18/6/81

BLA/1/4

1A

7070

BLOOD PRODUCTS LABORATORY: STEERING GROUP FOR REDEVELOPMENT

1. This submission seeks Ministers' agreement to the formation of a sub-committee of the Joint Management Committee for the Central Blood Laboratories to handle the redevelopment of the Blood Products Laboratory.

Need for sub-committee

2. The Blood Products Laboratory (BPL), along with the other Central Blood Laboratories, is managed on an interim basis by a Joint Management Committee (JMC) composed mainly of officers of DHSS and the NW Thames RHA. We are seeking Ministers' views on long-term arrangements for the laboratories' management; but whatever new management body is decided upon it will take some time to establish. In the meantime, subject to Ministers' decision on funding, the JMC must get on with the job of planning the redevelopment of the BPL.

3. The JMC as at present constituted is not sufficiently expert for this job (as is shown by its membership, set out in Appendix A) and it would be too clumsy an instrument. The JMC has agreed that a sub-committee of the JMC should be set up to supervise the task of redevelopment until long term management arrangements are established, and that some members with the necessary expertise should be coopted to it. Ministerial agreement is sought to this course, in accordance with the usual arrangements for establishing new advisory bodies. No new costs will be involved since the sub-committee will be doing work that would otherwise have to be done by the JMC itself.

4. Draft terms of reference for the new sub-committee are at Appendix B. They are still subject to detailed comment by the JMC.

Constitution of sub-committee

5. The sub-committee will need to be

- representative of the JMC (both DHSS and the RHA)
- able to provide guidance to the project manager, when he is appointed
- aware of NHS requirements for blood products
- aware of policy and other constraints on redevelopment.

In order to reach decisions and provide guidance which are soundly based it will need to include members with

- experience of development projects in the pharmaceutical industry
- expertise in fractionation technology; pharmaceutical processing; and sterile production on a manufacturing scale
- knowledge of the National Blood Transfusion Service.

Membership

6. It is important that the Chairman of the sub-committee should have wide experience at a senior level in the pharmaceutical industry, be familiar with the problems of the BPL and acceptable to all the interests concerned, and be prepared to devote a good deal of time to the redevelopment project both inside and outside the sub-committee. The only person who fits the bill is Mr David Smart, Director of Glaxo Holdings and formerly President of the ABPI. He is a member of the Scientific and Technical Committee for the Central Blood Laboratories and has been closely associated with the up-grading of the present BPL and with preparations for redevelopment. He has indicated to the Chairman of the JMC his willingness to accept the chairmanship of the sub-committee.

7. In order that the Department, RHA and National Blood Transfusion Service (NBTS) should be appropriately represented it is proposed that there should be one member from each. Departmental and RHA members, who would also represent the JMC, would be Mr J Harley (Assistant Secretary, HS1) and a nominee of the Regional Administrator (probably Mr W Armour, the Regional Personnel Officer, who is Deputy Chairman of the JMC). A suitable NBTS member would be Dr Harold Gunson, Director of the North West Regional Transfusion Centre, a member of the Advisory Committee on the National Blood Transfusion Service, and Chairman of the Advisory Committee's working party on plasma supplies to the BPL.

8. It is proposed that specialized expertise should be by the appointment of:

- Dr Peter Dunnill, Reader in Biochemical Engineering at University College, London, an enthusiastic member of the Scientific and Technical Committee for the Central Blood Laboratories, and chairman of that Committee's working party on fractionation technology. (Minister may like to be reminded of the letters he has had from Dr Dunnill about the BPL; they are at Appendix E).

- the appointment of one of the following three people, all recently retired, who have the required industrial experience of development projects and sterile production: Mr S. Hibbert, lately of Boots; Mr A Lockwood, lately of Glaxo; and Mr K Samways, lately of Allen and Hanbury. On the basis of his experience, age (61), and Mr Smart's recommendation, officials regard Mr Hibbert as a suitable first choice. (See Appendices C1 to C3).

