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Dear Harold

PROPOSAL TO THE DEPARTMENT OF HEALTH FOR A NATIONALLY MANAGED BLOOD TRANSFUSION SERVICE IN ENGLAND AND WALES

I have read your paper in detail and I am now putting in writing what I stated at the last NBTS Management Committee Meeting.

Although in principle I am in favour of the concept of a National Blood Transfusion Service that should include Regional Transfusion Centres and the CBLA, in the current NHS climate, I am against a nationally managed Blood Transfusion Service. I have discussed your paper with my colleagues at NLBTC and they all, except for Branko, agree with the contents of this reply.

We can see the argument that different approaches within RHAs/RTCs are producing divergent policies and management within the BTS and this would superficially seem to support a nationally managed Blood Transfusion Service. However, the paper does not provide any concrete evidence that national management would improve local management in the BTS. In some Regions like our own, there would simply be another tier of management - since we effectively are managing the Centre ourselves and are not dictatorially "managed" by the RHA. A National Management would increase costs, reduce local accountability and be contrary to the current climate of dispensing with large "national" organisations.

We all agree that the National Directorate has done a splendid co-ordination job since its inception. A great deal has been achieved. We have national standards, the start of a National Management Information System, a National Quality Audit System, we are on the way to establishing Medical Audit within the NBTS, etc., etc. This is all a credit to the

National Directorate and especially to you as National Director. I am sure that we all have a high respect for you and have always respected your recommendations and suggestions. We will always call on you for advice on national and even local matters. I personally find that my job as a Regional Transfusion Director has been much easier since the creation of the National Directorate. We can have common policies and we can work towards a better service for the benefit of patients.

The main reasons for being against a "nationally managed" Blood Transfusion Service are as follows:

1. A centrally managed service is inconsistent with the White Paper proposals and the concept of the internal market. Whether we agree with this principle or not is another matter.

2. The paper does not, in our view, provide any concrete evidence that national management would improve the BTS. National management would not "supplement and support" local management (summary) but would remove a level of responsibility we currently hold and also, very importantly, the local pride of staff (and donors to a lesser extent). It would no longer be <u>our</u> Centre working for <u>our</u> hospitals. We would be directed nationally and it is difficult to maintain staff loyalty and pride in these circumstances. We cannot see how a centrally managed service would (a) make the service more efficient, and (b) make the service more accountable. The current trend is to move down management accountability and responsibility as far as we can get it, including budgetary control. A centrally managed system would take this away.

3. The Department of Health is in the process of streamlining accountability and hierarchy structures and is reducing the span of control of Regions and Districts. A centrally managed system would be inconsistent with the DoH proposals for the NHS.

4. A national management might curtail research and development. There is no doubt that a central control is ideal to avoid duplication, but in an effort to achieve some uniformity, centres with a good reputation and track record in research might have to devolve budgets to the benefit of other centres less well suited to do research.

5. National management must be contrary to the White Paper ideas on flexibility for local pay and conditions of service. Would all BTS staff have to be paid the same whether in Newcastle or in London? London weighting would not be enough to attract non-medical staff.

6. There are no suggestions or discussions in the paper for an alternative to a nationally managed service. The paper is assuming that a National Directorate could force things through. This may not be the case when it comes to the real situation. I cannot see how, with the

same budget, the problems of local management (see section on "Quality") will be resolved with the creation of an extra tier. Will the new National Director have the capability of sacking or disciplining poor performers?

7. Why would the costs for the establishment of a nationally managed service be less now than in 1987 when the cost was felt to be too high by the Department of Health?

We do not understand the suggested model for the BTS. What is the Donor Services Director doing and who is he directing? Will our RDOs be accountable to him/her? What are Divisional Co-ordinators? Who are they? What are they co-ordinating? What is the role of the Scientific Director/Medical Consultant and what is the role of Managing Director?

9. A very important aspect has been completely left out in the "advantages of a nationally managed service" which only address cost savings and blood/plasma supplies/demand. What about the provision of a complete "transfusion medicine service" to users? We do not consider ourselves just a supply organisation; we provide an important clinical service and this seems to have been completely overlooked in the paper.

10. We feel that "uniformity" would inevitably drag us down to the lowest common denominator rather than raise standards generally. We do see that, in some Regions, national management would provide improvement but that is due to weak local management and under-funded centres; it is the local management which needs addressing there and then an extra tier of national management would probably be unnecessary. We cannot see the Department putting more money into the Service. Hence the current financial resources of the RTCs will be devolved to the National Directorate in order to be centrally managed. Uniformity will be achieved at the expense of adequately funded services helping under-resourced centres.

The draft proposals are drawn up as your own personal view on how the Service should develop. By offering your paper to RTDs for comments you have indirectly created a situation where the paper, if forwarded to the Department, could be considered as coming from all RTDs, providing the comments that are made to you are taken into account. We think that clarification is required at the national level as to whether a paper suggesting a national and nationally funded service should come from the National Management Committee. However, I again point out that this does go completely against the ideas and priniciples of the White Paper however much you or we might disagree with them. If it did go as a paper to the Department, then the White Paper principles ought to be taken into account in the discussion, i.e. the concepts of purchaser-provider and resource management initiative should be addressed and the benefit that patients are likely to get

from a nationalised service. I am surprised that patients are not mentioned in your paper.

The following are comments on an item per item basis of the report in general:

Page 1 - background

Do the reasons that prompted the DoH in 1987 to undertake a study still apply? How do these now fit in with the White Paper initiatives? Does the study need to be re-evaluated? Can it still be used as a basis on which to form your conclusions?

