Witness Name: Mary Evelyn Grindley
Statement No: WITN2336001
Exhibits: WITN2336002- WITN2336007
Dated: 26th February 2019

INFECTED BLOOD INQUIRY

EXHIBIT WITN2336007

JM/2

Department of Health and Social Security
Hannibal House Elephant and Castle London SE1 6TE

Telex 883669 Telephone 01-703 6380 ext

LP1

Mrs M E Grindley
GRO-C
LONDON
GRO-C

Your reference

Our reference
H/B13/25
Date
16 March 1981

Dear Mrs Grindley

Thank you for your letter of 12 February addressed to the Prime Minister about Factor VIII. I have been asked to reply and I am sorry that I have not been able to do so earlier.

The National Blood Transfusion Service, including the Blood Products Laboratory, was the subject of an adjournment debate on 15 December. In his reply (a copy of which I enclose) Sir George Young spoke about the need to redevelop the Blood Products Laboratory which manufactures a range of blood products for the NHS, including Factor VIII for the treatment of haemophiliacs. However, Sir George emphasised that it is not possible to redevelop overnight a facility as complex as that Laboratory. A number of issues are involved - for example funding, technology and plasma supply - and it will necessarily be several years before redevelopment can be completed. Planning has already begun, however, and although I cannot yet say how soon it will be possible to start building, I can assure you that Ministers are very much aware of the need for the new Laboratory.

You have asked Mrs Thatcher to stop the import of Factor VIII from abroad. May I say that I can understand your feelings, but I am afraid that this is simply not possible at present. However, the upgrading programme described by Sir George will enable the Blood Products Laboratory to double its output of Factor VIII by the end of next year though it will still be necessary for health authorities to purchase some Factor VIII commercially.

Yours sincerely

GRO-C

S C YUILLE (MRS)
Health Services Division 2

John Maples M.P.

HOUSE OF COMMONS
LONDON SW1A 0AA

2nd November, 1983

Kenneth Clarke Esq MP
Minister of State
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London SE1

Dear Kenneth,

Mr J Grindlay, GRO-C, London GRO-C

Mr Grindlay is a constituent of mine who came to see me. He suffers from Haemophilia and as a result has to have regular blood transfusions. He is very concerned about the spread of AIDS, particularly as apparently the United Kingdom imports most of its blood products from the United States. The particular ingredient which he requires, "Factor 8", the clotting factor, is I understand imported mainly from Alpha Therapeutic Corporation in California. As you know, there has been a serious spread of the AIDS problem in the United States and it can be passed on by blood transfusions.

Mr Grindlay tells me that another Haemophiliac, GRO-A recently died of AIDS which he acquired from a foreign blook product.

This seems to me to be a very serious problem, and I should be grateful if you could let me know what action the DHSS is taking to make sure that AIDS is not imported into the United Kingdom with foreign blood products. Is there any way of synthesising these products and is there any programme to ensure that the United Kingdom is self-sufficient in blood products at some forseeable time in the future?

I enclose some copies of newspaper articles which Mr Grindlay gave me.

I look forward to hearing from you.

Yours ever,

GRO-C: J Maples

JMD GRO-C: Mary Grindley - I or my husband sent a letter to Kenneth Clarke.

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Joint Parliamentary Under Secretary of State

PO(6)4259/11

John Maples Esq MP

16 DEC 1985

Dear M. Maples,

Thank you for your letter of 2 November addressed to Kenneth Clarke about Acquired Immune Deficiency Syndrome (AIDS) and the supply of blood products in this country.

I can well appreciate the anxiety, particularly amongst haemophiliacs and their families which recent press reports on AIDS may have caused and would first of all like to put matters into perspective: the cause of AIDS is as yet unknown and there is no conclusive proof that the disease has been transmitted by American blood products. Nevertheless, I would like to assure your constituent that the Government is committed to making this country self-sufficient in blood products. Over £2m has already been spent on improving the production facilities of the Blood Products Laboratory at Elstree, Herts and a major redevelopment programme is under way. When this is complete the Central Blood Laboratories Authority will have a new Laboratory of a size capable of meeting the demands of England and Wales for blood products. Meanwhile, in the absence of a satisfactory alternative, we shall be dependant upon imports from the USA for an adequate supply of Factor VIII. While there is as yet no test for AIDS, such imports, prepared from plasma collected after March this year, will be subject to new regulations initiated by the US Food and Drug Administration, designed to exclude donors from high risk groups, (eg persons with symptoms and signs suggestive of AIDS; sexually active homosexual or bisexual men with multiple partners: intravenous drug abusers). Although future supplies of Factor VIII both for export and for use in America will be manufactured from plasma collected in accordance with these Regulations, there is still a quantity of stock which has been made from "pre-March" plasma. The FDA has recently decided not to ban the use of such stocks because to do so would cause a crisis of supply. The same considerations apply here.

