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NORTH WEST THAMES REGIONAL HEALTH AUTHORITY

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Mr Collins

19 May 1982

Mr G.M. Mallory
Deputy Director
B.P.L.
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Dear Mr. Mallory,

I am writing in reply to your letter of 14 May. I am sorry that you felt it necessary to write in this tone but it may well be an opportune moment to dispel what appears to be either a misunderstanding or a lack of comprehension of the situation.

You identify a series of problems that have been encountered in the satisfactory completion of certain phases of the work and the inference in your letter directly shows these as a function of the system. This cannot be and is not so.

It is not only the BPL staff who appreciate that delays cause a loss of production which can be measured in absolute financial terms and that this loss is a loss to the Health Service at large. This fact is well appreciated by all either from the RHA or members of the Design Team. This loss is one thing - the capital cost limit to do the work is another. Even if BPL actually benefited in cash terms from the value of products, which it does not, the responsibility to undertake capital works, with the cash limit remains unaltered. The rules of the game are in existence, whether we like them or not, and there is no way that the implementation of a capital scheme, whilst recognising fully the production problem, can or should be broken. As matters stand the RHA is client and therefore accountable to DESS and the Public Accounts Committee for the execution of capital works within the system laid down and quite clearly there can be no change in this unless the rules of the game are changed. The indictment you lay at the foot of the Project Team, which you and other senior BPL officers are members, is unacceptable and this I think should be withdrawn. Continuing in the general vein perhaps you will bear with me if I may highlight some of the fundamental problems which the 'stop-gap' contracts have brought forth

(i) there has been inadequacy of the briefing to the Design Team. This is a fact which has been brought about by a great deal of pre-planning over the years during which certain things, such as your own operational policies and Medicine Inspectorate requirements have changed. The net result of this has meant that contracts on site have not, some more or less, met the requirements of the user. This point was well borne out at the time before the MARPO1 contract started when it was obvious that the

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contract as designed did not meet all the user requirements and at the eleventh hour invitation to tender was stopped so that an addendum bill could be produced;

(ii) leading on from (i) above there has been a great number of significant (in money terms) post-contract variations. These have had to be found within the capital allocation but must be by the very nature of size and number have an affect on timing. You will have already noted my concern, albeit on a relatively small scheme i.e. the Q.C. laboratory conversion, that despite the formal participation of designated BPL officers and the brief having been frozen it was found necessary, after tenders being invited, to ask for not one series of changes but two. These changes albeit perhaps insignificant identify quite clearly the principle. The recent discussion on the autoclave installation is yet another example.

(iii) There has been several instances of a lack of co-ordination and decision over the purchase being made direct by BPL of varied pieces of equipment. In some cases the decision on the size and services of that equipment was not made known until the contractor was on site - hence more variations.

(iv) The fact of undertaking work within an existing working situation and more particularly within an existing fabric of some 30 years of age has thrown up problems which although everyone tried to foresee has made problems.

You may regard these as excuses but they are facts which I think you should recognise and I think that they point to the fact that the Project Team, which was not constituted until long after the basic planning stages, really cannot accept blame for the problems because of the system it represents. You do not suggest an alternative, as most critics do not, but it would appear that the problems encountered would have manifested themselves in any case.

Dealing with the specific points the seepage of water is now being rectified but it is just not true to say that the work was delayed depending upon a tender. What the Project Team asked for, from the appointed Architect, was an investigation and recommendation as to how the faults could be rectified. We did this on Tuesday 18 May and this work should be put in hand. If you expect a decision to be made without an investigation or indeed without reference to what it may cost identified a situation which does not recognise the rules of the game in proper spending of public money and accountability to with. The question of air filters as we all know has been a problem. I mentioned this point at the last JMC meeting. But how a failure in the filters can be related to the system of project team I do not know. How the decision to use the specified filters was made or whether it was a conscious one I do not know but I would hazard a guess that it is only in hindsight that we recognise the problem.

So far as the Q.C. laboratory is concerned there was no room in the 81/82 cash limit for this to start but I am looking into the question as to how the contract time was evaluated. As mentioned above it could well have been postponed even further if the late changes, in my mind, had negated its tenders which had already been received.

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I have tried to set out in this letter objective comments from which I hope we all can learn and is in no way an attempt to make personal accusations. Like you I am attacking a situation which has existed but within which change and improvement can and must be made.

I notice that you copied your letter to Dr Harris and others and I am doing so with this reply. Indeed now that the S.E.A. announcement has been made I have asked Will Armour whether copies of the correspondence should not be sent to David Smart.

Yours sincerely,

GRO-C

D.C. Collins

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