

Briefing 020/25: Hub and Spoke dispensing between different retail pharmacy businesses

Introduction

On 1st October 2025, hub and spoke provisions, [The Human Medicines \(Amendments Relating to Hub and Spoke Dispensing etc.\) Regulations 2025¹](#) (HMR) and [The National Health Service \(Pharmaceutical and Local Pharmaceutical Services\) \(Miscellaneous Amendments\) Regulations 2025](#) (PLPS), came into force, enabling hub and spoke dispensing between different retail pharmacy businesses (inter-company shared dispensing), subject to various conditions.

Hub and spoke dispensing within a single retail pharmacy business (intra-company hub and spoke dispensing) is already permitted and has been a feature of pharmacy practice for several years and is not affected by the new HMR and PLPS regulations.

The Government's objectives with these changes are to level the playing field (at least legally) between companies that are big enough to operate their own hubs and independent pharmacies and small chains where this is not a realistic option; and to enhance the dispensing efficiency (provide activity saving), and free up time for pharmacy staff at NHS spoke pharmacies to provide more patient-facing services and so better support patients and other parts of the NHS.

Other legislative and regulatory changes that seek to achieve the Government's objectives include changes to original pack dispensing (OPD +/- 10% dispensing), pending changes on supervision, and an increasing emphasis on skill mix and the pharmacy team in the delivery of clinical services.

Application of the new hub and spoke legislation and regulations

The new HMR regulations apply to **all** hub pharmacies and to spoke pharmacies.

The new PLPS regulations apply to **NHS** spoke pharmacies and permit pharmacy owners to subcontract part of the CPCF Essential services Dispensing service, subject to conditions, and

¹ There is also a relevant change to the Medicines Act 1968.



set out terms of service for (NHS) hub and spoke arrangements.

The PLPS regulations do not apply directly to hub pharmacies (which may or may not be owned by NHS pharmacy owners) but do apply indirectly to them.

Professional Standards

As with all pharmacy practice, the professional standards, published by the General Pharmaceutical Council (GPhC), must be met. To further assist pharmacy owners, the GPhC is publishing guidance on hub and spoke dispensing (a link will be added when this is available). Pharmacy owners are advised to read the GPhC guidance on hub and spoke dispensing, which includes recommendations on governance and risk, legal and regulatory compliance, operational processes, staffing, and patient information and experience.

Hub and spoke models

Only Model 1 hub and spoke dispensing is permitted by the HMRs and the PLPS Regulations:



Model 2 (dispensed medicines supplied directly from the hub to a patient) is not being introduced due to patient safety concerns and market entry issues.

Hub and spoke dispensing between different retail pharmacy businesses, where the spoke is an NHS pharmacy

An NHS pharmacy (spoke) may subcontract core dispensing activities (broadly the assembly or part assembly of any prescription item, which includes labelling and bagging) to a hub pharmacy **only if** certain requirements are met.

The contractor (spoke) must:

1. Take reasonable steps to **ensure that the owner of the hub pharmacy is a fit and proper person** to carry out the core dispensing functions on their behalf, and do this before entering into the hub and spoke arrangements.

This may include, for example, that the hub owner has confirmed they have suitably qualified and trained staff, appropriate indemnity cover, a business continuity plan, etc.

2. **Give notice to their integrated care board (ICB)** of the hub and spoke arrangements (using the NHS England–approved written notification form) not less than 28 days before the hub and spoke arrangements are intended to commence.

The [NHS England–approved notification form](#) must be emailed by the spoke pharmacy to the relevant ICB pharmacy contract team. ICB pharmacy contract team email addresses can be found [here](#).

The contractor may commence the hub and spoke arrangements if there is no objection from the ICB within those 28 days. So, if the contractor’s notification is by email on 1st October 2025 and there is no objection from the ICB, the arrangements may commence on 29th October 2025.

The ICB can agree on a reduced notification period, but this is only likely if there are valid reasons for urgent commencement of a new or other hub and spoke arrangements.