We are of course anxious to minimise the possible risk of the transmission of AIDS by blood donation in this country. My Department, in conjunction with Regional Transfusion Directors, has issued a leaflet "AIDS and how it concerns blood donors" which asks people from high risk groups to refrain from giving blood. A copy is enclosed.

I hope you find this useful.

Yours sincerely

GRO-C

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

From the Joint Parliamentary Under Secretary of State

PO(6)9337/7

The Hon Colin Moynihan MP

14 DECEMBER 1987

Dear Colin,

Thank you for your letter of 13 October to Tony Newton on behalf of Mr Grindley of GRO-C, London about the safety of blood products for haemophiliacs and supplies of AZT. I am very sorry for the delay in replying.

In October 1984 experimental work was published which showed that the Human Immunodeficiency Virus (HIV) in Factor VIII could be inactivated by heat treatment. Following this discovery heat treated Factor VIII became more widely available and since January 1985 all imported Factor VIII released in this country has been heat treated. There is no evidence to suggest that there is any risk of infection from the commercial blood products currently in use in this country. Since April 1985 the Blood Products Laboratory (BPL) at Elstree has been producing its own heat treated Factor VIII. There is no evidence that this product has transmitted infection.

You will by now be aware of our decision to give an ex-gratia grant of £10 million to the Haemophilia Society. This is to enable them to set up a special trust fund from which to make payments to haemophiliacs previously infected with HIV through the use of blood products. The Society will be able to make payments to affected individuals and their dependents throughout the United Kingdom.

There are sufficient supplies of Retrovir (AZT) for the treatment of all eligible patients. I have been advised that all patients with an urgent clinical need for Retrovir treatment are able to receive the drug. As with other forms of treatment, it is for the clinician involved to decide if a particular patient should receive Retrovir.

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Richmond House, 79 Whitehall, London SW1A 2NS

Telephone 01-210 3000

From the Parliamentary Under Secretary of State for Health

PO(4)2337/4

19 APR 1988

The Hon Colin Moynihan MP

Dear Colin

Thank you for your letter of 1 March about your constituent, Mr J Grindley of GRO-C London and his concern over the availability of life assurance for haemophiliacs infected with the Human Immunodeficiency Virus and the funding of treatment for haemophiliacs. I am sorry for the delay in replying.

Decisions as to the risks underwritten by insurance companies are a matter for the commercial judgement of individual insurance companies. The Government does not intervene in these decisions and recognises that insurance companies must take account of the commercial implications AIDS and HIV infection present. However the Government is in touch with the Association of British Insurers to ensure that each new application for cover is judged solely on the individual circumstances of the proposer.

The provision of health services for haemophiliacs is well established and rests with individual Health Authorities who have a detailed knoweldge of local circumstances, and are therefore best placed to determine local needs and priorities. You may therefore wish to contact the Chairman of West Lambeth District Health Authority, Mr J Garnett CBE, on the question of funding for prophylaxis at St Thomas' for this financial year. His address is:

St Thomas' Hospital
Lambeth Palace Road
London SE1 7EH

I hope this advice is helpful to your constituent.

Yours ever

GRO-D

Finally, we have fully financed the new £60 million BPL at Elstree to ensure the earliest possible completion date. The new factory was opened on 29 April 1987, production is expected within the next few months, leading to very substantial production next year and self-sufficiency in all blood products by 1989.

I hope that this has helped to explain the situation.

Yours sincerely,

GRO-C

LORD SKELMERSDALE

lost the first part of this letter but this ending is important.

