From the Parliamentary Under Secretary of State for Public Health
Melanie Johnson MP

Department of Health

B281

PO1044589

Richmond House
79 Whitehall
London
SW1A 2NS
Tel: 020 7210 3000

1st June 2004

Lord Morris Of Manchester

Dear Alf,

Thank you for your letter of 25 February enclosing correspondence from Carol Grayson of GRO-C GRO-C May I also take this opportunity to also reply to your letter of 29 March enclosing further correspondence from Ms Grayson. I must apologise for the length of time it has taken to reply.

I read Ms Grayson's letters and enclosures with interest. I will take the points made in Ms Grayson's letter of 19 February first. In her letter, she questions the accuracy of Department of Health Ministers' comments on the Irish hepatitis C compensation scheme. She will be interested to note that during a debate in the House of Lords on 25 March, Lord Warner clarified previous comments and made clear the Government's position on this issue. I have copied below the relevant passages from the Official Report, but would not wish to add to his response.

Official Report, March 25 2004, Column 796

"My understanding of the position in Ireland, which has been corroborated by officials in the Department of Health and Children in Dublin since my last utterances on the subject in the House, is that the Irish Government set up their hepatitis C compensation scheme following evidence of negligence by the Irish Blood Transfusion Service.

"A judicial inquiry, the Finlay report, found that "wrongful acts were committed". It is important to stress that the blood services in the UK have not been found to be similarly at fault. Compensation is therefore being given in very different, specific circumstances in Ireland that do not apply in the UK. I do not believe that the Irish scheme creates any precedent for us".

In the same letter, Ms Grayson asserts that she has evidence that from 1973 onwards the Department of Health licensed the importation of factor concentrate products from US plasma companies who sourced plasma from "high risk" prison donors. The advice I have from the National Blood Authority is that the Bio Products Laboratory (BPL) has only ever collected plasma at centres against donor specifications that exclude people in American prisons. In any event, the plasma is collected in fixed site centres so it is difficult to see how those in prisons could donate.

The US Authority's recommendations are that those who have been incarcerated for more than 72 hours in the last 12 months should not donate until 12 months after the last day of incarceration. BPL have checked and can confirm that all their previous suppliers operate under this criteria. The US Authorities recommendations are that all plasma centres require evidence of a permanent fixed address prior to donations and this cannot be a hostel.

Ms Grayson asks if the company recently purchased by the Department of Health to ensure a safe and consistent supply of plasma, Life Resources Incorporated, uses paid donors. I can confirm that this is the case, but would reassure her that the safety of plasma-derived blood products is not affected by whether the donor is paid or unpaid. As I'm sure Ms Grayson is aware, this is because in addition to the screening of donors for the major blood borne viruses, all blood products are heat or chemically treated to remove any viral contamination that escaped the screening process.

Ms Grayson also asks for a public inquiry particularly into the sourcing of plasma. I believe it is important to stress that the Government does not accept that any wrongful practices were employed and does not consider a public enquiry is justified, as we do not believe that any new light would be shed on this issue as a result.

Ms Grayson has raised the issue of hepatitis C infection as a result of treatment with blood products and enclosed documents regarding the safety of these in the 1970s. In order to fully respond to her comments and the documents, I feel it is prescient to wait for the completion of an informal review of internal papers commissioned by my predecessor Yvette Cooper in 2002, and mentioned in your letter.

This review is being undertaken by the Department of Health to clarify the facts surrounding the drive for self-sufficiency in blood products in the UK in the 1970s and 1980s. The review is based on papers available at the time.

DH Department of Health

I am aware that it has been some time since the review was first commissioned and have therefore asked officials to take forward further work so that the report can be completed as quickly as possible. We will of course let you and Ms Grayson know when this is the case.

Turning to the second letter of 29 March she raises the additional issue of recipients of payments made under the hepatitis C ex-gratia payment scheme – known as the Skipton Fund – having to sign a waiver. I am pleased to say that they will not be required to sign any form of waiver. The decision not to include a waiver was taken to reinforce the fact that these are unconditional ex-gratia payments, with "no strings attached".

Best wishes,

GRO-C

MELANIE JOHNSON