

## 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 2007** 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 07**.

Items per Month	Total Income from Fees and Allowances	Estimated Average Buying Profit	Indicative Total Income per Month	£ per item
1,000	1,161	657	1,818	1.82
1,100	2,203	723	2,926	2.66
1,600	3,509	1,052	4,561	2.85
2,400	5,113	1,577	6,690	2.79
3,000	5,930	1,972	7,902	2.63
4,000	7,168	2,629	9,797	2.45
5,000	8,406	3,286	11,692	2.34
6,000	9,644	3,944	13,588	2.26
7,000	10,882	4,601	15,483	2.21
8,000	12,119	5,258	17,377	2.17
9,000	13,357	5,916	19,273	2.14
10,000	14,595	6,573	21,168	2.12
11,000	15,833	7,230	23,063	2.10
12,000	17,071	7,887	24,958	2.08

**Table 2:** Indicative **annual** income in £ for national contract Essential Services by item band based on fees and allowances payable in **October 07**.

Items per Annum	Total income from fees and allowances pa	Estimated Average Buying Profit	Indicative Total Income pa
12,000	13,930	7,887	21,817
13,200	26,433	8,676	35,109
19,200	42,098	12,620	54,718
28,800	61,361	18,924	80,285
36,000	71,161	23,662	94,823
48,000	86,014	31,550	117,564
60,000	100,868	39,437	140,305
72,000	115,722	47,324	163,046
84,000	130,575	55,212	185,787
96,000	145,429	63,099	208,528
108,000	160,282	70,986	231,268
120,000	175,136	78,874	254,010
132,000	189,990	86,761	276,751
144,000	204,843	94,649	299,492

**Table 3:** Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **October 2007**

Items per Month	Item Fee	Establishment payment / Protected Professional Allowance	Special Fees and Allowances	Repeat Dispensing Set Up Fee	Transitional Allowance	Practice Payments	Total Income from Fees and Allowances per Month	£ per Item
1,000	900	-	71	125	15	50	1,161	1.16
1,100	990	775	78	125	22	213	2,203	2.00
1,600	1,440	1,500	114	125	30	300	3,509	2.19
2,400	2,160	2,016	170	125	37	605	5,113	2.13
3,000	2,700	2,092	213	125	44	756	5,930	1.98
4,000	3,600	2,092	284	125	59	1,008	7,168	1.79
5,000	4,500	2,092	355	125	74	1,260	8,406	1.68
6,000	5,400	2,092	426	125	89	1,512	9,644	1.61
7,000	6,300	2,092	497	125	104	1,764	10,882	1.55
8,000	7,200	2,092	568	125	118	2,016	12,119	1.51
9,000	8,100	2,092	639	125	133	2,268	13,357	1.48
10,000	9,000	2,092	710	125	148	2,520	14,595	1.46
11,000	9,900	2,092	781	125	163	2,772	15,833	1.44
12,000	10,800	2,092	852	125	178	3,024	17,071	1.42

**Table 4:** Indicative **Annual** income in £ from **fees and allowances** for Essential Services by item band as at **October 2007**.

Items per Month	Item Fee	Establishment Payment / Protected Professional Allowance	Special Fees and Allowances	Repeat Dispensing Set Up Fee	Transitional Allowance	Practice Payments	Total Income from Fees and Allowances per Annum	£ per Item
12,000	10,800	-	852	1,500	178	600	13,930	1.16
13,200	11,880	9,300	937	1,500	266	2,550	26,433	2.00
19,200	17,280	18,000	1,363	1,500	355	3,600	42,098	2.19
28,800	25,920	24,192	2,045	1,500	444	7,260	61,361	2.13
36,000	32,400	25,100	2,556	1,500	533	9,072	71,161	1.98
48,000	43,200	25,100	3,408	1,500	710	12,096	86,014	1.79
60,000	54,000	25,100	4,260	1,500	888	15,120	100,868	1.68
72,000	64,800	25,100	5,112	1,500	1,066	18,144	115,722	1.61
84,000	75,600	25,100	5,964	1,500	1,243	21,168	130,575	1.55
96,000	86,400	25,100	6,816	1,500	1,421	24,192	145,429	1.51
108,000	97,200	25,100	7,668	1,500	1,598	27,216	160,282	1.48
120,000	108,000	25,100	8,520	1,500	1,776	30,240	175,136	1.46
132,000	118,800	25,100	9,372	1,500	1,954	33,264	189,990	1.44
144,000	129,600	25,100	10,224	1,500	2,131	36,288	204,843	1.42

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,000 items** as at **October 2007**

Income Component	Expected Average Income per Month in £	Calculation Basis
Item Fee	2,700	3,000 items at standard 90p per item
Establishment Payment / Protected Professional Allowance	2,092	Monthly equivalent of maximum annual total of £25,100
Special Fees and Allowances	213	3,000 items at average 7.1p per item
Repeat Dispensing Set Up Fee	125	Monthly equivalent of £1,500 annual set up fee
Transitional Allowance	44	Banded transition payment being 3000 items at 1.48p per item
Practice Payments	756	3,000 items at standard 25.2p per item
<b>Total Income from Fees and Allowances per month</b>	<b>5,930</b>	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **October 2007**

Income Component	Expected Average Income per Month in £	Calculation Basis
Item Fee	4,500	5,000 items at standard 90p per item
Establishment Payment / Protected Professional Allowance	2,092	Monthly equivalent of maximum annual total of £25,100
Special Fees and Allowances	355	5,000 items at average 7.1p per item
Repeat Dispensing Set Up Fee	125	Monthly equivalent of £1,500 annual set up fee
Transitional Allowance	74	Banded transition payment being 5000 items at 1.48p per item
Practice Payments	1,260	5,000 items at standard 25.2p per item
<b>Total Income from Fees and Allowances per month</b>	<b>8,406</b>	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **October 2007**

Income Component	Expected Average Income per Month in £	Calculation Basis
Item Fee	7,200	8,000 items at standard 90p per item
Establishment Payment / Protected Professional Allowance	2,092	Monthly equivalent of maximum annual total of £25,100
Special Fees and Allowances	568	8,000 items at average 7.1p per item
Repeat Dispensing Set Up Fee	125	Monthly equivalent of £1,500 annual set up fee
Transitional Allowance	118	Banded transition payment being 8000 items at 1.48 p per item
Practice Payments	2,016	8,000 items at standard 25.2p per item
<b>Total Income from Fees and Allowances per month</b>	<b>12,119</b>	

For support, please contact the PSNC Information Team ([info@psnc.org.uk](mailto:info@psnc.org.uk) / 01296 432823)