



**Chronological Presentation on the Domestic Supply of Blood Products in  
England and Wales**

**Appendix 3**

**The Expenditure of the £500,000 Special Allocation**

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## Introduction

1. This Appendix explores how special funding allocated by the Department of Health and Social Security (“DHSS”) to increase plasma supplies for fractionation was spent. It considers the initial discussions as to how the finance would be allocated and the negotiations with individual Regional Health Authorities (RHAs) over their share. It looks at the national picture of the expenditure, and then the negotiations with each RHA individually, before looking briefly at BPL.
2. A spreadsheet<sup>1</sup> has also been prepared to be read in conjunction with this Appendix, which sets out firstly, the various bids made by each region, and secondly their final allocations and expenditure, to the extent that this can be traced.

## The decision to allocate

3. By 9 December 1974, the DHSS had decided to earmark central finance of £250,000 capital and £250,000 revenue.<sup>2</sup> On 24 December 1974, the Department wrote to RHAs, notifying them of the decision to finance a programme to increase AHG concentrate production.<sup>3</sup> The letter explained that the output at BPL was limited by the amount of plasma supplied by Regional Transfusion Centres (RTCs), which in turn depended upon (a) the number of blood donations and the extent to which clinicians were prepared to accept concentrated red cells, and (b) the facilities available at RTCs for separating the whole blood into concentrated red cells and plasma. As a result, up to £500,000 (part of this recurring) was to be exceptionally allocated to provide the necessary facilities, such as additional equipment and staff, in order to increase the proportion of blood donations separated into red cell concentrates and plasma up to 40%, a percentage which was already being

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<sup>1</sup> INQY0000332

<sup>2</sup> Letter from B. O. B. Gidden to Mr Alexander, 9 December 1974, **DHSC0100005\_189**

<sup>3</sup> Letter from B.O.B. Gidden to Regional Administrators, 24 December 1974, **CBLA0000239**

achieved in Scotland. The letter noted that the extent to which the capacity of RTCs could be increased would vary from Centre to Centre, and that expenditure was bound to be disproportionate between Regions. It invited estimates of requirements to increase plasma production, with the primary aim to become self-sufficient in AHG concentrate in 2-3 years.

### **How the money was allocated**

4. After the regions had been informed, the DHSS planned to have informal discussions with RTDs until the end of February, after which they would invite Regional Administrators to estimate their requirements.<sup>4</sup> The allocation of the £500,000 was to be directly linked to targets of plasma production. Provisional targets were drawn up by the DHSS in a document entitled 'Appendix 1' which was circulated to Regional Transfusion Directors (RTDs), and the targets were discussed at a special meeting of RTDs in February 1975.<sup>5</sup> The appendices for this meeting have not yet been found, but some useful information can be gleaned when looking at the meeting minutes in conjunction with a later draft of Appendix 1 (on page 5 of this Appendix).
5. At the meeting, Dr Maycock explained that although some quantities in columns 6 and 7 of Appendix 1 were negative, it was not intended that any region should reduce their current production of donations.<sup>6</sup> He proposed to follow the Ad Hoc Advisory Group's recommendation that at least 275,000 donations should be provided for AHG concentrate and 100,000 for cryoprecipitate, although he noted that 210,000 donations had been used for cryoprecipitate in 1974. He stated that Appendix 1 should be revised to take account of the plasma that might be expected to become available after cryoprecipitate use declined. A discussion took place on whether targets should be based on blood collection in 1973 or regional population. Six RTDs thought the load should be proportional to population, five wanted it to be

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<sup>4</sup> Letter from D. U. Jackson to the Regional Administrator, Yorkshire RHA, 17 January 1975, **DHSC0003720\_156**

<sup>5</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

<sup>6</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

based on 1973 blood collection and two accepted either basis. It was pointed out that the amounts based on 1973 donations agreed fairly closely with regional populations. Several RTDs asked if the Department would also finance the extra cost of introducing RPH (Reverse Passive Haemagglutination) testing for HBsAG.<sup>7</sup> Mr Jackson replied that the Department expected RHAs to pay for this, although Dr Maycock emphasised it would be most wasteful if Factor VIII had to be discarded due to unscreened donors. It was agreed to consider Dr Wagstaff's suggestion that transport be provided centrally. It was also noted that Newcastle, Leeds, Sheffield, Cambridge and Tooting RTCs still issued ⅓ to ½ of their blood in bottles, which needed to be replaced by plastic bags.

6. After the meeting, Dr Darnborough (Cambridge RTC) wrote to Dr Maycock, complaining that the tables presented at the special RTD meeting presented a misleading picture, suggesting that a further 210,123 donations were needed when it was just 100,000 once donations used for cryoprecipitate were readjusted.<sup>8</sup> He also complained that the absence of figures for cryoprecipitate suggested that some regions were doing nothing when many actually produced considerable amounts of cryoprecipitate.
7. To date, the earliest draft of the targets set in Appendix 1 found is from 4 March 1975:<sup>9</sup>

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<sup>7</sup> A reverse passive haemagglutination procedure, more commonly known as RPHA, was developed to detect the hepatitis B surface antigen (HBsAg). It was used in RTCs from the mid-1970s until the introduction of more accurate RIA tests.

<sup>8</sup> Letter from J. Darnborough (Cambridge RTC) to Dr Maycock, 12 February 1975, **DHSC0002359\_032**

<sup>9</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

1	2	3	4	5	6	7	8
Regions	Minimum No. of donations needed to be used for AHG concentrate	Minimum No. of donations needed to be used for cryoprecipitate (calculated as a percentage of Col.4)	Donations used for cryoprecipitate in 1974	Donations at present used for cryoprecipitate available to be diverted to AHG concentrate (Col.4 minus Col.3)	Donations used for AHG concentrate in 1974	Total donations at present available to be used for AHG concentrate (Col.5 plus Col.6)	Minimum additional No. of donations to be used for AHG concentrate (Col.2 minus Col.7)
Northern	20,000	6,400	14,108	7,708	-	7,708	12,292
Yorkshire	19,000	2,400	5,710	3,310	5,639	8,949	10,051
Trent	18,000	4,600	10,177	5,577	439	6,016	11,984
East Anglian	12,000	2,700	6,003	3,303	2,033	5,336	6,664
N W Thames	26,000	17,400	38,130	20,730	5,061	25,791	209
N E Thames	21,000	4,100	9,068	4,568	14,550	19,518	1,482
SE & SW Thames	36,000	10,700	23,777	13,077	-	13,077	22,923
Wessex	11,000	7,800	17,130	9,330	-	9,330	1,670
Oxford	13,000	1,600	3,406	1,806	27,778	29,584	-16,584
South Western	21,000	6,900	15,149	8,249	5,139	13,388	7,612
West Midlands	26,000	15,000	33,109	18,109	1,350	19,459	6,541
Mersey	16,000	5,200	11,378	6,178	-	6,178	9,822
North Western	25,000	9,400	20,866	11,466	-	11,466	13,534
Wales	11,000	5,800	12,771	6,971	2,888	9,859	1,141
TOTAL:	275,000	100,000	220,782	120,782	64,877	185,659	89,341

