

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 **November 2014** 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 **November 2014**.

Items per month	Total income from fees and allowances pcm	Estimated average buying profit	Indicative total income pcm	£ per item
1,000	1,169	800	1,969	1.97
1,100	1,637	880	2,517	2.29
1,600	2,301	1,280	3,581	2.24
2,430	5,673	1,944	7,617	3.13
2,750	6,224	2,200	8,424	3.06
3,060	6,760	2,448	9,208	3.01
4,000	8,156	3,200	11,356	2.84
5,000	9,640	4,000	13,640	2.73
6,000	11,125	4,800	15,925	2.65
7,000	12,610	5,600	18,210	2.60
8,000	14,095	6,400	20,495	2.56
9,000	15,579	7,200	22,779	2.53
10,000	17,064	8,000	25,064	2.51
11,000	18,549	8,800	27,349	2.49
12,000	20,034	9,600	29,634	2.47

Table 2: Indicative **4 monthly** income in £ for national contract Essential Services by item band based on fees and allowances payable in **November 2014**.

Items per 4 months	Total income from fees and allowances per 4 months	Estimated average buying profit	Indicative total income per 4 months
4,000	4,675	3,200	7,875
4,400	6,548	3,520	10,068
6,400	9,206	5,120	14,326
9,720	22,691	7,776	30,467
11,000	24,895	8,800	33,695
12,240	27,040	9,792	36,832
16,000	32,623	12,800	45,423
20,000	38,561	16,000	54,561
24,000	44,500	19,200	63,700
28,000	50,439	22,400	72,839
32,000	56,378	25,600	81,978
36,000	62,317	28,800	91,117
40,000	68,256	32,000	100,256
44,000	74,195	35,200	109,395
48,000	80,134	38,400	118,534

Table 3: Indicative **monthly** income in £ from **fees and allowances** for Essential Services by item band as at **November 2014**.

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	-	94	125	50	1,169	1.17
1,100	990	-	103	125	419	1,637	1.49
1,600	1,440	-	150	125	587	2,301	1.44
2,430	2,187	1,940	228	125	1,193	5,673	2.33
2,750	2,475	2,016	258	125	1,350	6,224	2.26
3,060	2,754	2,092	287	125	1,502	6,760	2.21
4,000	3,600	2,092	375	125	1,964	8,156	2.04
5,000	4,500	2,092	469	125	2,455	9,640	1.93
6,000	5,400	2,092	562	125	2,946	11,125	1.85
7,000	6,300	2,092	656	125	3,437	12,610	1.80
8,000	7,200	2,092	750	125	3,928	14,095	1.76
9,000	8,100	2,092	844	125	4,419	15,579	1.73
10,000	9,000	2,092	937	125	4,910	17,064	1.71
11,000	9,900	2,092	1,031	125	5,401	18,549	1.69
12,000	10,800	2,092	1,125	125	5,892	20,034	1.67

Table 4: Indicative **4 monthly** income in £ from **fees and allowances** for Essential Services by item band as at **November 2014**.

Items per 4 month	Item fee	Establishment payment	Special fees and allowances	Repeat dispensing set up fee	Practice payments	Total income from fees and allowances for 4 months	£ per item
4,000	3,600	-	375	500	200	4,675	1.17
4,400	3,960	-	412	500	1,676	6,548	1.49
6,400	5,760	-	600	500	2,346	9,206	1.44
9,720	8,748	7,759	911	500	4,773	22,691	2.33
11,000	9,900	8,063	1,031	500	5,401	24,895	2.26
12,240	11,016	8,367	1,147	500	6,010	27,040	2.21
16,000	14,400	8,367	1,500	500	7,856	32,623	2.04
20,000	18,000	8,367	1,875	500	9,820	38,561	1.93
24,000	21,600	8,367	2,250	500	11,784	44,500	1.85
28,000	25,200	8,367	2,625	500	13,748	50,439	1.80
32,000	28,800	8,367	3,000	500	15,712	56,378	1.76
36,000	32,400	8,367	3,375	500	17,676	62,317	1.73
40,000	36,000	8,367	3,750	500	19,640	68,256	1.71
44,000	39,600	8,367	4,125	500	21,604	74,195	1.69
48,000	43,200	8,367	4,500	500	23,568	80,134	1.67

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **3,060 items** as at **November 2014**

Income component	Expected average income	
	pcm in £	Calculation basis
Item fee	2,754	3,060 items at standard 90p per item
Establishment payment	2,092	Monthly equivalent of maximum annual total of £25,100
Special fees and allowances	287	3,060 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	1,502	3,060 items at standard 49.1p per item
Total income from fees and allowances pcm	6,760	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **5,000 items** as at **November 2014**

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	469	5,000 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	2,455	5,000 items at standard 49.1p per item
Total income from fees and allowances pcm	9,640	

Illustration of monthly income from fees and allowances for new contract Essential Services for an average pharmacy dispensing **8,000 items** as at **November 2014**

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	750	8,000 items at average 9.37 ppi
Repeat dispensing set up fee	125	Monthly equivalent of £1,500 annual set up fee
Practice payments	3,928	8,000 items at standard 49.1p per item
Total income from fees and allowances pcm	14,095	

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