3. Ensure the core dispensing functions are to be **sub–contracted under written hub and spoke arrangements** (with the hub pharmacy owner) that include the following (and confirm this in the [NHS England–approved notification form](#) submitted to the ICB):
 - A comprehensive statement of the responsibilities of the spoke and the hub for the core dispensing activities.
 - A provision that the hub will assemble or part–assemble patients’ prescribed medicines, and these will be dispensed/supplied at or from the spoke. The arrangements must not allow the hub to fulfil the order directly to the patient (i.e. the arrangements must not include Model 2 hub and spoke dispensing).
 - A data sharing agreement between the parties, setting out the prescription data that will be shared between the spoke and hub (and that the data must be in accordance with the relevant NHS England information standard once it is published).
 - A clear exit clause so that the spoke can discontinue the hub and spoke arrangements (sub–contracting agreement) at the request of the ICB (in addition to any patient safety or commercial grounds either the spoke or the hub may have for discontinuing the arrangements).

- Provision that the hub may not further subcontract any of the core dispensing functions that they perform on behalf of the spoke.
 - Confirmation that the spoke has a **business continuity plan which contains provisions specific to the hub and spoke arrangements** that will seek to enable them to continue provision to patients/resume provision to patients as required following any temporary or permanent discontinuation or disruption of the service provision by the hub.
 - A requirement for the **hub to cooperate in any investigations by the spoke, commissioner, or regulatory body** in relation to any issue or incident arising from the sub-contracted functions.
4. The spoke/contractor must also **confirm that they have undertaken due diligence** to ensure the owner of the hub is a fit and proper person, as described in 1 above.
 5. **Display a notice for patients**, conspicuously, at the registered pharmacy (or, if the information is for online dispensing, (for example, a distance selling premises (DSP) pharmacy) in the dispensing content for patients on the pharmacy website), which contains the name of the hub pharmacy owner and the address of the hub and a brief statement of the general effect of the hub and spoke arrangements.
 6. **Comply with the requirements of the information gateway** (which enables the sharing of patient data between the hub and spoke without the explicit consent of a patient) by, for example, displaying an appropriate notice to patients at the pharmacy and ensuring all staff involved in the shared dispensing process maintain the confidentiality of the patient information (this is normal practice in a pharmacy). The pharmacy's privacy notice should also be updated.
 7. Ensure the dispensed medicine is **labelled with the spoke's name and address**, and the date on which the hub assembled or part assembled the medicine (as well as the usual information required on a dispensing label).
 8. Ensure that if a hub pharmacist changes a supply (in a way that a spoke pharmacist may ordinarily do so), **the final decision on supply is made by the supervising pharmacist at the spoke, even if this confirms the decision of the hub pharmacist**. For example, if a hub assembles up to 10% more or less than prescribed (an OP of 28 tablets assembled

and labelled against a prescription for 30 tablets), the final decision for supply of 28 tablets must be that of the supervising pharmacist at the spoke, even if this confirms the decision made by the hub pharmacist.

9. **Give notice in writing to the ICB of any ‘temporary discontinuation** of hub and spoke arrangements that amounts to a suspension of those arrangements’, before the discontinuation or as soon as reasonably practicable afterwards. The general aim of this requirement is that contractors notify ICBs when dispensing to patients is disrupted, but don’t notify when it isn’t.
10. **Give notice in writing of any permanent discontinuation** in hub and spoke arrangements, before the discontinuation or as soon as reasonably practicable afterwards.