8. The quantities of cryoprecipitate produced by each region had now been taken into account. In some Regions, the large quantities of donations used for cryoprecipitate were presumed to be able to be diverted from cryoprecipitate to Factor VIII. With diversions for cryoprecipitate, it was estimated that 89,341 additional donations were required.<sup>10</sup> Five regions (Northern, SE & SW Thames, Wessex, Mersey and North Western) produced no FFP for AHG concentrate at all, whilst Oxford and N E Thames already produced large quantities.

9. Concerns were expressed by some regions about these revised figures; Dr Murray of Newcastle RTC wrote to Dr Maycock on 13 March, writing he did not believe the figures were realistic, as clinicians would not be satisfied with half the present amount of cryoprecipitate however much AHG was supplied.<sup>11</sup> This critique was prescient, as demand for cryoprecipitate continued to grow throughout 1975 and 1976 in some regions.<sup>12</sup>

<sup>10</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>11</sup> Letter from S. Murray (Director, Newcastle RTC) to Dr Maycock (DHSS), 13 March 1975, **DHSC0002359\_049**

<sup>12</sup> Minutes of the 162nd RTD Meeting, 21 July 1976, **NHBT0017095**

10. Mr Brandes wrote to Mr Alexander (Dr Owen's Private Secretary) on 19 March 1975, stating that the targets had been revised and RHAs were to be asked to indicate the money they required for extra staff, equipment, transport and adaptation of accommodation.<sup>13</sup> He wrote that the time-table for the programme would depend on (a) the time taken to deliver and install three Sharples centrifuges at BPL, which were expected to be delivered in 6 months, although they would try to shorten this period, and (b) the adaptation of premises at RTCs and BPL. There was a risk that the delivery and installation of certain items of equipment would add to the time taken but this would not be known until information was received from suppliers. Mr Brandes also acknowledged that increases depended on clinicians accepting a steadily increasing proportion of red cell concentrates, but they were proceeding on the basis that immediate progress could be made once the equipment was working. He aimed to be able to estimate the rate of increase of AHG production at the end of April, but was expecting the rate of production of FFP to continue to increase with the existing resources.

11. Another letter was sent to RHAs by Mr Gidden on 21 March 1975. This set provisional production targets for each region, to be achieved by diverting donations for cryoprecipitate and increasing the proportion of donations used for AHG concentrate. Mr Gidden also invited bids for the special allocation to be returned using a pro forma which categorised expenditure by accommodation, laboratory equipment, transport and staff.<sup>14</sup> That pro forma was Appendix 2 to Mr Gidden's letter, and is referred to as "Appendix 2" in this document. The provisional targets set by Mr Gidden align with those in the table above. The letter asked regions to state whether they would be able to exceed their provisional targets, and if so by how much. Mr Gidden noted that in some regions the degree of expenditure required to reach the target would be disproportionate to the amount of plasma to be produced in light of the total resources available. He also explained that there would be an interim period of at least six months during which the production of cryoprecipitate

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<sup>13</sup> Memo from L. H. Brandes to Mr Alexander, 19 March 1975, **CBLA0000260**

<sup>14</sup> Letter from B. O. B. Gidden to Regional Administrators, 21 March 1975, **HSOC0015206**

would have to continue at about the present rate to meet demands until sufficient AHG concentrate became available, so it was important that regions who had already reached or exceeded their targets should not reduce the amount of plasma they provided.

12. At the 156th RTD Meeting April, replies had been collated into a memo circulated at the meeting (this memo has not been found).<sup>15</sup> Mr Jackson pointed out that the estimates submitted by 8 centres in England amounted to just over £500,000 to provide 133,700 donations, whereas 5 other centres apparently needed a further £500,000 to provide just 42,700 donations. During the discussion, it became apparent that some RTCs had to incur disproportionately heavy expenditure on accommodation. The Chairman suggested RTDs reconsider their estimates, and it was agreed that each RTD would also provide an estimate of when they could begin to provide the additional plasma if they received the financial assistance. It was also agreed that the Supply Division would centrally purchase centrifuges and bag freezers.

13. After the meeting, the amended Appendix 2 replies were collated into a memo, which has been reproduced below.<sup>16</sup> Mr Jackson had removed individual items costing less than £1,000 from the capital bids and had placed them under 'non-recurring revenue'.

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<sup>15</sup> Minutes of the 156th RTD Meeting, 30 April 1975, **NHBT0016485**

<sup>16</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

# PHG CONCENTRATE — SUMMARY OF REPLIES (AS AMENDED) TO 25/11/75

Region	CAPITAL (£)				NON RECURRING REVENUE (£)				RECURRING REVENUE (£)				Total (£)	Plat. & Equip. (14)	Costs (15-18)				Total (15-18)
	Accommodation	Lab. Equip.	Transport	Total (1-3)	Pres. donation	Lab. Equip.	Trans. port	Misc.	Total (5-8)	Lab. Equip.	Staff	Total (9-12)			Capital	Trans. recurring	Running	Total	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18		
Yorkshire	10,000	15,850	3,000	28,850	-	300	-	-	300	10,000	12,600	52,600	81,750	20.0	144	0.02	2.63	4.07	
Yorkshire	10,000	24,000	7,280	37,280	-	530	550	-	1,080	11,550	7,500	19,050	57,410	13.4	278	0.08	1.42	4.28	
East	1,277	13,347	-	14,624	-	1,116	120	-	1,236	35,300	5,900	41,200	57,060	17.6	0.83	0.07	2.34	3.24	
East Anglian	8,000	15,240	-	23,240	-	900	-	-	900	21,150	-	21,150	45,290	14.0	1.66	0.06	1.61	3.23	
W Thames	-	7,400	-	7,400	800	1,110	-	100	2,010	25,350	9,000	34,350	43,760	26.0	0.28	0.08	1.32	1.68	
W Thames	30,000	8,447	4,800	43,247	-	958	-	-	958	10,328	8,250	18,578	62,783	26.1	1.50	0.03	0.64	2.17	
SE & SW Thames	5,000	4,626	-	9,626	-	1,529	-	-	1,529	30,832	18,556	49,388	60,543	36.0	0.27	0.04	1.37	1.68	
Wessex	-	10,400	3,500	13,900	400	300	-	-	700	4,900	6,500	11,400	24,000	11.0	1.26	0.06	1.04	2.36	
Oxford	30,000	16,500	2,500	49,000	-	500	-	-	500	-	20,700	20,700	70,200	13.0	377	0.04	1.59	5.40	
South Western	2,000	12,500	2,500	17,000	-	925	-	-	925	7,500	10,800	18,300	36,225	24.4	0.70	0.03	0.75	1.46	
West Midlands	-	13,400	7,000	20,400	-	1,700	-	-	1,700	69,000	41,500	110,500	123,600	24.6	0.88	0.06	4.13	5.02	
Mersey	-	26,535	2,225	28,760	-	500	-	-	500	19,325	20,835	40,160	73,420	21.0	1.37	0.08	2.10	3.55	
North Western	-	17,571	-	17,571	-	634	-	-	634	30,600 (b1)	16,200	46,800	67,405	25.0	0.70	0.03	1.41	2.72	
Total	96,277	108,816	32,805	310,898	1,200	11,032	670	100	12,912	247,255	128,531	481,976	805,946	271.1	113	0.05	1.75	2.41	