GRO-C: Mary Grindley

The Haemophilia Society
123 Westminster Bridge Road
London SE1 7HR
Telephone: 071-928 2020
Fax: 071-620 1416

Our Ref: DGW/JM

5 November 1990

John Grindley
GRO-C
London
GRO-C

Dear John

Thank you for your letter dated 28 October 1990. I have searched high and low but I can nowhere find, easily, the batch numbers which I mentioned on the telephone to you last week. Should I find them I will let you have them but we have got miles of paper here!!

Yours sincerely

GRO-C

David G Watters
General Secretary

The Haemophilia Society
123 Westminster Bridge Road
London SE1 7HR
Telephone: 071-928 2020
Fax: 071-620 1416

Our Ref: DGW/AS

3 January 1991

Mr John Grindley
GRO-C
London GRO-C

Dear John

Thank your for your letter dated 1 January 1991 advising us of your new address. We have noted that on our records and, hopefully, it will reach the computer in time to ensure that your next mailing, due out on 7 or 8 of January, goes to your new address.

With regard to the batch numbers I am afraid I cannot find them but would suggest that it is more important, at the moment, for you to listen to the advice of your lawyer and whether or not you should go to court. It does, for instance, seem almost certain that legal aid would be withdrawn and that, of itself, is a most important feature to bear in mind since, my undertanding at least, is that the lawyers will advise those with solid cases not to accept this offer but to proceed through a different route. As I say, the important thing is to listen carefully to your own lawyer who may even have access to those batch numbers since the lead solicitors certainly had access to all my papers.

GRO-C

David Watters
General Secretary

Richmond House 79 Whitehall London SW1A 2NS Telephone 0171 210 3000
From the Secretary of State for Health

POH(1)5479/22

The Rt Hon Eric Forth MP

15 APR 1997

Thank you for your letter of 5 January enclosing correspondence from Mrs M E Grindley of GRO-C about the treatment of people with haemophilia, particularly the availability of recombinant Factor VIII. I am sorry you have not received an earlier reply.

I expect that Mrs Grindley will know that on 26 February I announced that I was requiring all health authorities to make arrangements for recombinant Factor VIII to be made available to children under 16 and to new patients, and I am glad that I have been able to do this.

I should explain, however, that this does not mean that the Department of Health accepts that a clinical case has been made for the general use of recombinant Factor VIII rather than the plasma derived alternative. We made the decision that the recombinant product should be available to the specified groups because we know that because of past experience of blood borne infections, those with haemophilia, and their families, have worries about the products they receive. For them, the possibility of any risk, however theoretical and unquantifiable, is likely to cause particular fears. Mrs Grindley writes, understandably, because her husband contracted AIDS as a result of NHS treatment, and I was very sorry to hear this.

After very careful consideration, we decided that it would be best to require health authorities to make recombinant Factor VIII available to children under 16 and new patients. The decision has been welcomed by the Haemophilia Society and by the UK Haemophilia Centre Directors' Organisation, and I hope Mrs Grindley will welcome it also.

GRO-C

FRANK DOBSON

HOUSE OF COMMONS
LONDON SW1A 0AA
Office: 0171 219 4404 Secretary: 0171 219 5000
Fax: 0171 219 4746

18th April 1995

Dear Mrs Grindley,

Thank you for your letter about the Hepatitis C Campaign being run by the Haemophilia Society.

I have much sympathy with your comments and with the points which the Society make. As you may know, the issue has already been ventilated in the House of Lords, where the Minister explained that the Government does not accept liability for those infected by contaminated blood products on the grounds that such patients received the best treatment available, given the medical knowledge at that time. Whilst a parallel can be drawn with those who contracted HIV, the Minister claims that this was a special case, that the consequences are not comparable and that agreeing to what would be in effect no-fault compensation could involve substantial expenditure, not only for those cases, but for others of a similar nature for which a precedent would have been created.

However, having explained the Government's stance, I do accept that there is an argument for consideration being given to ex-gratia payments in certain cases and I shall seek opportunities to raise this in the House of Commons or informally with Ministers.

Yours sincerely,

Mrs Mary Grindley
GRO-C
London GRO-C

GRO-C: Roger Sims

GRO-C

London GRO-C

3rd September 1996

Dear Baroness Thatcher,

I am writing to ask you to use your considerable influence to persuade the government to withdraw the current VAT on genetically engineered recombinant clotting factors used to treat haemophiliacs.

