026	92,124
40,000	79,124	22,251	101,375
44,000	86,150	24,476	110,626
48,000	93,175	26,701	119,877

Table 3: Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **December 2011**.

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	-	85	125	50	1,160	1.16
1,100	990	-	94	125	658	1,867	1.70
1,600	1,440	-	137	125	921	2,623	1.64
2,360	2,124	1,940	202	125	1,820	6,210	2.63
2,670	2,403	2,016	228	125	2,059	6,830	2.56
3,000	2,700	2,092	256	125	2,313	7,486	2.50
4,000	3,600	2,092	342	125	3,084	9,242	2.31
5,000	4,500	2,092	427	125	3,855	10,999	2.20
6,000	5,400	2,092	513	125	4,626	12,755	2.13
7,000	6,300	2,092	598	125	5,397	14,512	2.07
8,000	7,200	2,092	683	125	6,168	16,268	2.03
9,000	8,100	2,092	769	125	6,939	18,025	2.00
10,000	9,000	2,092	854	125	7,710	19,781	1.98
11,000	9,900	2,092	940	125	8,481	21,537	1.96
12,000	10,800	2,092	1,025	125	9,252	23,294	1.94

Table 4: Indicative **2 monthly** income in £ from **fees and allowances** for Essential Services by item band as at **December 2011**.

Items (4 months)	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 for 4 months	£ per item
4,000	3,600	-	342	500	200	4,642	1.16
4,400	3,960	-	376	500	2,632	7,468	1.70
6,400	5,760	-	547	500	3,685	10,492	1.64
9,440	8,496	7,759	806	500	7,278	24,840	2.63
10,680	9,612	8,063	912	500	8,234	27,322	2.56
12,000	10,800	8,367	1,025	500	9,252	29,944	2.50
16,000	14,400	8,367	1,367	500	12,336	36,970	2.31
20,000	18,000	8,367	1,709	500	15,420	43,995	2.20
24,000	21,600	8,367	2,050	500	18,504	51,021	2.13
28,000	25,200	8,367	2,392	500	21,588	58,047	2.07
32,000	28,800	8,367	2,734	500	24,672	65,072	2.03
36,000	32,400	8,367	3,075	500	27,756	72,098	2.00
40,000	36,000	8,367	3,417	500	30,840	79,124	1.98
44,000	39,600	8,367	3,759	500	33,924	86,150	1.96
48,000	43,200	8,367	4,101	500	37,008	93,175	1.94

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,000 items** as at **December 2011**

Income component	Expected average income pcm in £	Calculation basis
Item fee	2,700	3,000 items at standard 90p per item
Establishment payment	2,092	Monthly equivalent of maximum annual total of £25,100
Special fees and allowances	256	3,000 items at average 8.54 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	2,313	3,000 items at standard 77.1p per item
Total income from fees and allowances pcm	7,486	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **December 2011**

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	427	5,000 items at average 8.54 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	3,855	5,000 items at standard 77.1p per item
Total income from fees and allowances pcm	10,999	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **December 2011**

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	683	8,000 items at average 8.54 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	6,168	8,000 items at standard 77.1p per item
Total income from fees and allowances pcm	16,268	

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