14. On 16 May 1975, Mr Lawrence wrote to Mr Blanchard, discussing a meeting with Mr Gidden, Mr Jackson, Mr Longfield and Mr Lawrence, which had considered the reduced RHAs bids.<sup>17</sup> Mr Lawrence noted that there was still uncertainty over S.E. & S. W. Thames, which was taking time to “go plastic”, but was expected to be a low-cost region, and with West Midlands, which had submitted an unrealistically high bid, including an additional blood collecting team and a high cost of bags. However, the Department considered that both Regions would be brought within the scheme “in a time-scale not significantly different from some of the other 12 regions.” North Western had been given an undertaking that they would receive £50,000 if they financed the £90,000 accommodation upgrade from their own allocation.

<sup>17</sup> Letter from P. W. D. Lawrence to Mr Blanchard, 16 May 1975, **DHSC0003720\_018**



15. The letter also discussed the approach to be taken in reducing the revenue expenditure from £381,000 to £350,000.<sup>18</sup> A proportionate reduction of all bids was favoured as the most defensible. HS2 (one of the Health Services Divisions within the DHSS) planned to circulate the proposed allocations the following week, but Mr Longfield was considering the way in which the allocations should be notified. Presentationally, they had advised £500,000 would be available, and that could be satisfied by immediate allocations of £300,000 capital and £200,000 revenue for 1975/6. It was likely that not all of the £200,000 would be needed in 1975/6 but there was an advantage in “getting the money into the system to avoid protracted argument later about increases for pay and prices.” The net effect was that the recurring commitment would be somewhat higher than the initial £500,000, but it would be difficult to justify arbitrary exclusion when faced with national distribution and only by “spreading the net widely” could the national target be achieved.

16. On 21 May 1975, Mr Jackson sent Mr Blanchard an allocation of funds and a draft letter that would be sent to RHAs to notify them of their allocations.<sup>19</sup> The allocations had been decided by scaling down the bids in a broadly proportional way, and then rounding to the nearest £1,000 (rounding down from the “high cost” Regions to the marginal benefit of the “low cost” Regions). West Midlands’ bid was still considered to be unnecessarily high, but presuming they accepted these terms, their proposed allocation had been rounded down to £48,000 as Mr Jackson could see no reason as to why it should receive more than any other region. Northern and S.W. Thames were still deciding on the change from bottles to plastic bags, but Mr Jackson proposed that these regions be made offers, provided they financed the changeover and completed it by the end of the year. The draft allocation of funds has been reproduced in the table below:

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<sup>18</sup> Letter from P. W. D. Lawrence to Mr Blanchard, 16 May 1975, **DHSC0003720\_018**

<sup>19</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

Region	Capital 1975/6		Revenue 1975/6	Revenue 1976/77		Number of donations to be used annually for AHG concentrate
	(a)	bid	(b)	(c)	bid	(d)
Northern	£28,000	£28,850	£24,000	£48,000	£52,600	20,000
Yorkshire	£36,000	£37,280	£9,000	£18,000	£19,050	19,000
Trent	£14,000	£14,620	£19,000	£38,000	£41,200	18,000
East Anglian	£23,000	£23,240	£10,000	£20,000	£21,150	16,000
N.W. Thames	£7,000	£7,400	£16,000	£32,000	£34,350	31,100
N. E. Thames	£42,000	£43,250	£8,000	£17,000	£18,580	43,500
S.W. & S.E. Thames	£9,000	£9,630	£22,000	£45,000	£49,390	36,000
Wessex	£13,000	£13,900	£6,000	£11,000	£11,400	11,000
Oxford	£47,000	£49,000	£10,000	£19,000	£20,700	40,800
South Western	£16,000	£17,000	£9,000	£17,000	£18,300	29,500
West Midlands	£20,000	£20,400	£24,000	£48,000	£101,500	26,000
Mersey	£28,000	£28,760	£20,000	£41,000	£44,160	21,000
North Western	£17,000	£17,570	£23,000	£46,000	£49,700	25,000
<b>Total</b>	<b>£300,000</b>	<b>£310,900</b>	<b>£200,000</b>	<b>£400,000</b>	<b>£482,080</b>	<b>336,900<sup>20</sup></b>

<sup>20</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

17. On 28 May 1975, Mr Lawrence replied to Mr Jackson, confirming that they accepted that provisional revenue allocations for 1975/6 were unlikely to exactly mirror requirements, and that if it became clear one or two regions could get ahead faster than the implied 50% part-year funding for 1975/6 then they could make some adjustments, given slippages of other regions seem inevitable.<sup>21</sup> If any region failed to give the assurances required (presumably on reaching targets or self-funding accommodation changes), “the continuing revenue commitment would be reduced to the sort of figures originally envisaged when the money was set aside for AHG.” This final comment suggests that the project had already expanded further than originally envisaged. The next day, Mr Longfield also wrote to Mr Jackson, confirming that the funds were available for allocation, and that HS2 should continue to act as the point of contact with RHAs and monitor their progress.<sup>22</sup>

18. On 30 May 1975, Mr Gidden wrote to the Regional Administrators of Yorkshire, Trent, East Anglia, N. W. Thames, N. E. Thames, Wessex, Oxford and South Western RHAs, advising them of their special capital and revenue allocations.<sup>23</sup> He asked the Administrators to accept the target, inform him of when it could be achieved, and to advise him of their expected take-up of the 1975/6 revenue allocation. Administrators were also informed that the DHSS would buy centrally refrigerated centrifuges, plate freezers for 5-litre bags, heat sealers and flow inducer pumps and would then recharge the Regions. S.W. & S. E. Thames, West Midlands, Mersey, Northern, and North Western were not included as negotiations were ongoing.