At the present time ,most haemophilacs are still being treated with human blood products which carry with them disease and possible death because the VAT on non-human blood products makes it too expensive for Haemophilia Centres to buy. Yet this is really false economy; if haemophilacs become ill millions more will be needed to treat them.

History has shown us ,as you well know, that blood borne viruses can cause devastation to the haemophilia community; it would be foolish to assume that this will not happen again .We now have the technology to prevent this happening again.

As a widow of one of the 600 haemophiliacs who have already died of A.I.Ds I can tell you my husband John suffered a terrible death and my son and I will never get over the trauma.(I recently had to quit teaching as I suffered a breakdown because of my husband `s death and suffering.). You are very lucky; you still have your husband by your side.

Last time the government ,of which you were in charge ,did nothing with disasterous consequences. Please act now in order to help avert another disaster. You owe the haemophilia community that much.

GRO-C: Mary Grindley

HM CUSTOMS & EXCISE
VAT POLICY Branch VAT4A
New King's Beam House
22 Upper Ground, LONDON, SE1 9PJ
Telephone: 0171 865 5399 GTN: 3913 5399

Mrs M E Grindley
GRO-C
London
GRO-C

Your Ref:

Our Ref: TO/1157/96

DATE: 16 August 1996

Dear Mrs Grindley

You recently wrote to the Prime Minister about VAT on synthetic Factor VIII. Your letter has been forwarded to this Department as we are responsible for administering the tax, and I have been asked to reply.

It may be helpful if I explain that all drugs and therapeutic substances supplied by manufacturers and wholesalers to hospitals are chargeable with VAT at the standard rate. UK law provides exemption only for blood and substances derived from human blood and this allows us to exempt supplies of human Factor VIII. Following scientific advice from the Department of Health on the nature of these products, Customs advised suppliers that as recombinant Factor VIII is synthetic and not derived from human blood, it is not covered by the exemption and should be standard rated. This is in line with the VAT liability of these products in other Member States.

An extension of the exemption to synthetic products would be contrary to the EC Sixth Directive. Moreover, any changes to the Directive would require unanimity and could not be achieved quickly. You may be interested to note however, that this is one of a number of areas in which the Government will be asking the EC Commission to bring forward proposals to modernise the Directive to take account of scientific developments, changes in business practice and so on that have taken place since 1977.

I am sorry to give what you may find a disappointing reply but I hope that it helps to clarify the position.

Yours sincerely

GRO-C

L R ROWLANDS (MISS)

GRO-C

London GRO-C

3rd September 1996

Dear Mr.Clarke,

I am writing to ask you ,as Chancellor of the Exchequer, to withdraw the current VAT on genetically engineered recombinant clotting factors used to treat haemophiliacs.

At the present time most haemophilacs are still being treated with human blood products which carry with them disease and possible death because the VAT on non-human blood products makes it too expensive for Haemophilia Centre to buy. Yet this is really false economy if haemophilacs become ill; millons more will be needed to treat them.

History has shown us ,as you well know, that blood borne viruses can cause devastation to the haemophilia community; it would be foolish to assume that this will not happen again .We now have the technology to prevent this happening again.

As a widow of one of the 600 haemophiliacs who have already died of A.I.Ds I can tell my husband John suffered a terrible death and my son will never get over the trauma.(I recently had to quit teaching as I suffered a breakdown because of my husband `s death and suffering.) Last time the government did nothing .This time please act before its too late.

No reply sent. I had sent letters before and received none back. I also sent letters before and after John died to Margaret Thatcher without reply.

Treasury Chambers, Parliament Street,
London SW1P 3AG

Sir Roger Sims JP MP
House of Commons
London SW1A 0AA

29 OCT 1996

Dear Roger

You wrote to Michael Jack on 17 September enclosing a letter from Mrs M E Grindley, GRO-C GRO-C about VAT on recombinant Factor VIII. I am replying as the Treasury Minister responsible for Customs and Excise matters. Mrs Grindley also wrote to the Prime Minister about the same matter and Customs replied to her in similar terms.

It may be helpful if I explain that all drugs and therapeutic substances supplied by manufacturers and wholesalers to hospitals are chargeable with VAT at the standard rate. The funding received by NHS hospitals from central Government reflects the fact that they are not able to recover the VAT incurred on such supplies.

