

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 **October 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 **October 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	1,836	612	2,448	2.23
1,600	2,580	890	3,470	2.17
2,360	6,125	1,313	7,438	3.15
2,670	6,734	1,485	8,220	3.08
3,000	7,378	1,669	9,047	3.02
4,000	9,098	2,225	11,323	2.83
5,000	10,819	2,781	13,600	2.72
6,000	12,539	3,338	15,877	2.65
7,000	14,260	3,894	18,154	2.59
8,000	15,980	4,450	20,430	2.55
9,000	17,701	5,006	22,707	2.52
10,000	19,421	5,563	24,984	2.50
11,000	21,141	6,119	27,260	2.48
12,000	22,862	6,675	29,537	2.46

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

Items (2 months)	Total income from fees and allowances (2 months)	Estimated Average Buying Profit	Indicative Total Income (2 months)
2,000	2,321	1,113	3,433
2,200	3,673	1,224	4,897
3,200	5,159	1,780	6,939
4,720	12,250	2,626	14,876
5,340	13,469	2,971	16,439
6,000	14,756	3,338	18,094
8,000	18,197	4,450	22,647
10,000	21,638	5,563	27,200
12,000	25,078	6,675	31,754
14,000	28,519	7,788	36,307
16,000	31,960	8,900	40,861
18,000	35,401	10,013	45,414
20,000	38,842	11,126	49,967
22,000	42,283	12,238	54,521
24,000	45,724	13,351	59,074

Table 3: Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **October 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	628	1,836	1.67
1,600	1,440	-	137	125	878	2,580	1.61
2,360	2,124	1,940	202	125	1,735	6,125	2.60
2,670	2,403	2,016	228	125	1,962	6,734	2.52
3,000	2,700	2,092	256	125	2,205	7,378	2.46
4,000	3,600	2,092	342	125	2,940	9,098	2.27
5,000	4,500	2,092	427	125	3,675	10,819	2.16
6,000	5,400	2,092	513	125	4,410	12,539	2.09
7,000	6,300	2,092	598	125	5,145	14,260	2.04
8,000	7,200	2,092	683	125	5,880	15,980	2.00
9,000	8,100	2,092	769	125	6,615	17,701	1.97
10,000	9,000	2,092	854	125	7,350	19,421	1.94
11,000	9,900	2,092	940	125	8,085	21,141	1.92
12,000	10,800	2,092	1,025	125	8,820	22,862	1.91

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

Items (2 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 2 months	£ per item
2,000	1,800	-	171	250	100	2,321	1.16
2,200	1,980	-	188	250	1,255	3,673	1.67
3,200	2,880	-	273	250	1,756	5,159	1.61
4,720	4,248	3,880	403	250	3,469	12,250	2.60
5,340	4,806	4,032	456	250	3,925	13,469	2.52
6,000	5,400	4,183	513	250	4,410	14,756	2.46
8,000	7,200	4,183	683	250	5,880	18,197	2.27
10,000	9,000	4,183	854	250	7,350	21,638	2.16
12,000	10,800	4,183	1,025	250	8,820	25,078	2.09
14,000	12,600	4,183	1,196	250	10,290	28,519	2.04
16,000	14,400	4,183	1,367	250	11,760	31,960	2.00
18,000	16,200	4,183	1,538	250	13,230	35,401	1.97
20,000	18,000	4,183	1,709	250	14,700	38,842	1.94
22,000	19,800	4,183	1,879	250	16,170	42,283	1.92
24,000	21,600	4,183	2,050	250	17,640	45,724	1.91

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,000 items** as at **October 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	2,205	3,000 items at standard 73.5p per item
Total income from fees and allowances pcm	7,378	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **October 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	3,675	5,000 items at standard 73.5p per item
Total income from fees and allowances pcm	10,819	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **October 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	5,880	8,000 items at standard 73.5p per item
Total income from fees and allowances pcm	15,980	

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