### **Prolonged negotiations**

19. In the latter half of 1975, negotiations continued with the RHAs who had not yet committed to the scheme, and some regions who had already accepted their allocation began to request changes to their allocations.

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<sup>21</sup> Letter from P. W. D. Lawrence to D. U. Jackson, 28 May 1975, **DHSC0002177\_038**

<sup>22</sup> Memo from R. C. Longfield to Mr Jackson, 29 May 1975, **DHSC0002177\_044**

<sup>23</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

20. On 20 June 1975, Mr Jackson wrote to Mr Blanchard, Mr Lawrence and Mr Longfield, to ask if, when and how allocations could be revised to cover rising costs (whilst aware that the total could not exceed £200,000), and whether revenue expenditure incurred between 1 April and 30 May in anticipation of the allocation of funds could be taken into account.<sup>24</sup> This was on account of a request he had received from N. W. Thames RHA for an increased revenue allocation for 1975/6 owing to the fact they aimed to reach their target annual rate by 30 September 1975, so 50% of the 1976/7 allocation was inadequate. Mr Jackson had explained to the region that the Department recognised the extent to which regions would take up their revenue allocation for 1975/6 varied, and expected to make adjustments once they had been informed of expected take-up.

21. Mr Blanchard replied on 24 June, enclosing a copy of a memo from Mr Lawrence.<sup>25</sup> The memo stated that it would be “inappropriate for Mr Jackson to be thinking in terms of replying to the Director of the North London BTC”. The region had been given an allocation and it was up to them to decide whether or not to bridge the small gap between their bid and the allocation. Normal allocation procedures would apply to a re-evaluation. It would be possible to take into account earlier expenditure because the allocation for 1975/6 onwards was not an authorisation of expenditure but simply a notification of the extent to which the regions’ allocations would be increased to cover that expenditure.

22. Mr Longfield replied on 25 June, that expenditure incurred between 1 April and 30 May could be taken into account.<sup>26</sup> He noted that the North London RHA might be allowed more than 50% of its estimated allocation for 1975/6, but it would be difficult if there was a claim for an increase in the overall recurring cost. Whilst it might be possible to reduce other regions’ allocations, Mr Longfield suggested that it was more practical to point out to the region

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<sup>24</sup> Letter from D. U. Jackson (DHSS), to Mr Blanchard, Mr Lawrence and Mr Longfield, 20 June 1975, **DHSC0002177\_058**

<sup>25</sup> Memo from C. Blanchard to D. U. Jackson, enclosing letter from P. W. D. Lawrence to Mr Blanchard, 24 June 1975, **DHSC0002177\_060**

<sup>26</sup> Letter from R. C. Longfield to Mr Jackson, 25 June 1975, **DHSC0002177\_061**

that the special allocations were intended as a supplement to their existing responsibility, and that the detailed requirements should be met from their own resources. He added, “certainly, after distributing the £0.5m I am sure I do not wish to become involved in these details.”

23. The 157th RTD meeting took place in July 1975.<sup>27</sup> At the meeting, it was confirmed that all Centres would be switching to plastic bags by autumn 1975, which had delayed negotiations with some regions. A question was raised as to whether the extra expenditure required (to upgrade buildings and additional administration) to maintain standards no lower than the Medicines Act 1968 would be authorised by the DHSS, and it was noted that this would be a matter for RHAs. Mr Jackson explained that if one Centre spent more money in 1975/6, then the Department would try to make adjustments in those regions which were likely to under-spend in 1975/6. He had still not received replies from several regions about their anticipated uptake and asked for them to be sent as soon as possible. Mrs Tunnard reported that centrally ordered centrifuges would be delivered by December but that delivery of plate-freezers would extend into 1976.

24. Mr Jackson provided an update on the programme for Dr Owen on 11 July 1975.<sup>28</sup> He reported that, as a result of discussions with RHAs, the targets set would produce plasma from 337,000 donations, 20% more than the 275,000 recommended by the Expert Group on Haemophilia, and all but two regions had indicated when they expected to achieve their share, as illustrated in the table recreated below:

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<sup>27</sup> Minutes of the 157th RTD Meeting, 2 July 1975, **NHBT0016482**

<sup>28</sup> Note from D. U. Jackson to Mr Lillywhite on Factor VIII: AHG Concentrate, 11 July 1975, **DHSC0001774**

	Donations	Percentage Target	Cumulative Totals	
<b>31.12.75</b>	127,000	38%	127,000	38%
<b>31.3.76</b>	38,000	11%	165,000	49%
<b>30.9.76</b>	66,000	20%	231,000	69%
<b>31.12.76</b>	36,000	10%	267,000	79%
<b>30.6.77</b>	25,000	8%	292,000	87% <sup>29</sup>

25. Mr Jackson wrote that the two uncertain regions might provide another 45,000 donations, 13% of the target.<sup>30</sup> The main reason the target could not be met earlier was the need for extensive alterations to Transfusion Centres in four regions, which in one Centre would take six months, in two Centres 1 year, and in the fourth, 21 months. There was no scope for reducing these periods. Arrangements had been made to centrally purchase additional laboratory equipment, first deliveries of which were expected in 2-3 months, and the programme was unlikely to be held up by this. They were pursuing the delivery date for the three Sharples centrifuges for BPL and hoped to resolve the matter soon. They were also taking steps to clarify the position of the two regions whose ability to contribute was uncertain, but if they could be brought in, it was hoped they could achieve their target by the end of 1976. If they could not, then they would have to consider re-allocating the funds provisionally earmarked for them. He explained that it was difficult to be precise in estimating a date for achieving self-sufficiency given there was some disagreement as to what it meant; some Haemophilia Centre Directors envisaged prophylactic treatment whereas the Department's programme was based upon home treatment of those patients for whom treatment at home could be recommended. It also remained to be seen whether RTDs could successfully persuade clinicians to accept a steadily increasing proportion of red cell concentrates. Despite these qualifications, Mr Jackson anticipated

<sup>29</sup> Note from D. U. Jackson to Mr Lillywhite on Factor VIII: AHG Concentrate, 11 July 1975, **DHSC0001774**

<sup>30</sup> Note from D. U. Jackson to Mr Lillywhite on Factor VIII: AHG Concentrate, 11 July 1975, **DHSC0001774**

that they could expect to be self-sufficient within 2 years, and meet two thirds of requirements within one year.