Human blood and substances derived from it including the traditional Factor VIII are exempt. Recombinant products, being synthetic and not derived from human blood, are therefore not within the exemption. Following advice from the Department of Health on the nature of these products, Customs advised suppliers that recombinant Factor VIII (but not traditional Factor VIII) should be standard-rated. This is in line with the VAT liability of these products in other member states.

Any extension of the exemption to synthetic products would be contrary to the EC Sixth VAT Directive agreed by member states in 1977. You may be interested to note that this is one of a number of areas in which the Government will be asking the EC Commission to bring forward proposals to modernise the Directive to take account of scientific developments, changes in business practice and so on that have taken place since 1977. However, any changes to the Directive would require unanimity and could not be achieved quickly.

Yours

GRO-C

THE HON PHILLIP OPPENHEIM MP

T

GRO-C

London GRO-C

3rd September 1996

Dear Mr.Dorrell,

I am writing to ask you ,as Health Minister, to persuade the government to withdraw the current VAT on genetically engineered recombinant clotting factors used to treat haemophiliacs.

At the present time most haemophilacs are still being treated with human blood products which carry with them disease and possible death because the VAT on non-human blood products makes it too expensive for Haemophilia Centre to buy. Yet this is really false economy if haemophilacs become ill; millons more will be needed to treat them.

History has shown us ,as you well know, that blood borne viruses can cause devastation to the haemophilia community; it would be foolish to assume that this will not happen again .We now have the technology to prevent this happening again.

As a widow of one of the 600 haemophiliacs who have already died of A.I.Ds I can tell my husband John suffered a terrible death and my son will never get over the trauma.(I recently had to quit teaching as I suffered a breakdown because of my husband `s death and suffering.) Last time the government did nothing .This time please act before its too late.

Reply attached.

GRO-C: Mary Grindley

NHS
Executive

Headquarters

Department of Health
Eileen House
80-94 Newington Causeway
London SE1 6EF

Tel 0171-972 2000

Mrs M E Grindley

GRO-C

LONDON

GRO-C

7 October 1996

Dear Mrs Grindley

Thank you for your letter of 3 September to Stephen Dorrell about treatment for haemophiliacs, to which I have been asked to reply.

You raised the matter of VAT on recombinant Factor VIII. Questions of VAT are for Customs and Excise. They ruled last year that recombinant Factor VIII products, like other recombinant pharmaceutical products, do not qualify for statutory relief from VAT because they are neither human blood nor derived from human blood. The human albumin used is present as stabiliser, not as the active ingredient. The price charged for recombinant Factor VIII is a matter for the manufacturing companies concerned.

Products derived solely from human plasma have a good safety record. All currently licensed forms of recombinant Factor VIII use human albumin as a stabiliser and are not therefore wholly artificial and free from risk.

Like other treatments, recombinant Factor VIII is available to NHS patients if their doctor decides that they should receive it, taking account of the patient's individual needs, the alternative treatments available and the availability of resources.

Yours sincerely

GRO-C

M HARVEY

SHAUN SPIERS

Member of the European Parliament for London South East

Mrs M Grindley

GRO-C

London

GRO-C

11 October 1996

Dear Mrs Grindley,

Thank you for your letter of 22 September concernign VAT on synthetic blood products. Mr Spiers is away on parliamentary business and has asked me to write to you to let you know what action he is taking.

Mr Spiers is writing to the Commissioner with responsibility for VAT to ask that the Commission considers raising this issue with the Council of Ministers. It will take at least six weeks to get an answer from the Commissioner.

As you know it is withing the power of the British Government to take this matter up in the Council of Ministers in order to seek to overcome this dangerous situation. Mr Spiers will also therefore contact Chris Smith MP (Shadow Health Secretary) and Gordon Brown MP (Shadow Chancellor of the Exchequer) to alert them to this anomaly.

As soon as Mr Spiers receives reply from the Commissioner he will contact you again. Thank you for bringing this issue to his attention.

