

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 **January 2008** 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 **January 08**.

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	2,282	723	3,005	2.73
1,600	3,617	1,052	4,669	2.92
2,400	5,336	1,577	6,913	2.88
3,000	6,209	1,972	8,181	2.73
4,000	7,540	2,629	10,169	2.54
5,000	8,871	3,286	12,157	2.43
6,000	10,202	3,944	14,146	2.36
7,000	11,533	4,601	16,134	2.30
8,000	12,863	5,258	18,121	2.27
9,000	14,194	5,916	20,110	2.23
10,000	15,525	6,573	22,098	2.21
11,000	16,856	7,230	24,086	2.19
12,000	18,187	7,887	26,074	2.17

Table 2: Indicative **annual** income in £ for national contract Essential Services by item band based on fees and allowances payable in **January 08**.

Items per Annum	Total income from fees and allowances pa	Estimated Average Buying Profit	Indicative Total Income pa
12,000	13,932	7,887	21,819
13,200	27,384	8,676	36,060
19,200	43,404	12,620	56,024
28,800	64,037	18,924	82,961
36,000	74,509	23,662	98,171
48,000	90,478	31,550	122,028
60,000	106,448	39,437	145,885
72,000	122,418	47,324	169,742
84,000	138,387	55,212	193,599
96,000	154,357	63,099	217,456
108,000	170,326	70,986	241,312
120,000	186,296	78,874	265,170
132,000	202,266	86,761	289,027
144,000	218,235	94,649	312,884

Table 3: Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **January 2008**.

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	292	2,282	2.07
1,600	1,440	1,500	114	125	30	408	3,617	2.26
2,400	2,160	2,016	170	125	37	828	5,336	2.22
3,000	2,700	2,092	213	125	44	1,035	6,209	2.07
4,000	3,600	2,092	284	125	59	1,380	7,540	1.88
5,000	4,500	2,092	355	125	74	1,725	8,871	1.77
6,000	5,400	2,092	426	125	89	2,070	10,202	1.70
7,000	6,300	2,092	497	125	104	2,415	11,533	1.65
8,000	7,200	2,092	568	125	118	2,760	12,863	1.60
9,000	8,100	2,092	639	125	133	3,105	14,194	1.58
10,000	9,000	2,092	710	125	148	3,450	15,525	1.55
11,000	9,900	2,092	781	125	163	3,795	16,856	1.53
12,000	10,800	2,092	852	125	178	4,140	18,187	1.52

Table 4: Indicative **Annual** income in £ from **fees and allowances** for Essential Services by item band as at **January 2008**

Items per Annum	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	13,932	1.16
13,200	11,880	9,300	937	1,500	266	3504	27,384	2.07
19,200	17,280	18,000	1,363	1,500	355	4896	43,404	2.26
28,800	25,920	24,192	2,045	1,500	444	9,936	64,037	2.22
36,000	32,400	25,100	2,556	1,500	533	12,420	74,509	2.07
48,000	43,200	25,100	3,408	1,500	710	16,560	90,478	1.88
60,000	54,000	25,100	4,260	1,500	888	20,700	106,448	1.77
72,000	64,800	25,100	5,112	1,500	1,066	24,840	122,418	1.70
84,000	75,600	25,100	5,964	1,500	1,243	28,980	138,387	1.65
96,000	86,400	25,100	6,816	1,500	1,421	33,120	154,357	1.60
108,000	97,200	25,100	7,668	1,500	1,598	37,260	170,326	1.58
120,000	108,000	25,100	8,520	1,500	1,776	41,400	186,296	1.55
132,000	118,800	25,100	9,372	1,500	1,954	45,540	202,266	1.53
144,000	129,600	25,100	10,224	1,500	2,131	49,680	218,235	1.52

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,000 items** as at **January 2008**

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	1,035	3,000 items at standard 34.5p per item
Total Income from Fees and Allowances per month	6,209	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **January 2008**

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	1,725	5,000 items at standard 34.5p per item
Total Income from Fees and Allowances per month	8,871	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **January 2008**

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	2,760	8,000 items at standard 34.5p per item
Total Income from Fees and Allowances per month	12,863	

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