

MR. R.P.S. Hughes

Your Ref



With the Compliments of

M. Widdup

Treasury Chambers  
Great George Street  
London, S.W.1

286

24th October, 1968.

2SS 235/127/01  
HOS/5/SE/101/12

Dear Mitchell,

Blood transfusion service

I can now reply to your letter of 30th May, in which you sought our approval in principle for a blood products unit costing about £1 million at Liberton Hospital and a regional transfusion centre at the Royal Infirmary. Bearing in mind the subsequent information that you have given us, we are content to give our approval in principle, and we have no objection to your purchasing the land at Liberton (incidentally, the sum involved will be within your recently increased delegated authority for land purchase). I should, however, record that our agreement in principle is subject to the assurance that you gave in the last paragraph of your letter to Langdon of 11th October, and on the understanding that detailed and costed proposals will be submitted for our approval in due course. At that time we will be particularly interested to know your assessment of the revenue costs of the type of plant that you envisage, and how these compare with the revenue costs of a more orthodox unit.

2. On the P.E.S.C. implications of the project, we have noted the assurance contained in Linn's letter of 18th July to Canhadine. Perhaps it would be as well if I put the matter beyond doubt by saying that we would not regard hospital capital allocations as immune from adjustment if compensating savings are required to accommodate the project within P.E.S.C. limits.

3. I am copying this to Ogilvie and to R.P.S. Hughes.

Yours sincerely,

GRO-C

(M. Widdup)

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