Yours sincerely,

GRO-C

Rob Yeldham
Constituency & Public Relations Manager

London:
Sunways House, 298 Broadway,
Bexleyheath, Kent DA6 8AH
Tel: 0181 298 9339
Fax: 0181 298 9959

Brussels:
BEL 4.134, European Parliament
97-113 Rue Belliard, 1047 Brussels.
Tel: (00) 322 284 5940
Fax: (00) 322 284 9940

SHAUN SPIERS

Member of the European Parliament for London South East

Mrs Grindley

GRO-C

London

GRO-C

11 February 1997

Dear Mrs Grindley,

Mr Spiers is currently in Brussels attending the European Parliament. He has asked me to contact you to update you on the issue of VAT on man-made Factor VIII.

Mr Spiers has received a reply from Commissioner Monti. Mr Monti is responsible for VAT. Unfortunately he has stated that the Commission does not intend to exclude man-made factor VIII from VAT. Mr Monti has pointed out that there is provision under the Sixth VAT Directive for countries to zero rate man-made Factor VIII where they zero rated it prior to 1991. Effectively he is saying that this is a matter for the British Treasury.

Mr Spiers is intending to ask a Parliamentary Question about the apparent contradiction between European Union policies on VAT and public health in relation to man-made factor VIII. It is unlikely that the Commission will change its position at this stage, however we can, at least, highlight the problem. Once Mr Spiers receives an answer (and this will again take some time) he will contact you again.

Yours sincerely,

GRO-C

Rob Yeldham
Constituency & Public Relations Manager

London:
Sunways House, 298 Broadway,
Bexleyheath, Kent DA6 8AH
Tel: 0181 298 9339
Fax: 0181 298 9959

Brussels:
BEL 4.134, European Parliament
97-113 Rue Belliard, 1047 Brussels.
Tel: (00) 322 284 5940
Fax: (00) 322 284 9940

EUROPEAN PARLIAMENT

WRITTEN QUESTION E-1191/97
by Shaun Spiers (PSE)
to the Commission
(3.4.1997)

Subject: Public health policy

Does the Commission recognize the contradictions between its policy of promoting better public health, and in particular EU funding of types of activity for limiting the spread of AIDS/HIV, and the charging of VAT on man-made Factor VIII?

Does the Commission accept that charging VAT on man-made Factor VIII provides an incentive to health care providers to use human factor VIII which results in a higher risk of infection?

Accordingly, will the Commission consider amending the Sixth VAT Directive to exempt man-made Factor VIII from being subject to VAT?

This is the question I had asked in the European Parliament by my M.E.P concerning V.A.T on Recombitant Factor VIII.

on behalf of the Commission
(3 June 1997)

In managing their budgets, doctors, hospitals and health authorities are increasingly presented with difficult decisions about the costs and benefits of new and often expensive medical procedures and pharmaceutical products. No doubt the introduction of a man-made alternative to blood-clotting agent, Factor VIII, which has hitherto been derived from human blood is one such example. In this respect the possibility of risk of infection involved in the use of Factor VIII derived from human blood is a matter for Member States' medical authorities to assess.

The Commission does not accept that there is a contradiction or indeed any connection between its policy of funding activities for limiting the spread of acquired immune deficiency syndrome/human immunodeficiency virus (AIDS/HIV) and the fact that man-made recombinant factor VIII is subject to VAT. It would be neither desirable nor practical to manipulate the VAT system to provide special treatment of goods or services on the basis that this might, arguably, be of some benefit to a Commission funded project.

Article 13A(1)(d) of the Sixth VAT Directive (77/388/EEC) provides for a Community-wide exemption of supplies of human blood and organs[1]. As recombinant Factor VIII is a man-made product and not derived from human blood, it does not come within the scope of this exemption. It therefore falls to be taxed as a pharmaceutical product. However, Member States may apply a reduced rate of at least 5% to supplies of pharmaceutical products and some Member States are entitled to maintain reduced rates below 5% existing prior to 1 January 1991. Member States therefore have considerable latitude and the majority do in fact apply reduced rates to pharmaceutical products. Although Factor VIII derived from human blood is exempt from VAT, it must be remembered that such exemption does not entitle the supplier to recover input VAT incurred in connection with its production. On the other hand, recovery of input tax is permitted where positive rates apply. It is therefore wrong to conclude that VAT is always a significant element in the cost of Factor VIII. Indeed in some cases, if exemption were to be applied to man-made Factor VIII the incidence of VAT could be increased.

For these reasons the Commission does not envisage making any proposal to extend the scope of the exemptions under Article 13A(1)(d) to include man-made blood substitutes.

