

RESTRICTED - POLICY

Lord Hunt

From: Charles Lister HSD1

Date: 13 March 2000

cc: Mike McGovern HSD1

Gwen Skinner HSD1

REVIEW OF BLOOD PRODUCTS MANUFACTURING: LETTER FROM SUSAN DEACON MSP (PS(L)98730)

1. You asked for advice on a letter, received on 18 November, from Susan Deacon, about the review of blood products. I am sorry this has been so long delayed. We have, however, been in close touch with Scottish Executive officials since then to discuss handling the review and Susan Deacon is aware of this.

2. A draft reply is attached which you may wish to consider alongside my submission of 21 February on the review of UK blood products manufacturing.

Recommendation

3. We recommend that you offer to meet Susan Deacon to discuss the review and how this should be taken forward, and that you suggest combining this with a discussion on the outcome of the Scottish investigation into compensation for haemophiliacs infected with Hepatitis C through blood products.

4. My submission of 21 February includes a draft note for you to send to Secretary of State with proposals for the next stage of the review, and a draft letter seeking the agreement of the Chief Secretary. We recommend that you agree the draft letter to the Chief Secretary with Susan Deacon in advance of meeting her.

Review of Blood Products Manufacturing

5. Susan Deacon met her officials in November to discuss the review. She is content with the recommendation set out in my submission of 20 July for external consultants to be commissioned in confidence to assess options for the future of BPL. She also suggests that we ask the consultants to consider the option of holding an open competition for a national contract to provide blood products to the NHS in England & Wales.

6. If the proposed public/private partnership solution is adopted, we had envisaged that the partnership opportunity would need to be advertised through an open tender. We therefore see no difficulty in including Susan Deacon's proposal in our specification for the consultancy work. A draft specification will be submitted to Susan Deacon and yourself for approval once we have the go-ahead from the Secretary of State and Chief Secretary.

Scottish Investigation into Transmission of Hepatitis C through Blood Products

7. The Scottish Executive are currently compiling a report for publication on their investigations into issues raised by the Haemophilia Society. The investigation was

prompted by concerns that Scottish blood products were not fully hepatitis C inactivated until 1987 compared with 1985 in England. Officials aim to complete the report by the end of this month, when it will be submitted to Susan Deacon for consideration. Susan Deacon intends to publish the report with a statement on the compensation issue, although no date has been set for this.

8. We have agreed with Scottish officials that no public statement will be issued until Ministers have had a chance to consider the implications. You may therefore wish to meet Susan Deacon to discuss handling once she had had a chance to assess the evidence.

Conclusion

9. Given these developments, this would be a good time to meet Susan Deacon to discuss blood matters generally, and the BPL Review and Hepatitis C compensation issue in particular. You may also wish to clear with her in writing the draft letter to the Chief Secretary included with my submission of 21 February.

Charles Lister
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Ext **GRO-C**