

## 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 2009** 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 09**.

Items per Month	Total Income from Fees and Allowances	Estimated Average Buying Profit	Indicative Total Income per Month	£ per item
1,000	1,164	600	1,764	1.76
1,100	1,819	660	2,479	2.25
1,600	2,553	960	3,514	2.20
2,180	5,771	1,309	7,080	3.25
2,460	6,318	1,477	7,795	3.17
3,000	7,310	1,801	9,111	3.04
4,000	9,008	2,401	11,409	2.85
5,000	10,706	3,001	13,708	2.74
6,000	12,404	3,601	16,006	2.67
7,000	14,102	4,202	18,304	2.61
8,000	15,800	4,802	20,602	2.58
9,000	17,498	5,402	22,900	2.54
10,000	19,196	6,002	25,198	2.52
11,000	20,894	6,603	27,497	2.50
12,000	22,592	7,203	29,795	2.48

**Table 2:** Indicative **6 monthly** income in £ for national contract Essential Services by item band based on fees and allowances payable in **April 09**.

Items (6 months)	Total income from fees and allowances (6 months)	Estimated Average Buying Profit	Indicative Total Income (6 months)
6,000	6,984	3,601	10,585
6,600	10,913	3,962	14,874
9,600	15,319	5,762	21,082
13,080	34,626	7,851	42,478
14,760	37,910	8,860	46,770
18,000	43,863	10,804	54,667
24,000	54,051	14,406	68,456
30,000	64,238	18,007	82,245
36,000	74,426	21,609	96,035
42,000	84,614	25,210	109,824
48,000	94,801	28,812	123,613
54,000	104,989	32,413	137,402
60,000	115,177	36,014	151,191
66,000	125,364	39,616	164,980
72,000	135,552	43,217	178,769

**Table 3:** Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **April 2009**.

Items per month	Item fee	Establishment payment	Special fees and allowances	Repeat dispensing set up fee	Transitional allowance	Practice payments (including contribution for DDA)	Total income from fees and allowances pcm	£ per item
1,000	900	-	74	125	15	50	1,164	1.16
1,100	990	-	82	125	22	600	1,819	1.65
1,600	1,440	-	119	125	30	840	2,553	1.60
2,180	1,962	1,940	162	125	37	1,546	5,771	2.65
2,460	2,214	2,016	182	125	37	1,744	6,318	2.57
3,000	2,700	2,092	222	125	44	2,127	7,310	2.44
4,000	3,600	2,092	297	125	59	2,836	9,008	2.25
5,000	4,500	2,092	371	125	74	3,545	10,706	2.14
6,000	5,400	2,092	445	125	89	4,254	12,404	2.07
7,000	6,300	2,092	519	125	104	4,963	14,102	2.01
8,000	7,200	2,092	593	125	118	5,672	15,800	1.98
9,000	8,100	2,092	667	125	133	6,381	17,498	1.94
10,000	9,000	2,092	741	125	148	7,090	19,196	1.92
11,000	9,900	2,092	816	125	163	7,799	20,894	1.90
12,000	10,800	2,092	890	125	178	8,508	22,592	1.88

**Table 4:** Indicative **6 monthly** income in £ from **fees and allowances** for Essential Services by item band as at **April 2009**.

Items (6 months)	Item fee	Establishment payment	Special fees and allowances	Repeat dispensing set up fee	Transitional allowance	Practice payments (including contribution for DDA)	Total income from fees and allowances for 6 months	£ per item
6,000	5,400	-	445	750	89	300	6,984	1.16
6,600	5,940	-	489	750	133	3,600	10,913	1.65
9,600	8,640	-	712	750	178	5,040	15,319	1.60
13,080	11,772	11,639	970	750	222	9,274	34,626	2.65
14,760	13,284	12,095	1,094	750	222	10,465	37,910	2.57
18,000	16,200	12,550	1,335	750	266	12,762	43,863	2.44
24,000	21,600	12,550	1,779	750	355	17,016	54,051	2.25
30,000	27,000	12,550	2,224	750	444	21,270	64,238	2.14
36,000	32,400	12,550	2,669	750	533	25,524	74,426	2.07
42,000	37,800	12,550	3,114	750	622	29,778	84,614	2.01
48,000	43,200	12,550	3,559	750	710	34,032	94,801	1.98
54,000	48,600	12,550	4,004	750	799	38,286	104,989	1.94
60,000	54,000	12,550	4,449	750	888	42,540	115,177	1.92
66,000	59,400	12,550	4,893	750	977	46,794	125,364	1.90
72,000	64,800	12,550	5,338	750	1,066	51,048	135,552	1.88

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,000 items** as at **April 2009**

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	222	3,000 items at average 7.4ppi
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 7.7ppi
Practice payments	2,127	3,000 items at standard 70.9p per item
<b>Total income from fees and allowances pcm</b>	<b>7,310</b>	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **April 2009**

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	371	5,000 items at average 7.4ppi
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 1.48 ppi
Practice payments	3,545	5,000 items at standard 70.9p per item
<b>Total income from fees and allowances pcm</b>	<b>10,706</b>	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **April 2009**

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	593	8,000 items at average 7.4ppi
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 ppi
Practice payments	5,672	8,000 items at standard 70.9p per item
<b>Total income from fees and allowances pcm</b>	<b>15,800</b>	

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