This is the answer I received after getting a question asked about whether the English Parliament or the European Parliament was responsible for the V.A.T on Recombinant Factor VIII which was making it more costly for English haemophilia Centres to purchase. The question was asked in the European Parliament by my M.E.P.

(1) OJ L 145, 13.6.1977

QUESTION OVERLEAF

H M CUSTOMS & EXCISE

POLICY GROUP
SOCIAL DIVISION, Charities and Health Care Team
4th Floor Central, New Kings Beam House
22 Upper Ground, London SE1 9PJ

Tel (020) 7865 5054 Fax (020) 786 55366

Mrs Mary Grindley
GRO-C
London
GRO-C

Your ref:

Our ref:
TO 4704/2000
Date:
11 December 2000

Dear Mrs Grindley

You wrote to the Prime Minister on 18 November about VAT on recombinant blood products. Unfortunately it is not possible for the Prime Minister to answer personally each of the many hundreds of letters which he receives each day from members of the public. Your letter has been passed to this Department which is responsible for the administration of VAT and I have been asked to reply. Thank you for your letter.

It may be helpful if I explain that the UK exempts from VAT human blood components and derivatives such as human Factor VIII fraction, plasma and blood cells when used for therapeutic purposes, as well as whole human blood. Synthetic 'blood' products such as those of animal origin or genetically engineered products are not exempt from VAT. This is why some recombinant blood products, such as recombinant Factor VIII, are liable to VAT at the standard rate.

A VAT Tribunal has confirmed that such synthetic products do not come within the scope of the exemption. Even if the Government should wish to do so, it is not possible to introduce a new exemption for synthetic blood products. This is because the UK cannot extend the existing exemptions from VAT.

I hope that this reply helps to clarify the position.

Yours sincerely

GRO-C

Miss E M Bowran

Clive Efford MP

Labour Member of Parliament for Eltham
132 Westmount Road, Eltham, London SE9 1UT
Tel (020) 8850 5744
Fax (020) 8294 2166

Mrs Mary Grindley
GRO-C
London GRO-C

Our Ref: GRIN.3488.006 ce/gh

30th July 2001

Dear Mrs Grindley

Thank you for your letter regarding the issue of Recombinant Factor VIII.

I was promised a letter from the Paymaster General before the General Election by the Paymaster General. Unfortunately, the General Election was called before I received this letter. I have written again to the Paymaster General to remind them that I had been promised a response regarding VAT on Recombinant Factor VIII.

I will write to you again as soon as I receive a response to my enquiries. I apologise for the delay in obtaining an answer for you on this matter.

Yours sincerely

GRO-C

Clive Efford MP

10 DOWNING STREET
LONDON SW1A 2AA

From the Direct Communications Unit

4 July 2002

Mrs Mary Grindley
GRO-C
GRO-C

Dear Mrs Grindley

The Prime Minister has asked me to thank you for your recent letter.

Mr Blair was sorry to hear about the sad loss of your husband and has taken a careful note of all the points you raise. He would like to reply personally, but as you will appreciate, he receives many thousands of letters each week and this is not always possible.

As the subject you raise is the responsibility of the Department of Health, Mr Blair has asked that your letter be forwarded to that Department so they, too, are aware of your concerns and can reply to you direct on his behalf.

Thank you for taking the time and trouble of bringing this matter to the Prime Minister's attention.

Yours sincerely

GRO-C

UTE SCHUMACHER

Our ref: TO00000417594

Department of Health

Richmond House
79 Whitehall
London
SW1A 2NS

Tel: 020 7210 4850

Mrs Mary Grindley
GRO-C
London
GRO-C

19 June 2009

Dear Mrs Grindley,

Thank you for your letter of 26 May to Dawn Primarolo about the Government's response to Lord Archer's report. I have been asked to reply.

I was sorry to read of the death of your husband and that you have been affected by the issue of contaminated blood. I appreciate that this must be a difficult time for you.

This Government deeply regrets that patients acquired serious infections as a result of NHS treatment some two or more decades ago, and extends every sympathy to the patients and their families who have suffered as a result of the very treatments which should have transformed their lives for the better.

The Department understands the sense of grievance that some people may feel as a result of what has happened, and that there are deeply-held opinions on the appropriateness and timeliness of decisions and actions taken many years ago. In his report, Lord Archer did not find the government of the day to have been at fault, and did not apportion blame.

