

Sir Kenneth Stowe

REDEVELOPMENT OF THE BLOOD PRODUCTS LABORATORY, ELSTREE

1. I have authorised officials to submit the attached investment appraisal to the Treasury. As you will see, it shows very clearly the economic sense of rebuilding the Blood Products Laboratory large enough to make the NHS self-sufficient in blood products.
2. Management of the BPL will be taken over by an SHA, the Central Blood Laboratories Authority, on 1 December 1982. The new Authority, to be chaired by David Smart, will no doubt set up its own project steering group. It is likely, however, that the Authority will ask a DHSS official to serve on the group. My initial reaction would be to discourage this. We are after all establishing a statutory health authority to manage these laboratories and it should be left to get on with that task. The Department will be represented on the Authority itself - I have appointed Dr Ed Harris (DCMO) for a 2-year term. In addition the Department will see plans for the new BPL at the pre-tender estimate stage in the normal way.
3. I would welcome your views as Accounting Officer on whether representation on the project steering group is desirable.

GRO-C

GEOFFREY FINSBERG

20 October 1982

cc Mr Godfrey