

POLICY IN CONFIDENCE

Mr Canavan CA.OPU2

From: Roger Scofield CA.OPU

Date: 10 August 1992

cc: Dr Rejman
Mr Dobson
Mr Milledge SolC2

NATIONAL BLOOD AUTHORITY

1. Richard Armstrong's minute of 30 July confirms that PS(H) has accepted the recommendations and actions proposed in my submission of 24 July whilst adding a number of comments. We agreed last week the various actions now called for and I am recording these for reference.

2. The key new feature compared to the Working Group's report is that PS(H) has given firm backing for the NBA to take direct management control of the RTCs. He is not keen on setting up a formal joint DH/NBA Planning and Implementation Group. We can cover the latter through normal administrative action. The change to direct management will need careful handling and particularly presentation to those directly affected. It should therefore be dealt with on a "Policy in Confidence" basis until an announcement is made to management and staff. We need to do this in correct order and I suggest this is - ME; RGMS (and Chairmen); Trade Unions; RTCs.

3. In order to do this we need to inform the Management Executive at their meeting 2 September and then the RGMS at their meeting with the Management Executive 10 September. Chairmen can be informed simultaneously. We agreed that the easiest way to do this would be for Mike Malone-Lee to put a draft paper for the RGMS to the ME meeting for agreement. It could be circulated to Chairmen in parallel with the RGMS and we might get Sir Colin Walker to give it a commendation to his Chairmen colleagues. Since RGMS are likely to wish to consult their RTDs for advice, we need to let the RTDs have a copy of the paper on a "Personal - In Confidence" basis. We need to have draft papers awaiting Mr Malone-Lee on return from leave 24 August.

4. You also agreed to consult HAP concerning discussions with the Trade Unions. We need to be clear whether we are informing them, consulting them or negotiating, etc, and of any obligations reference timescales, eg do we have to give them a time in which to comment? We also need to consider what form any announcement should take. It will possibly be during the recess so a Parliamentary Statement or PQ would not be applicable. How much could be said to avoid creating huge insecurity throughout the NBTS and CBLA?

5. I have contacted Catherine Hawkins at Bristol - she is the lead RGM on blood services. It is important to ensure her support when the paper is taken 10 September. She is not coming up to London before that date so it will be necessary to correspond with her in the first instance and then see if we can clear any outstanding points by telephone. We may have to go down and visit her at Bristol as a last resort. Will you please provide me with a note to send to her as soon as possible.

6. Minister is also keen that BPL should move to independent status in due course. He acknowledges that this may take time and suggests that CBLA should seek Agency status in the meantime. On the former, we need to agree with NBA and BPL a plan and timetable for achieving BPL's independence. On the latter point we need to go back to PS(H) in due course with proposals for the interim. Agency status would imply transferring CBLA to the Department (rather than the NHS) and I do not think that that is his intention.

7. The aim must be to get the NBA set up in its interim form as soon as possible and to tease out the implications of direct management of the RTCs, the development of BPL towards independence and the location of the Headquarters office. For this reason we need to hold informal confidential discussions with Harold Gunson (Director - NBTS) and Barry Savery (Finance Director - CBLA) as soon as possible. I have arranged for them to come in on Wednesday, 12 August, at 2.00 pm.

8. Harold Gunson and Barry Savery are of course both members of the NBA Technical Working Group. I have arranged to brief Richard Walker, Chief Executive of BPL, on a confidential basis on Monday, 10 August, so that he is not excluded. I do not want him to think that we are consulting with the Director NBTS but not his opposite number at CBLA. I will leave Mike Malone-Lee to speak to Ron Wing, the Chairman of CBLA, when they meet on Mike's return.

9. You are also discussing with HAP the rules of the game affecting appointment to the NBA at Director level and the nomination of a suitable Chairman. Mike Malone-Lee suggested we should compare our proposals with the boards of NHSSA and ULTRA.

10. It was agreed that you would prepare a paper for Solicitors Department to consider the implications of a possible investigation by the Office of Fair Trading into BPL's trading position. Although we need to take immediate advice from Solicitors on this, I anticipate that it will take some long time before this whole area is finally settled.

11. You also undertook to start discussions with Solicitors on the terms of any regulations that might be required to set up the NBA, both in its interim form and in its final form. So far we have thought of the NBA going live in April 1993 but if we are going to distinguish between an interim and final form then "going live" may be brought forward to an earlier date, albeit we will recognise that the accountancy changeover may not be effected until the end of the financial year.

12. So far as comments back to the Minister are concerned, I think that we can leave these for the time being until we have made some progress with the papers to ME, etc. We can then go back at an appropriate time - certainly before the CBLA Review.

13. In addition to PS(H)'s comments, we have the letter from Ron Wing to Mike Malone-Lee dated 23 July and you undertook to provide briefing on this for Mike's return.

14. In order that we can all be working to the same timetable, you may wish to turn the above into a more streamlined action list with dates against each task.

GRO-C

R M T Scofield

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