The system for ICBs to raise objections and discontinue (or not commence) hub and spoke arrangements, where the spoke (or proposed spoke) is an NHS pharmacy

There is provision for ICBs to raise objections to proposed or commenced hub and spoke arrangements and, as necessary, to issue notices of objection. If the ICB issues a notice of objection, the pharmacy owner must not commence or continue the hub and spoke arrangements, as appropriate, until or unless that notice is withdrawn. Broadly, the stages of this process are:

1. **Objections, objection criteria, and further information (proposed or commenced arrangements)**

The ICB may only raise objections with, and request further information from, the contractor (spoke) in relation to one or more of the following objection criteria:

- The proposed or commenced hub and spoke arrangements do not comply with the features or conditions for subcontracting core dispensing functions – broadly, they do not comply with the conditions specified in the NHS England–approved notification form, or do not comply with hub and spoke dispensing arrangements under the HMRs or PLPS regulations.

(For example, if the contractor has not confirmed that all the conditions on the NHS England-approved notification form have been met.)

- There has been a breach of one of the features or conditions for use of hub and spoke arrangements.

(For example, if the contractor is carrying out a Model 2 hub and spoke dispensing arrangement where medicines are provided by the hub directly to patients.)

- The proposed or commenced hub and spoke arrangements would put, or do put, the safety of persons to whom the spoke provides pharmaceutical services at serious risk.

(For example, if the current delivery of pharmaceutical services by the spoke is inadequate, and the commencement or continuation of hub and spoke arrangements is a serious risk to patients.)

- The proposed or commenced hub and spoke arrangements would put, or do put, NHS England at risk of serious financial loss.

(For example, if items claimed by the spoke don't match those dispensed by the hub; the details for claiming are set out in the Dug Tariff.)

- The commenced hub and spoke arrangements have led to the spoke repeatedly breaching its terms of service or breaching its terms of service in circumstances where this is likely to be repeated.

(For example, if the spoke is no longer able to supply dispensed medicines with reasonable promptness, for example, for prescriptions for urgent antibiotics. Note: patients' regularly prescribed medicines are likely to be supplied/dispensed reasonably promptly using hub and spoke arrangements.)

- The hub's ability or fitness to carry out the core dispensing functions subcontracted to it (primarily the assembly of the dispensed medicine).
- In the opinion of the ICB, there are reasonable grounds for believing one or more of the objections listed above are established.

(The ICB may raise objections where it considers there are reasonable grounds to do so. The objections have not necessarily been proved at this stage. In many cases where the ICB raises objections, the contractor may be able to allay the ICB's

concerns with the provision of relevant information, and the ICB will then not issue a notice of objection, and the hub and spoke arrangements may commence or continue.)

2. Dispute resolution when applicable (proposed and commenced arrangements)

Key points of this stage include:

- The contractor must provide the requested information to the ICB promptly. This is a Terms of Service requirement.
- The ICB must make every reasonable effort to communicate and cooperate with the contractor with a view to resolving the matter without issuing a notice of objection.
- Where the contractor invites the Local Pharmaceutical Committee to participate in attempts to resolve the matter, the ICB must make every effort to communicate and cooperate with the LPC.

Dispute resolution is not applicable if the ICB considers that it is necessary to issue a notice of objection immediately because the proposed or ongoing hub and spoke arrangements:

- Would put, or do put, the safety of persons to whom the spoke provides pharmaceutical services at serious risk.
- Would put, or do put, NHS England at risk of serious financial loss.

3. Notices of objection (proposed or commenced arrangements)

Key points of this stage include:

- An ICB may issue a contractor a (formal) notice of objection to the hub and spoke arrangements (proposed or commenced).
- In the notice of objection, the ICB must include the reasons for issuing the notice.
- Where the ICB issues a notice of objection, the contractor must not commence the arrangements, or must discontinue them, as appropriate.

- The contractor must not commence or restart the arrangements unless or until the ICB withdraws the notice of objection.
- Any arrangements that are commenced or continued when a notice of objection is issued (and where it has not been withdrawn) are invalid (i.e., not permitted) and would be likely to have serious implications for the contractor and its senior pharmacists legally, professionally, and (NHS) contractually.

