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2. File



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Your reference

Our reference

BLJ/1

Date

18 February 1983

Dear Will

PFC, LIBERTON

Thank you for your letter of 11 February about the Advisory Committee's discussion on the Exchequer and Audit Report on the NBTS.

The letter from Exchequer and Audit asked about the economics of redeveloping BPL compared to the option of investing some money in PFC and the balance in building a smaller BPL. The Department's response echoed that which you have seen in the Investment Appraisal.

Exchequer and Audit's other point concerns collaboration between PFC and BPL and indeed whether BPL should meet the needs of Scotland and Northern Ireland. Our response was as follows:-

"Turning to the question of whether BPL should be designed to meet the needs of Scotland and Northern Ireland, the decision to keep open PFC will no doubt be dealt with in the SHHD response. There are of course strategic advantages in having two separate production units, particularly, though co-incidentally, where those units operate a different production technology, provided that there is a healthy working relationship and exchange of information between the two. This is something which the new Central Blood Laboratories Authority will be actively looking to foster with the Common Services Agency."

I am sure that the last sentence does not come as a surprise! David Smart has made it clear on a number of occasions that the difficulties which have dogged relationships between PFC and BPL can only be solved at Authority level. This was a matter which Dr Harris had intended to raise at one of the CBLA's meetings in the Spring once the initial, more pressing business facing the Authority had been dealt with.

I hope this clarifies the position for you. I do not in any way underestimate the difficulties of restarting a useful dialogue with PFC but I am sure that it is not beyond the new Authority and its Secretary! If DHSS or SHHD can help in any way, please do not hesitate to involve us.

Yours sincerely

GRO-C

S GODFREY