26. On 14 July, Mr Alexander wrote to Mr Jackson, enclosing a comment from Dr Owen: "This is excellent and I recognise that everyone is doing everything possible. I believe we should keep up the pressure. Can I be kept informed on the centrifuges and also the two regions - why are there difficulties and what can be done? I would not easily accept that they should not contribute."<sup>31</sup> A handwritten annotation dated 21 August 1975, written by Mr Jackson, reads that he had explained to Mr Alexander the problem regarding the two regions was "essentially one of persuading them that they could meet the target we set within the resources that we were able to make available. I have been away on leave but since my return I have kept up the pressure and now see a greater prospect of getting the two regions in than I did a month ago. I would hope to be able to report definitely on the outcome by the end of September but I could of course provide a fuller, though interim, report now if you so wish. On centrifuges, we have got delivery dates for one in September and two in October and these are acceptable to BPL." Another annotation below shows that Dr Owen preferred a full report at the end of September.

27. On 18 July, Mrs Tunnard wrote to Mr Jackson, confirming that she had placed orders for the items to be purchased centrally in order to secure the good prices offered and the best possible delivery.<sup>32</sup> In doing so, she had assumed Newcastle, Manchester, Birmingham and South London would eventually be confirmed to be part of the programme.

28. In August 1975, Mr Lawrence wrote to Mr Jackson outlining his negotiations with the two problematic regions, Northern and West Midlands.<sup>33</sup> The negotiations had ended with offers to revise the special capital allocation to Northern up from £28,000 to £33,000 and the revenue allocation of West Midlands up from £48,000 to £53,000.

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<sup>31</sup> Memo from I. D. Alexander to D. U. Jackson, 14 July 1975, **DHSC0001769**

<sup>32</sup> Letter from Mrs R. A. Tunnard to D. U. Jackson, 18 July 1975, **DHSC0002177\_072**

<sup>33</sup> Memo from P. W. D. Lawrence to D. U. Jackson, 22 August 1975, **DHSC0002177\_094**

29. Paper RTD(75)1 was introduced at the 158th RTD Meeting in October 1975.<sup>34</sup>

Table A showed the estimated time schedule for the build-up of production, and the progress made from January to August 1975 on the targets set as part of the AHG programme.<sup>35</sup> Table B showed that there had been a 12% rise in the monthly rate of donations compared with 1974, but that an increase of 80% was needed from September to December if the target estimated for 31 December 1975 was going to be reached.

PRODUCTION OF FRESH PLASMA FOR ABE CONCENTRATE														
Region	Target No. of donations		RTD's estimate of number of donations to be used by:-											
	Average per month	Annual Rate	31.12.75		31.3.76		30.6.76		30.9.76		31.12.76		31.3.77	
			Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate
			4	5	6	7	8	9	10	11	12	13	14	15
Northern	1,667	20,000	-	-	-	-	-	-	-	-	1,667	20,000	-	-
Yorkshire	1,583	19,000	467	5,600	1,117	13,400	-	-	-	-	-	-	-	-
Trent	1,500	18,000	33	400	-	-	-	-	1,467	17,600	-	-	-	-
East Anglia	1,333	16,000	167	2,000	500	6,000	-	-	667	8,000	-	-	-	-
E W Thames	2,592	31,100	2,592	31,100	-	-	-	-	-	-	-	-	-	-
N E Thames	3,625	43,500	3,625	43,500	-	-	-	-	-	-	-	-	-	-
SE & SW Thames	3,000	36,000	-	-	-	-	-	-	-	-	3,000	36,000	-	-
Wessex	917	11,000	916	11,000	-	-	-	-	-	-	-	-	-	-
Oxford	3,400	40,800	2,317	27,800	-	-	-	-	1,083	13,000	-	-	-	-
South Western	2,458	29,500	425	5,100	2,035	24,400	-	-	-	-	-	-	1,083	13,000
West Midlands	2,167	26,000	117	1,400	967	11,600	-	-	-	-	-	-	-	-
Mersey	1,750	21,000	-	-	-	-	-	-	-	-	1,750	21,000	-	-
North Western	2,083	25,000	-	-	-	-	-	-	-	-	-	-	2,083	25,000
Wales	917	11,000	341	4,100	-	-	-	-	675	8,100	-	-	-	-
TOTAL:	28,992	347,900	10,900	130,800	4,617	55,400	-	-	3,892	46,700	6,417	77,000	3,166	38,000
Cumulative Total:					15,517	186,200	15,517	186,200	19,409	232,900	25,826	309,900	28,992	347,900
Percentage of target achieved				38%		54%		54%		67%		85%		100%

NOTES (1) These figures assume that 100 ml of plasma are taken from each normal donation.  
(2) With the exception of NW Thames, NE Thames and Wessex all the figures in Columns 4 & 5 are less than those in Columns 2 & 3 respectively, they assume that the number of donations used in 1975 will be the same as in 1974, rounded to the nearest 100 for the annual figures in Column 1 to DG 117/737.

<sup>34</sup> Minutes of the 158th RTD Meeting, 8 October 1975, DHSC0105496\_024

<sup>35</sup> Report RTD(75)21 containing tables of production, DHSC0002179\_009



TABLE B

## PRODUCTION OF FRESH PLASMA AND ITS CONCENTRATE

Region	No. of Donations used in 1974	Monthly Average of Column 2	No. of Donations used from 1 Jan. to 31 Aug. 1975	Monthly average of Column 4	Estimated monthly rate to be achieved by 31.12.1975 (Col. 4 of Table A)	Difference between Cols. 5 & 6	
1	2	3	4	5	6	7	8
Northern	-	-	661	85	-	85	-
Yorkshire	5,629	470	2,344	368	467	-	99
Trent	439	37	1,570	196	33	163	-
East Anglia	2,033	169	1,267	159	167	-	8
E S Thames	5,081	422	4,904	863	2,592	-	1,729
E S Thames	14,550	1,212	10,345	1,358	3,425	-	2,257
SE & S of Thames	-	-	-	-	-	-	-
Wessex	-	-	-	-	916	-	916
Oxford	27,778	2,315	15,385	1,923	2,317	-	394
South Western	5,139	428	4,795	849	425	424	-
West Midlands	1,350	112	1,322	165	117	48	-
Horsey	-	-	-	-	-	-	-
North Western	-	-	-	-	-	-	-
Wales	2,828	241	824	103	241	-	138
TOTAL:	64,877	5,406	48,619	6,077	10,930	716	5,541
							Net Minus 4,823

