

Pharmacist Locum Rates Increase – Protecting Your Business

After a decade of decline, the average Locum Pharmacist rate is rising. Will it last, what does this mean for business owners and how will they fund the increases? Insurance expert Edward Farthing of MIAB explores the implications and options for keeping the pharmacy doors open during staff absence.

Locum rates are in constant flux and easily influenced by conditions like supply versus demand, inflation and the local market.

The Pharmacy Locum market was examined by [C+D's Salary Survey](#), which revealed that the decline in the average Locum rate across the UK has levelled off 'after dropping for the past decade'. The statistics presented were fascinating: although the 'average UK rate may have risen by just 34p-per-hour since 2015', the previous decade showed a constant decline, which suggests changes are occurring.

Is this a sign of things to come, or simply a bump in the road?

C+D note that the true picture won't be available until the 2018 Salary Survey to see the trend (or not) but theorise the increase could be explained by community pharmacists migrating into general practice thus increasing the demand for Locums; a reduction in the number of EU pharmacists reducing supply; or bolder Locums standing-up for rates they believe they are worth.

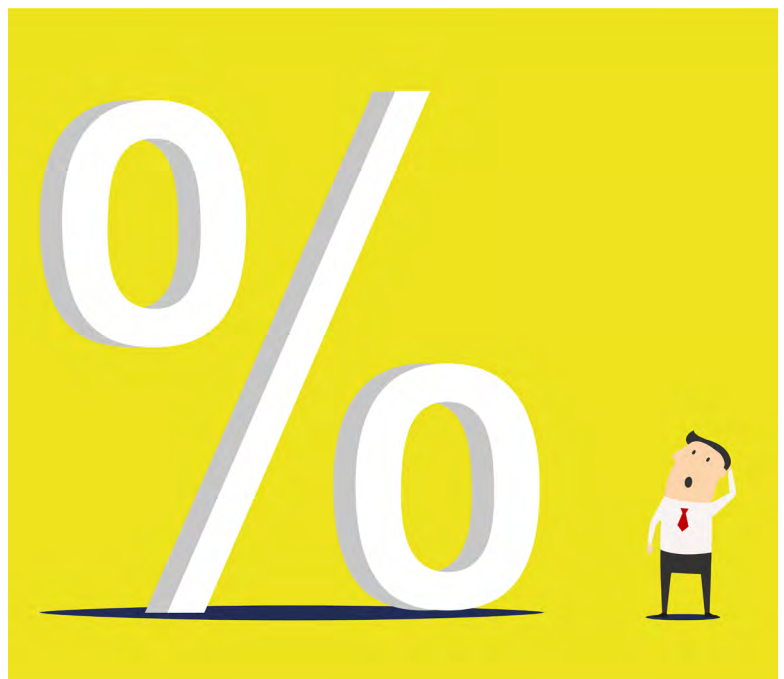
The view from General Practice

As an expert in providing insurance cover for business overheads, I believe this is a sign of things to come as similar increases are being noted in the General Practice sector.

Locum rates have risen between 2.5% and 11.3% since October 2016, depending on location according to MedEconomics and GPOne's [annual survey of Locums](#).

This may be explained by changes in [Government policy](#), which have encouraged Locums to increase their rates by upto 2% to cover rises in indemnity costs.

This has caused Locum Insurance premiums to increase due to higher levels of cover now required for each member of staff.



Practices or clinicians without insurance taking the risk to self-fund Locum cover have had to find additional funds from their already stretched reserves to pay for the increased rates, which is an unwelcome burden given the funding issues faced.

What are the potential consequences for Community Pharmacy?

Rising Locum costs may force business owners to dig even deeper to find the extra funds to cover this expense. With Government cuts massively affecting community Pharmacy funding this could prove to be a step too far when businesses are already stretched to breaking point to cover their overheads.

Business owners know that paying for a Locum - or staff overtime - is only half of the story; there are still bills to pay. From rent and mortgage or loan repayments, to utilities, insurance, tax and more, keeping the doors open and trading is expensive.



Many pharmacy businesses rely on their cash reserves to self-fund these costs. Directly affecting the bottom line, this approach offers no fixed guarantee regarding costs to be paid, which could potentially leave businesses financially exposed and vulnerable.

Business Overheads Insurance keeping the doors open

More and more pharmacy businesses are following their general practice and dental colleagues, and investigating Business Overheads Insurance as a vital safety net during unplanned periods of absence.

Business Overheads Insurance offers protection by covering the fixed expenses when owners and staff are absent, providing peace of mind that the business can continue operating smoothly.

The policy pays the sums insured – the relevant overheads - for as long as the insured person remains unable to work (up to a maximum of 52 weeks after the deferment period), and receipts are not always necessary for claims to be paid.

Cover can be provided for a variety of absences, including accident, sickness, mental illness, jury service, suspension, revalidation and travel delay, as well as maternity, paternity, adoption and compassionate leave.

To ensure you don't reach into your own cash reserves to cover the costs of hiring a Locum and keeping the doors open, MIAB can provide a Business Overheads policy tailored to your exact requirements.

MIAB are the approved supplier of insurance services to Cambrian Alliance, and specialists in insurance for the healthcare sector. I would be delighted to discuss how to protect your business and offer a no-obligation quotation for Business Overheads Insurance.

Please contact Ed on 01438 870718, edward.farthing@miab.co.uk, or visit our **Business Overheads Insurance** webpage at www.miab.co.uk/business-overheads-insurance