

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 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 **October 08**.

Items per Month	Total Income from Fees and Allowances	Estimated Average Buying Profit	Indicative Total Income per Month	£ per item
1,000	1,164	630	1,794	1.79
1,100	2,074	693	2,766	2.51
1,600	2,910	1,008	3,917	2.45
2,180	6,429	1,373	7,802	3.58
2,460	7,061	1,549	8,610	3.50
3,000	8,216	1,889	10,106	3.37
4,000	10,216	2,519	12,735	3.18
5,000	12,216	3,149	15,365	3.07
6,000	14,216	3,778	17,995	3.00
7,000	16,216	4,408	20,624	2.95
8,000	18,216	5,038	23,254	2.91
9,000	20,216	5,668	25,884	2.88
10,000	22,216	6,297	28,513	2.85

Table 2: Indicative **6 monthly** income in £ for national contract Essential Services by item band based on fees and allowances payable in **October 08**.

Items (6 months)	Total income from fees and allowances (6 months)	Estimated Average Buying Profit	Indicative Total Income (6 months)
6,000	6,984	3,778	10,762
6,600	12,443	4,156	16,599
9,600	17,459	6,045	23,505
13,080	38,577	8,237	46,813
14,760	42,368	9,295	51,662
18,000	49,299	11,335	60,634
24,000	61,299	15,113	76,412
30,000	73,298	18,892	92,190
36,000	85,298	22,670	107,968
42,000	97,298	26,448	123,746
48,000	109,297	30,227	139,524
54,000	121,297	34,005	155,302
60,000	133,297	37,783	171,080
66,000	145,296	41,562	186,858
72,000	157,296	45,340	202,636

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

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	855	2,074	1.89
1,600	1,440	-	119	125	30	1,197	2,910	1.82
2,180	1,962	1,940	162	125	37	2,204	6,429	2.95
2,460	2,214	2,016	182	125	37	2,487	7,061	2.87
3,000	2,700	2,092	222	125	44	3,033	8,216	2.74
4,000	3,600	2,092	297	125	59	4,044	10,216	2.55
5,000	4,500	2,092	371	125	74	5,055	12,216	2.44
6,000	5,400	2,092	445	125	89	6,066	14,216	2.37
7,000	6,300	2,092	519	125	104	7,077	16,216	2.32
8,000	7,200	2,092	593	125	118	8,088	18,216	2.28
9,000	8,100	2,092	667	125	133	9,099	20,216	2.25
10,000	9,000	2,092	741	125	148	10,110	22,216	2.22
11,000	9,900	2,092	816	125	163	11,121	24,216	2.20
12,000	10,800	2,092	890	125	178	12,132	26,216	2.18

Table 4: Indicative **6 monthly** income in £ from **fees and allowances** for Essential Services by item band as at **October 2008**.

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	5,130	12,443	1.89
9,600	8,640	-	712	750	178	7,180	17,459	1.82
13,080	11,772	11,639	970	750	222	13,224	38,577	2.95
14,760	13,284	12,095	1,094	750	222	14,922	42,368	2.87
18,000	16,200	12,550	1,335	750	266	18,198	49,299	2.74
24,000	21,600	12,550	1,779	750	355	24,264	61,299	2.55
30,000	27,000	12,550	2,224	750	444	30,330	73,298	2.44
36,000	32,400	12,550	2,669	750	533	36,396	85,298	2.37
42,000	37,800	12,550	3,114	750	622	42,462	97,298	2.32
48,000	43,200	12,550	3,559	750	710	48,528	109,297	2.28
54,000	48,600	12,550	4,004	750	799	54,594	121,297	2.25
60,000	54,000	12,550	4,449	750	888	60,660	133,297	2.22
66,000	59,400	12,550	4,893	750	977	66,726	145,296	2.20
72,000	64,800	12,550	5,338	750	1,066	72,792	157,296	2.18

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

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 1.48 ppi
Practice payments	3,033	3,000 items at standard 101.1p per item
Total income from fees and allowances pcm	8,216	

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

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	5,055	5,000 items at standard 101.1p per item
Total income from fees and allowances pcm	12,216	

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

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	8,088	8,000 items at standard 101.1p per item
Total income from fees and allowances pcm	18,216	

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