The Government is committed to ensuring that people with haemophilia, and others who have been infected with hepatitis C and/or HIV from blood and blood products, are well cared for, supported in their communities and fully informed about how best to look after their health. The Government gave very careful consideration to Lord Archer's recommendations and believes its final response is as positive as possible. The Government has published the final response on the Department of Health website at:

www.dh.gov.uk/en/Publichealth/Healthprotection/Bloodsafety/index.htm

This includes details of the steps taken in response to each recommendation.

Owing to diary commitments, it is not possible to meet with the Minister. However, I hope this reply is helpful.

I hope this clarifies the Government's position on this matter.

Yours sincerely,

GRO-C

Paul Larkin
Customer Service Centre
Department of Health

From Gillian Merron MP
Minister of State

Department of Health

Richmond House
79 Whitehall
London
SW1A 2NS

Tel: 020 7210 3000

PO00000419901

Mrs Mary Grindley
GRO-C
London GRO-C

30/6/09

Dear Mrs Grindley,

Thank you for your letter of 26 May to Gordon Brown about the Government's response to Lord Archer's report. Your letter has been passed to the Department of Health for reply and I am replying as the Minister responsible for blood policy.

This Government deeply regrets that patients acquired serious infections as a result of NHS treatment some two or more decades ago. I would like to extend my personal sympathy to the patients and their families who have suffered as a result of the very treatments which should have transformed their lives for the better.

I understand the sense of grievance that some people may feel as a result of what has happened, and that there are deeply held opinions on the appropriateness and timeliness of decisions and actions taken many years ago. In his report, Lord Archer did not find the government of the day to have been at fault, and did not apportion blame.

We are committed to ensuring that people with haemophilia, and others who have been infected with hepatitis C and/or HIV from blood and blood products, are well cared for, supported in their communities and fully informed about how best to look after their health. We gave very careful consideration to Lord Archer's recommendations and I believe the Government's final response is as positive as possible. We have published the final response on the Department of Health website at: www.dh.gov.uk/en/Publichealth/Healthprotection/Bloodsafety/index.htm

This includes details of the steps taken in response to each recommendation.

I hope this clarifies the Government's position on this matter.

Yours sincerely

GRO-C

GILLIAN MERRON

DH Department of Health

Richmond House
79 Whitehall
London
SW1A 2NS

Tel: 020 7210 4850

Our ref: TO00000732661

Mrs Mary Grindley
GRO-C
London
GRO-C

06 NOV 2012

Dear Mrs Grindley,

Thank you for your letter of 25 Septemberto David Cameron about contaminated blood. Due to the health-related issues raised in your letter, it has been passed to the Department of Health. I have been asked to reply, and apologise for the delay in doing so.

I was very sorry to read of your husband's death. The Government is deeply sorry about the events that led to the infection of so many people with HIV and hepatitis C, and has the utmost sympathy for all of those who were affected.

I can assure you that the Department sympathises with the distress and deep sense of injustice felt by the families of haemophilia patients infected with blood-borne viruses through their treatment. It is tragic that people were harmed because of the very treatments that were supposed to help them.

It has been the view of successive governments that there is no justification for a public inquiry into these matters in England after all this time. The relevant facts are already in the public domain. All relevant documents held by the Department of Health on blood safety, covering the period 1970-1985 (when the heat treatment of clotting factor products was introduced), have now been published in line with the Freedom of Information Act. If any further documents from that period come to light, the Department will also publish them in line with the Freedom of Information Act. The issue now is how best to support those affected.

Successive governments have recognised the plight of all those affected by NHS supplied contaminated blood or blood products, and a number of ex-gratia payment schemes have been put in place to provide financial support. To date, these schemes have paid out over £264million.

In January 2011, the then Secretary of State for Health, Andrew Lansley, made a statement to the House of Commons in which he said he viewed the events that led to thousands of patients contracting hepatitis C and HIV from NHS supplied blood and blood products as one of the great tragedies of modern health care. He also said how sorry he was that it had happened, and expressed his deep regret for the pain and misery that many have suffered as a result.

Yours sincerely,

GRO-C

Chris Hall
Ministerial Correspondence and Public Enquiries