30. Later in the same month, Mr Jackson wrote to Mr Draper and Mr Lillywhite (Dr Owen's Private Secretary), apologising for the delay in providing Dr Owen with an update.<sup>36</sup> Regarding the centrifuges for BPL, assurances had been received from the manufacturers that delivery would be made in time for BPL to process the increasing quantities of plasma from the RTCs. Regarding the two regions about whom they were previously uncertain, the first region's bid (West Midlands) had been seriously out of proportion to the amount of plasma to be produced, and the other region's (Northern) ability to provide plasma depended upon the bottle sterilising area becoming available for separating plasma, which depended on the RHA financing the change from bottles to plastic bags. They had then run into problems of architectural feasibility and finance in connection with converting the RTC. After a series of written and oral exchanges, both regions had provided "reasonably satisfactory" assurances that they would meet the targets and, with only minor modification, on the financial terms the DHSS had first offered. Therefore, all regions had agreed to take part in the programme, although it would be

<sup>36</sup> Letter from D. U. Jackson to Mr Draper and Mr Lillywhite, 23 October 1975, **DHSC0000930**

necessary to monitor developments closely. A handwritten annotation notes that Mr Jackson had been "more successful than we had feared at one time would be feasible." A separate memo records Dr Owen's congratulations to Mr Jackson, as he attached importance to keeping to, and if possible improving on, the present target.<sup>37</sup>

31. In November 1975, Mr Jackson provided Dr Maycock with RTD(75)26, which showed a revised estimated time-table for the targets to be met, and explained that, owing to an original miscalculation, Oxford's target had been reduced from 40,800 to 36,000.<sup>38</sup>

# PROJECTION OF FUND FLOWS FOR AFR. CONCENTRATION

Region	Target Number Donations		RTD's Estimate of Number of Donations to be used here-															
	Monthly Rate	Annual Rate	31.12.1975		31.12.1976		30.6.1976		30.6.1976		31.12.1976		31.12.1977		31.12.1977			
			Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate	Monthly Rate	Annual Rate		
Barbours	1,167	20,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
Yorkshire	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
Total	2,280	38,000	200	2,400	400	4,800	2,400	24,000	2,400	24,000	2,400	24,000	2,400	24,000	2,400	24,000		
East Anglia	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
S & E Thames	2,280	38,000	200	2,400	400	4,800	2,400	24,000	2,400	24,000	2,400	24,000	2,400	24,000	2,400	24,000		
N & E Thames	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
SE & SW Thames	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
Pease	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000		
Griffith	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
South Western	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
West Midlands	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
Mersey	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
North Western	1,113	18,000	100	1,200	200	2,400	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000	1,200	12,000		
Wales	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000	217	11,000		
TOTAL	25,572	363,100	2,557	25,572	5,114	51,144	2,557	25,572	2,557	25,572	2,557	25,572	2,557	25,572	2,557	25,572		
Percentage of Target			100	100	100	100	100	100	100	100	100	100	100	100	100	100		

**Notes:**

- All the figures shown that 100 of flows are taken from each normal donation.
- With the exception of SE Thames and Pease, all the figures in Columns 4 & 5 are less than those in Columns 2 & 3 respectively. This is due to the number of donations used in 1975 will be at the average rate for the first ten months of the year rounded down to nearest 100.
- Pease is an error in calculating the number of donations required. The correct figure is 217, which is 21,700 in Col 4 of Appendix 1 to RTD(75)26. It was then necessary to reduce the annual target for Pease from 11,000 to 21,700.

<sup>37</sup> Memo from G. E. Grimstone to D. U. Jackson, 29 October 1975, **DHSC0000929**

<sup>38</sup> Letter from D. U. Jackson to Dr Maycock, 24 November 1975, **DHSC0002179\_045**

32. Mr Jackson also sent a memo to Mr Dutton, which showed that the number of bottles of AHG concentrate produced at Elstree and Oxford had been 9,624 in 1974, and was already 9,459 for January to October 1975, a monthly increase of over 18% in comparison to 1974.<sup>39</sup> Approximately 63,940 donations had been received at Elstree and Oxford between January and October 1975. However, there had also been a 53% increase in the average monthly rate of commercial purchase of AHG in 1975.
33. By January 1976, a memo from Dr Maycock to Dr Waiter and Mr Dutton showed the FFP received at BPL and PFL from the regions.<sup>40</sup> 84,991 donations had been received in 1975, which was 22,000 less than the 1975 annual target, but the rates in November and December were nearly 2,000 over the target monthly rate for December 1975, suggesting satisfactory progress.
34. At the end of 1975, Mr Jackson had left his role in the Department and was replaced by Mr Dutton.<sup>41</sup> One of the first issues that Mr Dutton had to deal with in late 1975 and early 1976 was the question of whether capital expenditure could be transferred into the 1976/7 year. Mr Fisher wrote to Mr Dutton, explaining that CP2 (a Division within the DHSS) did not propose to provide central capital finance for AHG in 1976/6 so any expenditure which slipped into this year needed to be met from the regions' main allocations.<sup>42</sup>
35. On 28 January 1976, a meeting took place to consider the redistribution of revenue allocation among RHAs and to discuss the difficulty some RHAs were experiencing in spending their full allocation in the current year.<sup>43</sup> A table attached to the memo summarised the RTDs' expected take-up:

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<sup>39</sup> Letter from D. U. Jackson (DHSS) to Mr Dutton, 14 November 1975, **DHSC0100006\_087**

<sup>40</sup> Letter from W. d'A. Maycock to Dr Waiter and Mr Dutton, 14 January 1976, **DHSC0002179\_072**

<sup>41</sup> Letter from D. U. Jackson to Mrs Evans (Welsh Office), 24 November 1975, **DHSC0000920**

<sup>42</sup> Memo from L Fisher to Mr Dutton, 27 November 1975, **DHSC0002179\_064**

<sup>43</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

Table A

SPECIAL ALLOCATIONS (CAPITAL AND REVENUE) FOR 1975/76

<u>RHA</u>	<u>Capital Allocation in 1975/76 (£)</u>	<u>Revenue Allocation in 1975/76 (£)</u>	<u>Estimated take-up in the current year of revenue allocation in 1975/76 (£)</u>
Northern	33,000	24,000	11,000
Yorkshire	36,000	9,000	£6,500
Trent	14,000	19,000	19,310
E Anglia	23,000	10,000	10,000
N W Thames	7,000 <sup>(2)</sup>	16,000	35,135
N E Thames	42,000	8,000	8,000 <sup>(1)</sup>
S W Thames	9,000	22,000	22,000
Wessex	13,000	6,000	6,000
Oxford	47,000 <sup>(2)</sup>	10,000	10,046
S Western	16,000	9,000	9,000
W Midlands	20,000	26,000	26,000
N Western	28,000 <sup>(2)</sup>	<del>28</del> ,000	12,334
Mersey	↻ 17,000 ↻	20,000	

Notes: (1) NE Thames estimate revenue expenditure in a full year at £26,165; their full year allocation was fixed at £17,000 for 1976/77.