The sub-committee will additionally have access to the experience built up in Scotland, where the Protein Fractionation Centre, Edinburgh, manufactures blood products using a different fractionation process.

9. It will also be appropriate to include among the members a representative of the BPL, either the Director or more likely his Deputy Director (Administration) i.e. production manager. This post is currently vacant but has been advertised.

10. It is envisaged that the project manager for the redevelopment project, when he is appointed, will attend meetings of the sub-committee as of right, but not formally as a member.

11. A list of the members proposed above is at Appendix D. If it is acceptable to Ministers it will be appropriate for appointments to be made by the Chairman of the JMC.

Summary

12. Ministers are invited to agree that

(i) a sub-committee of the Joint Management Committee for the Central Blood Laboratories should be set up to undertake the planning of the redevelopment of the Blood Products Laboratory until such time as this can be handed over to a permanent management body;

(ii) the persons listed in Appendix C should be invited by the Chairman of the Joint Management Committee to be members of the steering group.

APPENDIX A

EMBERSHIP OF JOINT MANAGEMENT COMMITTEE FOR THE CENTRAL BLOOD LABORATORIES

| | |
|---|---|
| Dr E L Harris (Chairman) | Deputy Chief Medical Officer, DHSS |
| Mr W P N Armour | Regional Personnel Officer, NW Thames RHA |
| Mr A Bradshaw | Head of General Administration and Service Planning Division, NW Thames RHA |
| Mr J Harley | Assistant Secretary, HS1, DHSS |
| Mr D G Lee | Principal Assistant Treasurer, NW Thames RHA |
| Professor P L Mollison | Emeritus Professor of Haematology, St Mary's Hospital, Paddington; Chairman of the Scientific and Technical Committee |
| Dr G H Tovey | Consultant Adviser to DHSS on Blood Transfusion Services |
| Dr D Walford | Senior Medical Officer, MED SM4, DHSS |

APPENDIX B

DRAFT TERMS OF REFERENCE FOR THE NEW SUB-COMMITTEE

To be accountable to the Joint Management Committee, and, within that Committee's terms of reference, to act on its behalf in planning the redevelopment of the Blood Products Laboratory;

to consult the Joint Management Committee as necessary, and regularly to report to it;

to seek expert advice and to consult interested bodies as necessary.

FLAG: A / 1

FORMER REFERENCE: LIE 10 Vol 13

TNA REFERENCE (if available): JA607/20

INFO TO BE REDACTED/EXTRACTED

Personal details of members of sub committees

Name, address, date of birth, marital status, career summary.

NUMBER OF PAGES: 3

YEARS CLOSED: ~~N/A~~ 30

FOI EXEMPTION: 40(2)

JUSTIFICATION FOR CLOSURE

Would be closed under Section 40(2) but all three were 70 in 1989. Open by 2019

LCAC ENTRY CREATED?

STANLEY ARTHUR HIBBERT D.O.B. GRO-C 19

Married - 3 Children - 2 married - one at Aberystwyth University

Education - No secondary education - school completed in GRO-C 1933 - age 14

Employment - The Boots Company - 1934 -1980.

34-39. Production operator - several Departments

39-45. R.A.F. - Pilot - Flight Lieutenant.

45-47. Foreman Specials Laboratory - Day release.

47-49. Nottingham University - Pharmaceutical Society Diploma.

49-51. Manager Extractions Department -Beeston.

51-55. Manager Liquids Production -Airdrie

55-58 Assistant Factory Manager - Airdrie.

58-63. Factory Manager - Airdrie.

63-70. Manager Technical Support Group - Beeston.

70-80. Production Manager - Beeston - Subsidiary Director.
6 Factories - 4 at Beeston - Airdrie and Basingstoke -
-Technical Support Group

Experience which may be of special interest.

1. Operational experience in asceptic and sterile operations in the Specials Lab.
2. Responsible for the rehousing of the Sterile Dept. in 1965 - Insulin Heparin - miscellaneous sterile products
3. Responsible for salvaging and resurrecting Company interest in Transfusion Fluids in 1966 until retirement. Fluids unit rehoused at Basingstoke in 78.