4. Dispute resolution after a notice of objection has been issued (proposed or commenced arrangements)

Key points of this stage include:

- These dispute resolution arrangements are similar to those for dispute resolution before a notice of objection is issued, but only apply if the matter has not been 'delayed' either by previous dispute resolution or involvement of the LPC.
- If the ICB considers that the issues have already been the subject of dispute resolution (before the notice of objection was issued), and there are no new issues of substance to be resolved, it does not need to enter into further dispute resolution.
- There is no contractor appeal against a notice of objection. If there is a notice of objection (that has not been withdrawn), the contractor may not commence or continue the relevant hub and spoke arrangements.
- Contractors must be able to provide the Essential dispensing service without hub and spoke arrangements.

FAQs

Why is there an overlap between the PLPS and HMR regulations?

There is an overlap between the PLPS and HMR regulations because NHS England is seeking confirmation that certain actions required by the HMRs have been completed.



Can all prescription items be dispensed using hub and spoke arrangements?

Yes. There is recognition in the new PLPS regulations that NHS hub and spoke dispensing may include all prescription items, for example, non-medicines, such as appliances, and include certain supply methods in addition to prescriptions, for example, Serious Shortage Protocols. To accommodate this, the PLPS regulations provide an information gateway for these additions, to ensure the use of patient information is permitted for all items supplied using hub and spoke arrangements (provided the relevant conditions are met, such as a notice to patients).

Why do these requirements only apply to hub and spoke arrangements between different retail pharmacy businesses, not intracompany arrangements?

There are several reasons:

First, section 10 of the Medicines Act 1968 has long permitted hub and spoke dispensing within the same retail pharmacy business (intra-company).

Second, intra-company hub and spoke arrangements do not involve subcontracting of any part of the Essential dispensing service. This is carried out by the listed contractor, and supplies to patients are made from the contractor.

Third, there are additional issues and risks associated with (and corresponding measures and controls required for) a joint dispensing process between different legal entities, which are addressed in the new HMR and PLPS regulations, and the GPhC guidance on hub and spoke dispensing.

Isn't the hub supply of assembled medicines to a spoke a wholesale transaction?

The HMRs provide that the supply of (an assembled) medicine from a hub to a spoke, as part of hub and spoke arrangements set out in the HMRs (in effect as part of a shared process for dispensing patients' prescribed medicines), is not a wholesale transaction but a deemed retail transaction.

How do I notify my ICB of a proposed hub and spoke arrangement?

You must notify your ICB using the [NHS England-approved notification form](#). NHS England states that currently:

'... notifications of a hub and spoke arrangement may be made to the ICB pharmacy contract team by email using the attached form. However, this form will be made available in the [NHS Business Service Authority \(NHSBSA\) Manage Your Service MYS portal](#) for these notifications from early 2026. Once operational, wherever possible, the notifications made in relation to a hub and spoke arrangement (starting, ending or being suspended) must be made via the NHSBSA



MYS portal. Only on the occasions that this system is unavailable or contractors do not have an MYS sign-on will notification be accepted by email to the email address of their ICB pharmacy contract team as detailed on the [pharmacy contract teams web page](#).'

Can a spoke enter into more than one hub and spoke arrangement?

Yes, a spoke can enter into hub and spoke arrangements with more than one hub. Each arrangement must be notified to the ICB.

What subcontracting of core dispensing functions is allowed in addition to (valid) hub and spoke arrangements?

A contractor may subcontract core dispensing functions to:

- A locum (or provider of locums) (including through a subsidiary company (undertaking) of the contractor (or subsidiary of a parent company where the contractor is also a subsidiary)), and
- As part of temporary (management) arrangements related to the purchase of a pharmacy, where one retail pharmacy business is carrying on the business (on behalf of) the other retail pharmacy business at the listed pharmacy premises.

May dispensing doctors have hub and spoke arrangements for the supply of medicines on prescription?

Yes. The HMRs provide that dispensing doctors may be spokes in hub and spoke arrangements for the supply of medicines on prescription. The hub must be a registered pharmacy.

If you have any queries or require more information, please contact: regulations.team@cpe.org.uk