Page 2 - 1.3

The National Directorate as a co-ordinating team, etc. No reasons are given as to why or how. Nothing is mentioned about the work previously done which is very good indeed and which is included in your Annual Review. There is no mention about firming up, expanding, strengthening the co-ordinating role as an alternative.

Page 2 - 3.1

Quality is not an issue only for the Blood Transfusion Service. It is an underlying issue in the White Paper initiatives. It is acknowledged that "Quality" will be a problem in the purchaser-provider context. We are no different to the hospital/patient users, etc. In fact, we are probably in a better position in so much as we have more regulatory bodies. There is no reason why a central audit cannot continue in its existing fashion.

3.2 - Blood Supply

This is where we believe the National Directorate has the greatest appeal and everybody who is for a National Directorate always mentions this area. If you accept the principle that it may be more cost effective to collect in some Regions than others and transport the blood into those Regions which are deficient, then a mechanism for doing so must be established. This does not necessarily mean that it has to be done on a funding basis. The second paragraph really suggests that it is a failure of the National Director to persuade Regions, RTCs, etc. to do this. What is omitted in this paragraph, and which we feel is vitally important to the Service, is the **plasma collection programme and the relationship and role with BPL.** Will BPL be able to buy plasma from elsewhere? There are many unanswered questions in the paper.

3.3 - Cost Effectiveness

We agreee with this statement that there is no way of ensuring that the national blood supply is being provided in the most cost effective way, but creating a National Directorate will not do this in a miraculous fashion. The way of achieving cost effectiveness is through local accountability and this is exactly what the White Paper is

talking about, but not in a competetive sense, but in a managed market. The remaining points in this section are effectively criticising the White Paper proposals and saying that this is not suitable for the Blood Transfusion Service. Everybody within their disciplines has been trying to make this case and has not succeeded.

4.2.4.

We do not think that this matter needs to be included as this will not happen.

4.2.5.

We would like to refute this point. Whether the NBTS is locally managed or managed centrally should not interfere with the concept of a national service. We still have a National Health Service with strong local management and I cannot see how the concept would change at the public level. We think that the image of the NBTS needs to be refreshed and made more prominent in the eyes of the general public.

5 - Appendix 2

Do we really need a Managing Director as well as a National Director? I repeat that we do not understand the role of the three Divisional Co-ordinators. In addition, we do not understand the communication routes. What would the MIS Manager do? Would he provide management information strategies for the centres? What about the local services; who is going to develop them? Who will develop the local issues like scientific recording of data into local systems?

Comments 1, 2 and 3 should already apply to a local level by virtue of the existence of Regional Directors. You do not discuss in this paper the virtues of independence.....why not? The special Health Authorities in our Region are very important. What about private hospitals and self governing trusts? Where do they fit and why are they not discussed?

5.2

We do not agree that change should be managed centrally. Ideally, the impetus for change should come from the shop floor, we should have the right calibre of staff training, etc., to encourage this change. In addition, we do not believe that central management would provide the potential to effectively rationalise the blood collection or processing functions. The service is based on local demand and supply arrangements. Is this going to be divided nationally?

5.3.1 - Management

At one point you are saying that we do not manage the Service properly and soon after you are saying that we will be able to do so by using the existing expertise in the decision making process.

5.3.2

Quality should not need a national strategy. It should be a local strategy with national co-ordination. Local management should be setting objectives.

5.3. - Maintenance of the Blood Supply

This is one area where we think there is a need to further investigate how we collect our blood and who collects it, in order to ensure self sufficiency. The paper says nothing about it, all it says is effective programmes management. What does this mean? It does not say how the National Executive will achieve these objectives and although you talk about local contracts, this is the first time contracts are mentioned and nothing is discussed in this paper about the purchaser provider role and where the Blood Transfusion Service fits into that.

5.3.5 - Cost Effectiveness

The paper implies that there is no financial accountability at present and this is certainly not the case. One of the reasons we know that some Transfusion Centres cannot do what is required is because they are **underfunded.** Unless the National Directorate asks for more money, the only way in which we will be able to move those centres forward is by taking financial resources from those centres which are adequately funded. Thus we will come down to a lower "uniform" level. If it is considered that funding should be put into those areas which have been previously under-funded by efficiency savings, then assuming that those efficient centres have not any spare cash to find savings from, this will not achieve the objective. We do not agree that the MIS will lose its uniformity because we are all required to provide information on a uniformed basis. I would question as to whether it has uniformity at present (definitions are needed so that we all provide the same data in a meaningful way). The one sentence about European blood supply needs to be further developed.

We do not agree with 5.3.4 public accountability. We are accountable to our Regional Executives. Any accountability, in my view, should be through Region. The Regional linkage is extremely important if we wish to have a good liaison with user hospitals and practice high standard clinical blood transfusion.

In conclusion, we do not agree that the co-ordinating role of the National Directorate will disappear within the current White Paper climate. We believe that the National Directorate will have a most important role to play as a co-ordinating body and this can be built upon within the framework of the White Paper. We do not agree that better financial planning will be increased through centralizedfunding. This is against the Department's proposals. The paper lacks clear objectives and no admission statements are given.

I am sorry to be so hard on your paper. I reiterate that I find that you have done a splendid job as a National Director and that you have achieved a great deal during the time that you have been in post. I hope that you will not take our comments as a personal offence. I am only repeating what I stated verbally in Manchester.

With best wishes.

Yours sincerely

GRO-C

Marcela Contreras
Director