Items of general interest

1. Currently self - employed - Consultant to Labaz ( now trading as Sanofi U.K.) approximately 2 days/week. N.B. This is a French owned Company
2. Awarded Fellowship to the Pharmaceutical Society in 1980
3. Local Magistrate duties approx. $\frac{1}{2}$ day/week

Address:-

GRO-C

Notts.

ARTHUR R. LOCKWOOD
B.Sc., M.R.I.C.,
Fellow of the Institution of Works Managers.

GRO-C
Bucks GRO-C

Born: GRO-C 1919.

Educated: King Edward VI Grammar School, Birmingham (Foundation Scholar)

Birmingham University graduated B.Sc., (1st Class Honours in Applied Biochemistry)

| | |
|---|---|
| 1940/45 | Research in enzyme chemistry at Birmingham University. Became a Member of the Ministry of Supply penicillin team and subsequently worked in the United States before assisting in the commissioning of the first large-scale penicillin manufacture in this country. |
| 1946 | Joined Dextran Ltd., for work on Dextran developments in conjunction with M.R.C., subsequently becoming Technical Director of the Company shortly before it was acquired by Glaxo Laboratories Ltd. |
| 1954 | Appointed Head of Development and Deputy Factory Manager of the Glaxo Laboratories factory at Barnard Castle, Co. Durham. |
| 1959 | Appointed General Manager of Barnard Castle factory. |
| 1963 | Appointed Production Director of Glaxo Laboratories Limited, responsible for the six manufacturing sites of Glaxo Laboratories Limited in England and Scotland. Responsibility covered the production of fine chemicals, antibiotics, biological products and vaccines and packaged pharmaceuticals. |
| 1966. | Graduated from the American Management Association School in New York after extra-mural study. |
| 1976 | Took responsibility for Strategic Planning of manufacture within the Glaxo Group. |
| 1978 | After early retirement, took appointment as Administrative Dean of the London School of Hygiene and Tropical Medicine. |
| 1981 | Completed appointment within London University and now does occasional consultancy work. |

E. KENNETH SAMWAYS.
B.Pharm., B.Sc., F.P.S., F.R.S.C., C.Chem.,

GRO-C

Cambridge GRO-C

Born GRO-C 1913.

1936 Graduated B.Pharm., London.

1936 Graduated B.Sc., London - 1st Class Honours in Chemistry.

1936-38 Demonstrator in Pharmaceutics, University of London.

1938 Joined Allen & Hanburys Ltd., as Personal Assistant to Works Manager.

1944 Production Manager, Allen & Hanburys Ltd.,

1958 Production Director, Allen & Hanburys Ltd., responsible for all of the company's manufacturing operations in the U.K. and overseas, including oversight of new factory lay-out, design and construction.

During Nineteen seventies, spent some years assisting the Technical Directorate of Glaxo Holdings Ltd., in supervising the Group's secondary manufacturing operations.

Retired in 1978 and now does occasional work as a consultant.

1. POSED MEMBERSHIP OF NEW SUB-COMMITTEE

| | |
|---|---|
| Chairman | Mr David Smart, Director of Glaxo Holdings |
| Members | Dr Harold Gunson, Director NW Regional Transfusion Centre |
| | Dr Peter Dunnill, Reader in Biochemical Engineering, University College, London |
| | Mr S Hibbert, lately of Boots (or Mr A Lockwood, lately of Glaxo; or Mr K Samways, lately of Allen and Hanbury) |
| | Mr J Harley, Assistant Secretary, DHSS |
| | Nominee of Regional Administrator, NW Thames RHA (probably Mr W P N Armour, Regional Personnel Officer) |
| | Representative of the Blood Products Laboratory (either the Director, Dr R S Lane, or his Deputy Director (Administration) when appointed). |

It is envisaged that the project manager for the redevelopment project, when appointed, will attend meetings of the sub-committee.

