

CONSOLIDATED FINANCIAL REVIEW · PARTNER BRIEFING

Ashcombe Medical Practice

The dispensary, the 2026/27 contract, a new salaried GP and the growth picture

PREPARED

Illustrative

PRACTICE (FICTIONAL)

A99921 · list 8,400

DISPENSING

88% · EMIS Web

BASIS

Dispensary + QOF + contract

CONTENTS

- 01 Executive summary
- 02 The single biggest decision: a new salaried GP
- 03 Dispensary
- 04 List size, contract and funding 2026/27
- 05 QOF 2026/27
- 06 Looking ahead: list growth and local developments
- 07 Priority actions and caveats

01 Executive summary

Two financial pictures sit side by side at Ashcombe. The 2026/27 national contract settlement sets the practice's core funding for next year; on the modelled lines it nets to roughly **+£21,000** in the base case, because the headline Global Sum uplift of about £56,500 is largely consumed by cost pressures, the dispensing-fee cut, the QOF change and a withdrawn enhanced service. Separately, the dispensary is a substantial trading operation that produced a fees-and-rebates contribution of about **£172,000** over the six months to March 2026, with a clear set of recoverable levers (about £26,900 over the period).

One decision dominates everything else. A newly recruited salaried GP would unlock the practice-level GP reimbursement scheme, worth about **+£38,000**, lifting the contract position from about +£21,000 to about +£59,000. The practice's existing salaried GPs do not qualify. This is the single biggest lever in the whole review, and it links directly to the growth picture in section 06.

Several large figures here are indicative and rest on data the practice holds but has not yet supplied: the Carr-Hill weighted list (which can move the Global Sum line) and the staff paybill (which the cost-pressure figure may understate for a dispensing practice). Supplying these converts most of the review from indicative to firm.

Position at a glance

ITEM	FIGURE	STATUS
2026/27 contract, base case (no new GP)	≈ +£21,000	Indicative
2026/27 contract, with a new salaried GP	≈ +£59,000	Indicative
Dispensary contribution (fees + rebates), 6 mo	≈ £172,000	Illustrative
Recoverable dispensary margin, 6 mo	≈ £26,900	Lower bound
QOF points (run-rate)	553 / 582 (95.0%)	Illustrative
Concession-dependent margin at risk	≈ £19,000 / yr	Defend

Figures are drawn from the analysis in the sections that follow; ranges and assumptions are shown where they apply.

02 The single biggest decision: a new salaried GP

A newly recruited salaried GP unlocks the practice-level GP reimbursement scheme, about **+£38,000** a year (roughly £4.57 per adjusted patient): the difference between a contract year netting about +£21,000 and one netting about +£59,000. The practice's existing salaried GPs do not qualify, because the scheme requires a GP who has not been employed by the practice in the preceding 12 months.

It is not free money. It reimburses part of a new GP's cost (around £55,000 to £90,000 plus on-costs, depending on sessions), so it only makes sense if the clinical capacity is genuinely needed. The case for it is strongest read alongside the growth picture in section 06: if the local developments deliver, the capacity is needed anyway, and the scheme substantially offsets the cost.

Action: confirm scheme eligibility and the current terms with your ICB before the partnership commits either way, and weigh the decision together with the list-growth scenarios in section 06.

03 Dispensary

The dispensary serves a list of about 8,400, around 88% of whom dispense. Its contribution comes from **dispensing fees and rebates, not a markup on the drugs**: the drug-trading margin nets close to zero, so reimbursement runs about level with what the stock costs. The contribution (fees + rebates) ran at about £28,400 a month, roughly £172,000 over the six months to March 2026.

RECOVERABLE / AT RISK	VALUE	NATURE
Rebate below scheme rate (~13% vs ~25% achievable)	≈ £2,100 / mo	Recover (biggest lever)
Genuine shortage losses (vs Tariff)	≈ £1,850 / mo	Mitigate
Procurement anomalies (cheaper same-month source)	≈ £3,200 / 6 mo	Ordering discipline
Concession-dependent margin at risk	≈ £1,600 / mo	Defend
Recoverable lower bound (excl. at-risk)	≈ £26,900 / 6 mo	

Some lines appear under more than one lever, so the figures are lower bounds, not a single additive sum. The concession line is contribution to defend, not recover.

Full detail: the dispensary analysis, the interactive drug-level dashboard, the RawData workbook and the prepared CPE submission, all in this pack.

04 List size, contract and funding 2026/27

Core funding follows the registered list. Ashcombe's list of about 8,400 generates Global Sum capitation plus dispensing income; the 2026/27 settlement (imposed from 1 April 2026) raised the Global Sum from £123.34 to £130.07 per weighted patient, an increase of £6.73. The table models the practice-level impact; figures are indicative and use the raw list as a stand-in for the Carr-Hill weighted list.