(2) See Table B.

Table B

(2) See Table B.

Table B

CAPITAL ALLOCATIONS

<u>RHA</u>	<u>Allocation in 1975/76 (£)</u>	<u>Estimated capital expenditure in 1975/76</u>
N W Thames	7,000	10,400
Oxford	47,000	19,000 <sup>(3)</sup>
Mersey	28,000	20,000

Notes: (3) Oxford estimate capital expenditure in 1976/77 as £28,000.

36. In February 1976, Mr Dutton sent a memo to Mr Fisher, outlining the outcome of the 28 January meeting.<sup>44</sup> Mr Dutton had explained that both Oxford and Mersey had wanted to carry over an unused portion of their special capital allocations, totalling £36,000, to 1976/7, and N. W. Thames had requested an additional capital allocation in the current year. Mr Fisher had stated that Treasury rules made it impossible for RHAs to carry over unspent capital allocations, and the sum of £36,000 did not merit a special request to CP2. Accordingly, RHAs would have to meet such expenditure from their main allocations. He noted that they had not yet been informed of the size of these allocations, so they were therefore not in a position to say that they could not find such finance. It was agreed that the RHAs would be informed that they would have to finance capital expenditure falling in 1976/7, but that if other RHAs reported belatedly they were in a similar predicament the situation would be reviewed.

37. Mr Dutton also sent a minute of the meeting to Mr Longfield.<sup>45</sup> In this memo, he confirmed that the meeting had concluded that it was permissible to re-allocate within the total special revenue allocation for 1975/6 between RHAs (£200,000), but it was not possible to alter the total revenue allocation of £400,000 for 1976/7. Therefore, an additional £16,000 would be allocated to N. W. Thames for 1975/6, by reducing the allocation to Northern and North Western by £8,000 each.

38. At the 160th RTD meeting in March 1976, Dr Maycock reported that the volume of plasma received at BPL was increasing and the amount of FFP received in February was only 300 donations short of the target for 31 March 1976.<sup>46</sup>

39. Later that month, Mr Dutton wrote to Mrs Dunnard, asking for information about increases in the cost of plastic bags, and whether she had secured any

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<sup>44</sup> Memo from T. E. Dutton to Mr Fisher, 2 February 1976, **DHSC0003721\_024**

<sup>45</sup> Memo from T. E. Dutton to Mr Longfield, 2 February 1976, **DHSC0003721\_023**

<sup>46</sup> Minutes of the 160th RTD Meeting, 17 March 1976, **NHBT0016478**

recognition that revenue allocations would be specially adjusted to take account of the high increases in the cost of oil-based products.<sup>47</sup>

40. In April, Dr Maycock wrote to Professor Blackburn, informing him that the programme was nearly 50% ahead of target on 31 March 1976, so the 1977 target of 340,000 might be reached earlier.<sup>48</sup> It was estimated that 80-88% of the target would be reached by the end of the year.

41. At the 161st RTD meeting in May 1976, Mr Dutton informed the meeting that the price of plastic bags had not increased as much as had been reported, but if an RTC would have to lower its target because it could not buy sufficient bags, the RHA should be asked for the extra money necessary.<sup>49</sup> Dr Maycock reported that the intake of FFP was on target. However, it was likely that the amount of blood products needed for treatment of haemophilia would exceed the estimates upon which the current programme was based, and requests for cryoprecipitate were increasing in some parts of the country.

42. At the 163rd RTD Meeting in October 1976, the Chairman reported that although three centres still had some way to go, 90% of the plasma target had already been achieved, although this may have been somewhat at the expense of time-expired plasma.<sup>50</sup> Factor VIII from BPL and PFL was expected to be available in small bottles by the end of 1976. The possibility was raised of having to halt production at Leeds, Brentwood and Bristol if the Medicines Act licensing authority prohibited the use of pigtail bags (a type of plastic plasma bag).

43. At the 164th RTD Meeting in December 1976, the Chairman reported that the plasma production target for December 1976 was likely to be achieved, but prospects for the coming year were clouded by the expenditure constraints on

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<sup>47</sup> Note from T. E. Dutton to Mrs Dunnard, 24 March 1976, **DHSC0002181\_006**

<sup>48</sup> Letter from W. d'A. Maycock (Director, BPL), to Professor E. K. Blackburn, (Department of Haematology, Royal Infirmary, Sheffield), 26 April 1976, **OXUH0000618\_002**

<sup>49</sup> Minutes of the 161st RTD Meeting, 26 May 1976, **NHBT0016477**

<sup>50</sup> Minutes of the 163rd RTD Meeting, 6 October 1976, **NHBT0016475**

RHAs.<sup>51</sup> Mr Dutton said that further allocation of central money was most unlikely, so it was important to make efforts to improve the yields from the available material.

44. In June 1978, the Minister of State confirmed that the production targets set for June 1977 were attained and that production was currently 15m iu per annum.<sup>52</sup> That statement, and the wider outcome of the £500,000 special allocation, are discussed in the main presentation.

## Individual RHAs

### *Northern*

45. The earliest found draft of targets from 4 March 1975 sets the minimum target for the Northern RHA at **20,000 donations** and the minimum donations needed for cryoprecipitate as 6,400.<sup>53</sup> In 1974, the region had produced 14,018 donations for cryoprecipitate and 0 donations for AHG concentrate. The draft Appendix calculated that 7,708 donations could be diverted from cryoprecipitate to AHG, so the minimum additional donations required for AHG concentrate was calculated to be 12,292.

46. On 13 March 1975, Dr Murray, Director of Newcastle RTC, wrote to Dr Maycock to express his concerns about the draft Appendix 1.<sup>54</sup> He felt that the figures were not realistic; in the Northern region, he did not believe Peter Jones (Director, Newcastle Haemophilia Centre) would be satisfied with half the present amount of cryoprecipitate, however much AHG was supplied. He wrote that it would be extremely difficult to prevent the use of AHG for home prophylaxis or the continued use of cryoprecipitate for hospital treatment, and

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<sup>51</sup> Minutes of the 164th RTD Meeting, 8 December 1976, **DHSC0105496\_010**

<sup>52</sup> Written answers, 26 June 1978, **DHSC0000291**

<sup>53</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>54</sup> Letter from S. Murray (Director, Newcastle RTC) to Dr Maycock (DHSS), 13 March 1975, **DHSC0002359\_049**

with the space problems in this region, he would find it difficult to meet the target within two to three years.