APPENDIX E

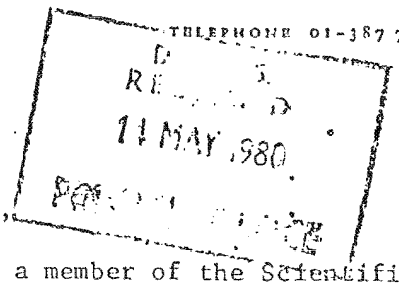
Department of Chemical and Biochemical Engineering

UNIVERSITY COLLEGE LONDON

TORRINGTON PLACE LONDON WC1E 7JE

TELEPHONE 01-387 7050

TREAT OFFICIALLY




PD/MPB

13 May 1980

Strictly confidential

Dear Dr Vaughan,

I write as a member of the Scientific and Technical Committee for the Central Blood Laboratories. The views I wish to express are personal and are conditioned by being a chartered engineer and scientist and by my experience on an American task force which undertook a review of blood plasma fractionation worldwide for the National Institutes of Health.

The arguments collected in two appendices to this letter show, I believe, that:

1 The Elstree fractionation plant must be rebuilt totally within three years. The unsafe state of the plant is likely to become public knowledge and will cause grave embarrassment and permanent damage to the Transfusion Service.

2 There must be a coherent managing board for the English and Scottish plasma fractionation plants and for the supply centres of blood plasma. Without such a structure the interim modifications and the implementation of rebuilding will be extremely difficult and costly: the final facility, despite a very large investment, will neither receive a consistent, safe plasma feedstock nor operate efficiently.

I bring these arguments to you because I have been asked to chair a working party for the Scientific and Technical Committee to define the best process technology for a UK plant, whether commercial or government, so that we can make soundly based recommendations at the appropriate time. I feel that I cannot ask transfusion staff and others to help me achieve this objective unless government accepts that speedy rebuilding is essential and takes the opportunity of rebuilding to insist upon a management structure that can allow efficient operation yielding a proper financial return to the nation.

Yours sincerely,

GRO-C

P. Dunnill, PhD, DSc, CEng, MIChemE, CChem, FRIC

Reader in Biochemical Engineering

The Rt Hon. Gerard Vaughan
Minister of State for Health
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London SE1

Appendix 1

SAFETY

1 The inspection by Medicines Division showed that the Elstree plant is unsafe for production by present-day standards. It would be shut down were it not for crown privilege, and the faults are sufficiently deep-seated that a new facility is essential. I have been told verbally that you accept responsibility. Unfortunately that does not reduce my ethical responsibility as a chartered engineer and scientist and I have accepted the situation in the short term only from consideration of the need to maintain plasma fraction supply. (The position of committee member Mr D. Smart, as president of ABPI, is even less enviable.)

2 The conclusions of the inspectors' report have been circulated quite widely. Bearing in mind the sensitivity of the unions involved following hepatitis in transfusion staff, the situation following the Birmingham smallpox incident and the issues raised by genetic engineering, disclosure would lead to considerable embarrassment. More seriously, it would damage confidence in the service, adversely affect blood donation and further demoralise transfusion staff. I hear that the lack of safety is known in the regions. I am aware that there are militant union members in at least one fractionation centre and I draw the conclusion that disclosure is likely sooner rather than later.

3 The Medicine Division's recommendations follow a series of recommended short-term expedients designed to boost production by tinkering with the present inadequate plant. This has created a trail of overlapping and confused initiatives which are made more difficult to implement by the inevitably slow process of funding in the ministry. It has been suggested recently that, operating within this régime, it will take up to seven years to accomplish rebuilding. This is unacceptable in terms of safety and will lead to serious wastage of public funds since modifications cannot stand in the final plan.

13 May 1980 P. Dunnill

Appendix 2

MANAGEMENT

I have become convinced during my involvement with the Transfusion Service that there must be a coherent management of English and Scottish plasma fractionation and the supply of plasma from the regions for the following reasons.

1 The present blood plasma feedstock to Elstree is very variable and no uniform control can be exerted over this. More efficient regions suffer unfairly the consequences in the quality of fractions returned to them.

