

Dr. L. L. 23/9/80
Mr Macpherson -

Copy to Dr Bell
Mr Finnie

17. Finnie
Please annotate
with pp to be discussed
on 26 Sept.

BLOOD PRODUCTS

Thank you for your minute of 18th instant enclosing a copy of a recent letter from Mr Harley.

While it is encouraging to see that things are beginning to move in the South it is important that we keep a careful watch and that nothing be done to our detriment. It has long been the intention that the PFC would fractionate plasma from England but, although the bigger turnover might marginally reduce manufacturing costs per unit, there is no great advantage to the SNBTS to take on this additional responsibility.

It is important also to keep in mind that at the time the PFC was being planned our perception of the future needs for blood products was at least twice that considered necessary by DHSS. Indeed there was considerable opposition to the scale on which we were planning and a paranoid delusion still exists in this office that the DHSS views were partly responsible for the skimp financing of the project by Treasury. The effect of cutting cost corners is now beginning to show. I am happy therefore that the Advisory Group on the NBTS being set up by DHSS should relate to England and Wales only. While there is much on which we require to collaborate we would not wish to have a UK body recommending policy which would be contrary to our current practice e.g. on levels of fractionation, and on specifications for SBTS.

It must also be remembered that any English plasma fractionated at the PFC will be done on a contractual basis for DHSS; no doubt the finished product will say something like "produced at PFC Liberton for NBTS". The PFC must not be considered as a unit of a UK scheme and subject to overall UK direction. This is not said in any political nationalistic sense but relates to the fact that blood is voluntarily donated, that we are virtually self-sufficient in blood products, that we fractionate to a level considered necessary for the Scottish situation etc.

I note that Mr Harley stresses the need to know the capacity of the PFC and how much fractionation can be undertaken for DHSS. I appreciate that good planning requires accurate information but I suspect this is a bit of a red herring. In his letter Mr Harley seems to indicate that consideration is still being given to fractionation methods and yields. Presumably if our method gives a yield inferior to some other method this would influence DHSS decision; but I do not see that there is any likelihood of the PFC method being changed in the future although it might be technically improved to give marginally better yields. Moreover it must be obvious to DHSS that PFC can fractionate less than half of their current requirements (and any estimate would have to be in litres rather than as a percentage) and it would not seem impossible for them to draw up provisional plans with different options.

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The question of the involvement of industry/causing me considerable concern. Apart altogether from ethical consideration there will inevitably be comparisons made between the NHS (= PFC) products and the commercial products.

This has already happened in Glasgow with factor VIII to the detriment (at that time) of the NHS product. The quality of blood products is in many ways related to the level of extraction and also to the financial input in terms of staff and equipment. It would be unjust to expect the PFC to produce the same quality of product at a lower cost than the commercial company - although it might well be possible.

There also has to be considered the demand of the Medicines Inspectorate. The cost of meeting their requirements will no doubt be met by the commercial company by adjusting the price of the product. Will the CSA be willing or able to do the same for the PFC? It is just conceivable that an astute board of directors could force the PFC out of business - but would that be a bad thing?

In general terms, I think it will be possible to work out a scheme to fractionate English plasma at the PFC on a contractual basis provided that the remainder was fractionated at a similar NHS/DHSS establishment in England. I do not think it is a practical proposition for some English blood to come to the PFC for fractionation and for the remainder to be fractionated commercially. This could give rise to a number of practical problems and invidious (even if unjustified) comparisons.

GRO-C: L Livingstone

cc. A D McINTYRE
24 September 1980

Room 20

Extn **GRO-C**