



DEPARTMENT OF HEALTH AND SOCIAL SECURITY  
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GRO-C

Your reference:

Our reference:

MANAGEMENT - IN CONFIDENCE

4070

Mr R D Smart CBE  
Chairman  
Central Blood Laboratories Authority  
Blood Products Laboratory  
Dagger Lane  
Elstree  
Borhamwood, HERTS WD6 3AU

23 July 1985

REDEVELOPMENT OF BLOOD PRODUCTS LABORATORY (BPL), ELSTREE

As you know I have put to Ministers the issues raised in the Authority's letters of 18 June on the redevelopment of BPL.

Despite the acknowledged improvements brought about by the involvement of Authority members and particularly Mr Jerwood, the management of the project still gives us cause for concern.

Our Works Group have spent some considerable time becoming familiar with the details of the project and its management. The co-operation of the Authority's officers has been excellent and we are grateful for it. Following Works Group's investigation, however, it is their professional view (and one which is not given lightly) that the Authority's team should be strengthened to maintain a tight grip on the activities of the main contractor in order to ensure that there are no avoidable time over runs or cost increases. This is not intended as a criticism of the performance of the individuals concerned, but rather a reflection of the complexity of the project, and an acknowledgement that the current team is overstretched and unable to devote the time they would wish to the areas of particular concern to the Department.

We would therefore propose that the team be enhanced by the employment of a project management consultant. This has worked well in the past, for example, in the case of the new PHLSB laboratory at Colindale. A project management consultant can of course call upon the whole range of skills of his parent firm as and when necessary. We would like to be involved in achieving the speedy appointment of such a consultant. We propose that the consultant should (under the project management committee) take responsibility for cost control, project and contract administration, programme and commissioning management and fee negotiation. This would

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relieve the burden on the Authority's Administrator and the Authority's project manager could be deployed to assist the consultant where his particular skills would be most valuable.

You may like to consider having a Works Group observer attend meetings of your Project Committee so that we can more readily appreciate any problems which arise and respond more speedily to them. Work Group would be happy to provide such an observer, who would also be available for consultation by the Authority and its project manager.

I hope you will see these proposals as helpful and constructive in forwarding our common objective of completing the project on time and within cost limits.

I would, of course, be happy to discuss if you wish.

C W FRANCE  
Dictated by Mr France but signed  
in his absence by

c.c. Mr France (o/r)  
Mr Goodman  
Mr R W Davis  
Mr J James  
Dr A Smithies  
Mr M A Harris (o/r)  
Mr A J Williams

J P Cashman  
Under Secretary  
Health Services Division