2 The Scottish plant at Liberton is running at a small fraction of its design capacity for lack of plasma. It has received a much better safety report from Medicines Division (according to my reading of the draft report). The Liberton plant could cope with a useful part of the load during rebuilding at Elstree. (This would be greatly facilitated by being able to deal with process workers within a factory wages structure.) Elstree staff temporarily freed could assist in the design and commissioning of the new plant and others could gain first-hand experience of operations at Liberton.

3 The staff at Elstree are research and medically orientated, with a weakness in process engineering reflected in the plant. The staff and plant at Liberton are heavily process engineering orientated and, while their plant properly excites the admiration of the world, operations would now benefit from interaction with the more conservative Elstree personnel. At present there is a very serious degree of mistrust, not only between senior members of the English and Scottish plants, but between corresponding senior administrators. It has a long history and is founded very much on ignorance of one another's distinctive merits. In my view it can only be resolved at a ministerial level, and the present situation makes its resolution especially favourable.

4 The Elstree fractionation facility is unique in the Health Service in that it is an industrial-scale pharmaceutical plant which should compete for the best process engineering staff with industry. It is also unique in that it receives free plasma donations and converts them to extremely valuable products which can substitute for purchase of inferior foreign material. However, it cannot properly fulfil this rôle within the present administrative structure. The Management and Scientific and Technical Committees meet too infrequently and are insufficiently briefed to exert control. They are not a substitute for a managing board composed of full-time professionals representing Elstree and Liberton administration, process engineering management (totally absent at present) and regional transfusion interests, together with paid industrial board members.

Her Majesty's Government is inclined to denationalise. What I am suggesting is as close to this as is feasible. The board would be expected to submit proper accounts based on commercial practice. It would control a wholly owned government agency which would be expected

to show a saving over purchased plasma fractions. In a specified time it would be expected to meet UK plasma demands and would be encouraged to make a profit from diagnostic agents. The profits would provide for a research base which in this very narrow and specialised sector is the only means of attracting some of the kinds of scientific staff needed.

5 The necessity of coordinating regional plasma supply and English and Scottish fractionation is one of several key factors which would make commercial operation at Elstree very difficult. Much discussion in committee on the issue of responsibility for feedstock quality control and product specification has failed to identify a way in which this may be partitioned between a government supplier and a commercial fractionator.

13 May 1980

P. Dunnill

DEPARTMENT OF HEALTH & SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SE1 6BY

Telephone 01-407 5522

*From the Minister for Health*

Dr P Dunnill
Department of Chemical and Biochemical
Engineering
University College
Torrington Place
LONDON WC1E 7JE

17th June 1980

Dear Dr Dunnill

Thank you for your letter of 13 May about the Blood Products Laboratory. I have read it with great care. Having myself visited the Laboratory and devoted some time to its problems, I can well understand your strong feelings about safety and other matters. I am as keen as you are to reach and implement decisions about the upgrading and replacement of the Laboratory, and its future administration.

I am sure you will not expect me to reply point by point to your letter, but I have asked officials to ensure that the points you make are fully dealt with in the appraisal which I have asked them to prepare of the possible ways of rebuilding the Laboratory, and what its future capacity should be. I can assure you that we intend to look at Elstree and Liberton together. Indeed DHSS officials have already opened discussions with their Scottish counterparts.

I know that you appreciate the problems which we face in trying to decide the timing and nature of investment in the Laboratory. Although I am anxious to proceed with all possible speed, I am equally anxious - indeed it is my duty to ensure - that the options should be properly explored. I am afraid that this requires a certain amount of time. I hope you will not feel that this endangers your personal position, since we are looking to your Working Party for recommendations which will be essential to the redevelopment of the Laboratory. I am glad that this reply to your letter gives me the opportunity of expressing my appreciation of the help which you are giving us, both in respect of the Working Party and more generally.