CONTRACT LINE	£ / YR
Global Sum uplift (£6.73 × 8,400, weighted list approximated)	+56,500
Practice-level GP reimbursement scheme	0 base / +38,000 if new GP
QOF net change	-2,500
Dispensing-fee scale cut (Apr to Sep 2026)	-4,000
Net unfunded cost pressure (employer NI 15%, National Living Wage £12.71)	-24,000
Advice and Guidance enhanced service withdrawn (indicative)	-5,000
Net, base case (no new salaried GP)	≈ +21,000
Net, with newly recruited salaried GP	≈ +59,000

Offsets to weigh: the dispensing fee per item fell for April to September 2026, with an October uplift expected but not yet published; the National Living Wage rose to £12.71 an hour with employer NI at 15% and no Employment Allowance. Net effect in the base case is a modest capitation gain, not a windfall, which is why the salaried-GP scheme in section 02 matters so much.

05 QOF 2026/27

On a run-rate basis the practice is a high achiever, projected at about 553 of 582 points (95.0%) at £227.95 a point. QOF rose to 582 points with no income protection this year, so for a high achiever the risk sits in the changed indicators, not the headline. QOF maths uses the contractor population index (about 10,295), not the registered list.

INDICATOR CHANGE	EFFECT
CHOL003 cholesterol points cut 38 to 20	≈ £4,100 at risk
DM037 (new): all eight diabetes care processes, all-or-nothing	Audit completeness
HF009 (new): four-pillar therapy in HFrEF	Run a HF review
AF006: upper threshold raised 90% to 95%	Push to 95%
OB004 / OB005: obesity indicators replace the retired service	Check pathway / coding

Delivering the new indicators moves the QOF net change from a small loss toward neutral or better. These are planning estimates from published sources, not guarantees, and should be reviewed as figures are confirmed.

06 Looking ahead: list growth and local developments

Forward-looking and supplementary; it does not change the contract net above, because new-patient income is additional and separate. Ashcombe sits on the edge of a growing market town with an allocated urban extension. A real review models your own local plan, household size and registration share; the figures below are illustrative for a fictional practice.

new patients = dwellings occupied × 2.3 people × share registering here

SCENARIO	NEW PATIENTS (5 YR)	INDICATIVE INCOME / YR AT MATURITY
Low: slower build-out, ~60% register here	+ about 90	≈ £18,000
Central: urban extension over ~5 yr, ~65% register	+ about 180	≈ £36,000
High: faster build-out plus windfall sites, ~70% register	+ about 280	≈ £56,000

About £200 to £210 of gross income per additional registered patient a year (Global Sum about £130, plus dispensing fees and rebates about £62, plus QOF about £12 to £17). This is gross, before drug cost-of-goods and the staffing, premises and cost-pressure of serving the extra patients, so the net retained is materially lower. The larger pressure is **ageing, not headcount**: in an older list, demand and complexity per patient climb faster than the headcount does. This is the capacity case that the new salaried GP in section 02 is meant to meet.

07 Priority actions and caveats

- 1 **Decide the salaried-GP / reimbursement-scheme question** with the ICB. The single biggest lever (about +£38,000); confirm eligibility first, and weigh it with the growth scenarios.
- 2 **Pursue rebate recovery** by opening the wholesaler rebate rate from ~13% toward ~25%, about £25,000 a year; the largest controllable dispensary lever.
- 3 **File the CPE submission** for the over-tariff lines, prepared and ready in this pack.
- 4 **Deliver the new QOF indicators** (OB004 / OB005, DM037, HF009) to protect QOF income against the cholesterol cut.
- 5 **Watch the concession-dependent lines** through the weekly concessions update, so margin at risk is caught the week prices move.
- 6 **Plan capacity and premises** for the list-growth scenarios; engage the ICB early on the new-GP and premises questions.
- 7 **Supply the weighted list and staff paybill** to convert the two biggest contract approximations into firm figures.

Caveats

- This is a fictional sample. "Ashcombe Medical Practice" is invented and every figure illustrates the format only; nothing is drawn from any real practice.
- Contract lines are indicative, dated to the 2026/27 guidance; the Global Sum line uses the raw list as a stand-in for the Carr-Hill weighted list, and the cost-pressure figure uses a per-patient proxy.
- The growth figures are gross and forward-looking; the net retained per patient is materially lower after cost-of-goods and the cost of serving extra demand.
- QOF income level depends on the confirmed per-point basis; the direction of the changes is robust.

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