

Nigel - do you wish to discuss with CMO

Make him
ask Pat to advise
you



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IN CONFIDENCE

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Dear Nigel

NATIONAL BLOOD SERVICE AND THE DEPARTMENT OF HEALTH

I am sorry to trouble you, but I have become sufficiently concerned about the working arrangements between the NBS and the DoH that I have concluded that I need to alert you on a Chief Executive to Chief Executive basis. Let me say straight away that it is not the purpose of this letter to criticise individuals – indeed the timing is stimulated by the knowledge that Charles Lister, our key contact, is looking for a well merited career progression move.

As you know, Ron Kerr was the Senior Departmental Sponsor for the NBS and both the Chairman and I had regular personal contact with him as required by the Guide to Managing the Relationship between the Department and its Arm's Length Bodies (March 1999). He was supported primarily by Charles Lister, who handled all the routine business, and by Dr Mike McGovern, who provided a substantial medical linkage, including dealing with MSBT. David Hewlett provided additional support and direction (at what I know as Grade 5 level) as and when required.

Ron Kerr's departure at the time of the restructuring of the Department saw Dr Pat Troop becoming our Senior Departmental Sponsor. Unfortunately, within a quite short time and before we had had time to build a working relationship, Pat became totally immersed in the aftermath to September 11 and, after a further hiatus, Prof. Lindsey Davies became our Senior Departmental Sponsor. I have to say that in our dealings with Lindsey Davies, I have been impressed with her grasp of the issues: but we are a relatively small part of her concerns and the fact that she is not based in London inevitably means that she is not "embedded" in the day to day activity at the Department. Indeed, it is difficult to conceive how she can be expected to carry out the full role of Senior Departmental Sponsor as is set out at paragraph 2.12 and Annex A of the Arm's Length Guide.

Charles Lister has therefore had to be the main link and has provided excellent support. But he has become completely overwhelmed by the amount of business that needs to be conducted. This has been exacerbated by the increase in the scale and number of issues on which the NBS currently requires substantial DoH input. You are aware of Project Red; this has occupied Charles more or less fulltime for several months. In the meantime, essential capital proposals (tactical and strategic redevelopment of blood centres and the replacement of the NBS core IT system for example) are being delayed. Nor has the DoH



been able to respond in a timely fashion to policy advice we require on the future of all hepatitis C testing and on issues relating the detection of vCJD through blood testing. At another level they have been unable to make the arrangements to replace the non-executive medical Board member (Prof. Sir Keith Peters) who resigned at the end of March having given us well over three months notice!

The reality is that Charles has no support at either grade 5 or 3 level and the medical input is geared to the broader aspects of communicable diseases rather than the specific issues faced by the Blood Service. I think this issue is made more acute by the fact that the NBS is essentially a major operational service and is looking for the sort of policy and management support that other major operational bodies of an Arm's Length nature in the NHS currently receive.

I am raising this with you now as we have already experienced significant delays on important issues and I see little prospect of the situation changing. I think you should be aware of this and frankly I am not sure how best to go about trying to improve the situation other than by a change in the management arrangements. Once again I repeat I am not criticising individuals but I am concerned that the fragility of the present arrangements are leaving both the NBS and the DoH exposed to significant risk and the danger of history repeating itself.

I am of course willing to discuss this with you in more detail should you wish. I have raised the matter with my Board in confidence and they are both aware of the fact that I am writing to you and agree that I should.

Yours sincerely

GRO-C

Martin Gorham
Chief Executive