GRO-C

cc Mr Wormald
Dr Harris
Dr Oliver
Dr Walford
Mr Hardcastle

Department of Chemical and Biochemical Engineering

UNIVERSITY COLLEGE LONDON

TORRINGTON PLACE LONDON WC1E 7JE

TELEPHONE 01-387 7050

Dept. Draft Vaughan

PD/JW

4 July 1980

GRO-C



Dear Dr. Vaughan,

Thank you for your letter of 17 June about the Blood Products Laboratory. I was encouraged by what you were able to tell me.

The Working Party on protein fractionation has just met for two days with participation by staff from Liberton and the architect who designed that plant, Mr. Flint who inspected both UK plants, and individual experts from Elstree, Oxford and the regions. Given the diversity of interests I think we made good progress.

One point of immediate relevance emerged with respect to the transition period prior to a new production facility. While the department is making allowance for the possible use of some of the capital items now requested in any new facility I am not sure that it is taking full account of a less immediate feature of current proposed expenditure. In designing the new plant it will not be possible to build in "turn down" below a certain percentage of the design throughput. If the plasma supply does not rise to that level in time we shall be underrunning the plant and not getting the full return on capital expenditure. Discussion with regional directors suggests that they can meet the requirements but with processing safety called into question, the current uncertainties and defeatist articles in the medical press their confidence is very much in the balance. Since a new production facility at Elstree under Government or commercial control is not in question, I feel that the more transitional expenditure can be recognised to be an integral part of this plan, rather than an expenditure that will be eclipsed, the better.

I was deeply concerned to hear that any possibility of a special health authority to manage the overall affairs of fractionated human plasma has been ruled out. To my knowledge the technical arguments have not been debated. I believed that a government that has shown a necessary toughness in national economic policy would not wish administrative convenience and tidiness to obstruct efficient operation. The suggestion made to me that I am proposing a "quango" could not

be further from the truth. I am advocating coherent professional management of advanced production facilities and their sophisticated feedstock suppliers in place of occasional management by hard pressed and dedicated people who are nevertheless amateurs in several key respects.

May I make one final point with respect to English/Scottish collaboration. On the basis of our meetings I can confirm that it works given an opportunity. I do see signs that, in seeking to make more use of Liberton, the department may just be "moving Hadrian's Wall down a hundred miles" in considering allocating north English plasma to Liberton. Unless parallel action is taken to build relations, for example, via a joint technical committee and by assuring Elstree staff that their position is not being undermined, relations could become worse rather than better. Our initiative to fuse the best technical ideas from both groups would falter and we should lose the value of combining their very distinctive achievements.

Yours sincerely,

GRO-C

P. Dunnill

Dr. G. Vaughan
Department of Health and Social Security
Alexander Fleming House,
Elephant and Castle
London SE1 6BY

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY
Telephone 01-407 5522
*From the Minister for Health*

PO(MIN-H) 2804/33

Dr P Dunnill
Department of Chemical and Biochemical Engineering
University College London
Torrington Place
London
WC1E 7JE

25th July 1980

Dear Dr Dunnill

Thank you for your further letter of 4 July about the Blood Products Laboratory. I am delighted to hear that your working party is making good progress and I am looking forward to seeing its report to the Scientific and Technical Committee in due course.

I think I can deal briefly with the two particular points you raise.

I am very much aware, as are officials, that we must encourage Regions to increase the supply of plasma to the Blood Products Laboratory. The Chief Medical Officer spoke to me about this recently and I expect shortly to consider proposals for co-ordinating the work of the National Blood Transfusion Service in this and other respects. When I do so I shall certainly bear in mind what you have told me.

Regarding arrangements for the long term management of the central blood laboratories, I am simply not in a position to make a decision at the moment and I am keeping an open mind about the arrangements which may be most suitable. These arrangements must depend on many things, not least a prior decision on whether the Blood Products Laboratory will be rebuilt with private or with public money. Nevertheless, like you, I am concerned that whatever kind of body is eventually decided on it shall be so constituted as to be able to do a satisfactory job and shall have available the expertise it will need.

