

**To all practices Surrey and Sussex LMCs**

18<sup>th</sup> October 2021

Dear Colleagues

## **Changes in Dispensing Fees from October 2021**

I am writing to all colleagues regarding changes in Dispensing Fees, and also non-dispensing GP colleagues who claim for Personally Administered items, including vaccines.

Dispensing practices will be aware of this issue from the Dispensing Doctors Association [DDA] site, which also includes a template letter that can be sent to local MPs.

Dispensing fees are calculated according to a formula agreed in 2012; this has been used since then and has resulted in this outcome, because of the very significant increase in prescription volumes at the outset of the pandemic (Q4 2019/20) which extended into Q1 2020/21. This pandemic related overspend is in the context of a fixed financial envelop.

The outcome is that dispensing fees will fall by an average of 33.4 pence (15.6%) from 1<sup>st</sup> October 2021, in order to deliver the 2020/21 funding envelop. There should be a partial balancing increase in fee scales from April 2022, with an average 27.6 pence increase.

The new dispensing and Personally Administered fees are available in the Annex G [p 87 – 91] of the 2021 Statement of Financial Entitlements, available below:-

[The General Medical Services Statement of Financial Entitlements \(Amendment\) \(no.2\) Directions 2021  
\(publishing.service.gov.uk\)](https://publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/1014442/2021-10-15-Statement-of-Financial-Entitlements-Annex-G.pdf)

If colleagues are interested in the detailed calculations behind this announcement, this is covered in the following NHS Digital publication.

[Proposed Dispensing Feescales for GMS Contractors, England and Wales - 2021, October release - NHS Digital](https://www.nhs.uk/consult/136722/proposed-dispensing-feescales-for-gms-contractors-england-and-wales-2021-october-release-nhs-digital)

Local Medical Committees for  
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The GPC supports the template letter (below) the DDA have provided to send to MPs to draw attention to the financial impact this will have on rural practices, and that although NHS England's gave an assurance that GP contractors would not be adversely affected by the pandemic, this will have the effect of penalising dispensing practices, many of whom have supported the Vaccination Programme across rural communities.

[Template-MP-Letter-FINAL.docx \(live.com\)](#)

With best wishes

A handwritten signature in blue ink, appearing to read 'Julius', with a stylized flourish at the end.

Dr Julius Parker  
**Chief Executive**