

Dispensing GP funding must reflect increasing operational pressures

The Dispensing Doctors' Association (DDA) has again urged policymakers to ensure GP dispensing fees recognise the increased GP dispensary operational costs taking effect from today (April 1, 2025).

In the 2024/25 and 2025/26 community pharmacy contractual funding outcome, pharmacies will receive a 15 per cent increase in core activity funding to compensate pharmacy employers for the increased employer costs from April 1, announced in the Autumn 2024 Budget.¹

Non-dispensing GPs in England recently secured a 7.2 per cent cash growth on the NHS GP [contract funding](#) envelope for 2025/26.²

However, NHS funding for the GP dispensing service – the 'cost' element of the dispensing fee – saw a zero uplift this year.

For safety and quality reasons, dispensing GPs must maintain a minimum level of dispensary staff cover.³ However, without increased funding for the associated employer costs, dispensing GPs will be left with no choice but to cross-subsidise this operation, diverting funding from other NHS GP services. Many have already considered closing their dispensaries.⁴

From April 1, the [National Living Wage](#) increases by 6.7 per cent⁵ as well as other increased employer costs.⁶

Dispensing GPs, which usually employ additional staff in the dispensary, now face the greatest and unprecedented challenges to their staffing budget.

The Dispensing Doctors' Association has launched the [Rural Access to Medicines and Pharmacy Services Under Pressure](#) (RAMP UP) campaign.⁷

This calls for stakeholders in rural NHS GP services to secure fair pay for NHS GP dispensaries and for rural patients to secure equitable and sustainable access to NHS medicines.



¹ [Autumn Budget 2024 - GOV.UK](#)

² [NHS England » Changes to the GP Contract in 2025/26](#)

³ [Dispensing Services Quality Scheme \(DSQS\) :: NHS Hampshire and Isle of Wight](#)

⁴ [DDA takes part in #SaveourSurgeries campaign | Dispensing Doctors' Association](#)

⁵ [National Minimum Wage and National Living Wage rates - GOV.UK](#)

⁶ [Employers' National Insurance: How 2025 rise will affect businesses and what do to now | Sage Advice UK](#)

⁷ [DDA political lobby documents | Dispensing Doctors' Association](#)

In a report, Chief Medical Officer Professor Chris Witty called for directed resources for rural areas, which typically serve older, more vulnerable populations.⁸

Dispensing Doctors' Association Chairman Dr Richard West commented: "Dispensing GPs provide one of the few sources of skilled employment in rural areas, and this should be supported rather than penalised. Dispensing GPs all over the country face well-documented additional costs of rural service delivery.

It is vital that dispensing GPs are supported and appropriately funded to provide a health service that in rural areas may be otherwise completely unavailable to patients. Levelling-up is not just about deprivation it is also about geography, and it is high time that GP funding policy recognised this."

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⁸ [CMO calls for directed resources for rural areas - DDA - Dispensing Doctors' Association](#)