I am glad to hear your good news about the prospects for collaboration with Scotland. This is something which officials are seeking to encourage and I know they will welcome your help.

GRO-C

DR GERARD VAUGHAN

Department of Chemical and Biochemical Engineering

UNIVERSITY COLLEGE LONDON

TORRINGTON PLACE LONDON WC1E 7JE

TELEPHONE 01-387 7050

PD/MPB

26 January 1981

Confidential

Dear Dr Vaughan,

Following your decision on the redevelopment of the Blood Products Laboratory at Elstree, I have been giving a lot of thought to the issues which will decide the success of the programme as I prepare the report of the Working Party on Protein Fractionation Technology.

Two central points emerge:

1 A conventional method of rebuilding using normal departmental procedures and methods of financial approval will probably take till late 1987 or early 1988. Not only will this lose the financial benefits of substituting for imports but it is unacceptable in terms of the time for which the present still unsatisfactory plant will have to operate. The short-term modifications are welcome but they cannot remedy many of the more deep-seated environmental problems. We have examined the virtues of staging construction but the production facility which is the key element is also the most expensive and complex and the gain in time by delaying other elements is probably not more than a year, given the need to plan them at an early stage.

The alternative would be to use a more commercial contractual procedure and to employ a commercial design company and contractors who would build the plant as they would for a company. This could be the subject of competitive tender and such companies are well used to the need for swift action, so that a completion date of 1984 is still possible. I've been made well aware in recent months of the problems of carrying through such an unconventional approach, but I am convinced that it can be shown to be the most cost-effective one and best to serve the public interest.

2 My second point is not a new one but becomes ever more pressing. It concerns the management of the Blood Products Laboratory. As I've indicated previously, the present Management and Technical Committees, with their leisurely three-monthly meetings, are not appropriate. Discussions within the Working Party are constantly throwing up issues for which there is no coherent managing board to whom we can refer for policy decisions.

continued ...

I can see no alternative to a managing board committed to the Blood Products Laboratory. To link management to a health authority governing the regional centres or to the Public Health Laboratories does not seem to me to fit the bill. The members of a BPL management should have as their business the single job of making it an efficient production plant, as in any comparable pharmaceutical company. To ask them to take a wider brief will return us to the present situation of "absentee management" lacking technical and financial authority. BPL is not, in spite of its unfortunate name, a laboratory such as Porton or Colindale. I was prepared to examine commercial operation seriously because in all but the donated supply Elstree is a pharmaceutical factory which should be run as such.

After much debate and discussion, particularly on the relationship of Scottish and English fractionation technology and the appropriate level of environmental control, I believe we are reaching firm and sensible conclusions to the Working Party's deliberations. However, our decisions can count for little unless the apparatus chosen for their implementation is effective.

Yours sincerely,

GRO-C

Peter Dunnill

Dr Gerard Vaughan
Minister for Health
Department of Health and Social Security
Alexander Fleming House
Elephant and Castle
London SE1 6BY

DEPARTMENT OF HEALTH & SOCIAL SECURITY
Alexander Fleming House, Elephant & Castle, London SE1 6BY
Telephone 01-407 5522
*From the Minister for Health*

Dr Peter Dunnill
Department of Chemical and Biochemical Engineering
University College London
Torrington Place
LONDON WC1E 7JE

4th February 1981

Dear D. Dunnill

Thank you for your letter of 26 January about redevelopment of the Blood Products Laboratory. As you know the Joint Management Committee for the Central Blood Laboratories is meeting later this week to discuss, among other things, the arrangements for project management. With your permission I would like to put your suggestion of a commercial design company to the Committee, which I understand will be considering a range of options.

I am grateful for your views on the question of long-term management arrangements for the Laboratory. I expect soon to receive a paper from officials which will weigh the pros and cons of a number of possibilities, and I will consider your suggestion in the light of it.

I look forward to seeing your Working Party's report.

GRO-C

DR GERARD VAUGHAN

cc Mr. Hurley
Mr. Godfrey — with copy
(BY HAND)