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1 June 2022

Dear [REDACTED]

RE: SCCL-FOI-2022/23-005

Thank you for your FOI request received by the FOI office, requesting information for NHS Supply Chain catalogue usage data for the period Jan-Dec 2021.

Your request has been handled as a request for information under the Freedom of Information Act 2000 and we are able to provide a reply to your request.

As per our email on 11 May, Supply Chain Coordination Limited (SCCL) confirms it does hold the information requested, however, after careful consideration, it has been decided that the following data can be provided: product category, base description, supplied quantity and eaches but NPC codes and total sales revenue cannot be shared and has therefore been excluded from the attached response in the excel spreadsheet and exempt from disclosure under Section 43(2) (Commercial Interests) of the FOI Act. This provides that information can be withheld where disclosure would, or would be likely to, prejudice the commercial interests of any person (including the public authority holding it).

In April 2019, a new operating model for NHS Supply Chain was fully implemented, with SCCL becoming the new management function for the model and having a different criterion for the release of commercial information under the FOI Act from the NHS Business Services Authority.

SCCL manages the sourcing, delivery and supply of healthcare products, services, and food for its customers, being NHS trusts and healthcare organisations across England and Wales (SCCL's "Customers"). It is responsible for driving commercial objectives, managing the 11 specialist buying functions (known as "Category Towers") and enabling services whilst overseeing continuous improvement.

Supplier pricing is derived either under tender conditions or subsequent price competitions (mini-competitions, e-auctions etc.) and conducted under controlled, confidential processes. Prior to April 2019, the supply chain arrangements were funded by a margin being applied to the price paid to suppliers for products, that percentage margin varied across products but was consistent for similar products.

In April 2019, SCCL launched a new pricing policy ('Buy Price = Sell Price'), meaning SCCL offers prices for certain aspects of its offering with no margin on the part of SCCL included, as a commitment to provide transparency to our Customers (NHS trusts) of the prices which SCCL negotiates with suppliers as part of the commercial arrangements we put in place.

It is acknowledged that the statutory exemption provided by section 43 of the FOIA requires SCCL to consider the public interest for and against disclosure of the requested information.

Accordingly, considering the public interest arguments for and against disclosure of information to which the exemption provided by section 43 of the FOIA applies.

In conclusion, notwithstanding the strong public interest in public authorities ensuring accountability and transparency, the following public interest factors apply in the case of the requested information covered by section 43 of the FOIA:

1. SCCL, contracting NHS trusts and third-party contracting bodies have legitimate commercial interests in ensuring that the terms by which they are able to operate (including the manner in which they contract) are optimal, particularly in the current economic climate.
2. To release a copy of this data would:
 - a. damage commercial relations between the Trust and/or SCCL and its suppliers.
 - b. adversely impact on SCCL's ability to manage its relationship with both the relevant external suppliers and NHS trusts.
 - c. adversely impact on SCCL/NHS Supply Chain's ability to achieve best value solutions with its suppliers, who may be constrained in offering those solutions should they be at risk of disclosure under FOIA.

It is not in the public interest to prejudice any of SCCL/NHS Supply Chain, relevant NHS trusts and relevant supplier commercial interests at the expense of disclosure which is likely to damage commercial relations and adversely impact on our ability to manage our relationships and any future tenders.

If you are dissatisfied with this response, you may request an independent internal review of our handling of your request by submitting a complaint within two months to the postal or e-mail addresses above, quoting the reference number above. If you ask for an internal review, it would be helpful if you could say why you are dissatisfied with the response.

As part of any internal review the handling of your information request will be reassessed by a member of SCCL staff who was not involved in providing you with this response. If you remain dissatisfied after this internal review, you will have a right of complaint to the Information Commissioner as established by section 50 of the Freedom of Information Act.

If you require any further information do not hesitate to contact the FOI team.

Yours sincerely,

FOI Team

Supply Chain Coordination Limited
Management Function of NHS Supply Chain

Supply Chain Coordination Limited, a company registered in England and Wales.
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