47. On 11 April 1975, the region returned their bids in Appendices 2 and 3, with Dr Bringan noting that the target could not be reached without additional accommodation.<sup>55</sup> The break-down of items required can be found in the spreadsheet,<sup>56</sup> but £10,000 was required for additional accommodation, with a total capital bid of **£29,150**, and revenue bid of **£52,600**, making a total of £81,750.

48. At this time, Newcastle RTC still issued some of their blood in bottles rather than plastic bags.<sup>57</sup> On 6 May 1975, Dr Murray wrote to Mr Jackson, informing him that it was highly likely that the RHA would be able to fund the change to plastic bags.<sup>58</sup> Dr Murray planned to radically alter the autoclave room instead of building onto the annex, and he imagined the cost would be somewhere under £10,000, but he had not received an official estimate. He anticipated they could go a “considerable way” to reaching their target within three years, but doubted that the final target would be met as that would require a new team, who would not fit in the building until a new centre was built.

49. On 21 May 1975, Mr Jackson wrote an internal memo to Mr Blanchard, and noted that Northern RHA had still not made a final decision about changing from bottles to plastic bags.<sup>59</sup> Provided the Department were given assurances that the RHA would finance the changeover and it would be completed by the end of the year, they were prepared to make an offer.

50. In a letter to Dr Bringan, Northern RHA, on 28 May, Mr Jackson wrote that he understood the region’s ability to meet its target depended upon an area in the RTC currently used for sterilising bottles to become available for

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<sup>55</sup> Letter from Dr Bringan to The Secretary (DHSS), 11 April 1975, **DHSC0002359\_058**

<sup>56</sup> **INQY0000332**

<sup>57</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

<sup>58</sup> Letter from Dr S. Murray (Director, Newcastle RTC) to D. U. Jackson (DHSS), 6 May 1975, **DHSC0002177\_023**

<sup>59</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**



processing plasma, which in turn depended on the RHA financing the change from bottles to plastic bags.<sup>60</sup> He explained that the earmarked finance was to be distributed to lead to an increased production of plasma on a national basis in the shortest possible time, and therefore additional funds could not be allocated to regions whose ability to materially increase their production at an early date was in question. However, the Department was also anxious that as many regions as possible should participate, so he was offering a special capital allocation of **£28,000** in 1975/6 and an additional revenue allocation of up to **£24,000** in 1975/6, rising to **£48,000** in 1976/7, if the region could provide assurances that they would meet the cost of introducing plastic bags and the necessary alterations to the bottle sterilising area could be completed before the end of the calendar year.

51. On 17 July, Mr Jackson wrote to Dr Bringan again, pressing for confirmation as to whether the region would meet the cost of introducing plastic bags and whether the changeover could be completed in sufficient time to enable the necessary alterations being made to the bottle sterilising room before the end of the calendar year.<sup>61</sup> Meanwhile, Mrs Tunnard at the DHSS had already centrally purchased five centrifuges and one plate freezer for Newcastle, presuming that the region would eventually be confirmed as part of the programme.<sup>62</sup>

52. On 23 July, Dr Bringan replied, confirming that the region was committed to changing from bottles to plastic bags during the current financial year and they would meet the cost.<sup>63</sup> However, the original plan for the additional accommodation had changed, and the cost of the revised accommodation proposals was thought to be around £20,000. RHA technical officers were investigating the possibility of an alternative cheaper scheme, and while it was

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<sup>60</sup> Letter from D. U. Jackson (DHSS) to Dr Bringan (Northern RHA), 28 May 1975, **DHSC0002177\_040**

<sup>61</sup> Memo from D. U. Jackson (DHSS) to Dr Bringan (Northern RHA), 17 July 1975, **DHSC0003721\_167**

<sup>62</sup> Letter from Mrs R. A. Tunnard to D. U. Jackson, 18 July 1975, **DHSC0002177\_072**

<sup>63</sup> Letter from Dr J. W. Bringan (Specialist in Community Medicine, Northern RHA) to D. U. Jackson (DHSS), 23 July 1975, **DHSC0002177\_077**

hoped the alterations would be completed before the end of the calendar year, he could not give an assurance.

53. The hold-up over the accommodation continued into August, but in an internal memo to Mr Jackson, Mr Lawrence wrote that the Regional Treasurer had accepted the £20,000 solution covered more than AHG work and so part of the cost would be covered by the Regional allocation.<sup>64</sup> Mr Lawrence advised Mr Jackson that he could revise the special capital allocation offer up from £28,000 to **£33,000**.

54. On 22 August 1975, Mr Jackson wrote to the Northern RHA's Regional Administrator, emphasising the point that the accommodation would be used for purposes other than producing extra plasma for AHG concentrate, including preparing PPF and accommodating the change from bottles to plastic bags, and therefore extended beyond the purpose of the special allocation, which had already been distributed on the basis of the original bids.<sup>65</sup> However, the Department was exceptionally prepared to increase the special allocation in 1975/6 from £28,000 to £33,000, provided the region could provide assurances that (a) the adaptation of the Centre would start immediately and they could provide an estimate as to when the work would be completed, (b) that if the full cost of the adaptation work could not be met by the special capital allocation, any necessary extra expenditure would be met by the region's existing capital resources and the work would not be deferred for lack of funds, and (c) that the region could meet the target of 20,000 donations by 31 December 1976 at the latest, or otherwise provide the dates by which the region could achieve a level of 5,000, 10,000, 15,000 and 20,000 donations respectively.

55. These terms were accepted, and A. B. Baker, Regional Administrator, wrote to the DHSS on 10 October 1975, informing them that the adaptation of accommodation was hoped to be completed in February 1976 and it was

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<sup>64</sup> Memo from P. W. D. Lawrence to D. U. Jackson, 22 August 1975, **DHSC0002177\_094**

<sup>65</sup> Letter from D. U. Jackson (DHSS) to The Regional Administrator (Northern Regional Health Authority) 22 August 1975, **DHSC0002177\_092**

anticipated the target of 20,000 donations could be met in February 1977.<sup>66</sup> Mr Jackson wrote to confirm the special capital allocation of £33,000 for 1975/6, a special revenue allocation of £24,000 for 1975/6 and a full year addition of £48,000, related to their target of 20,000.<sup>67</sup> He noted that five refrigerated centrifuges and a plate freezer had already been purchased centrally and the amount of £13,222.65 + VAT + delivery charges would be recharged to the region.

56. Later that month, Dr Murray wrote to Mr Jackson, informing him that once alterations were complete, the target could probably be reached within six months, with 75% of the target achieved in three months.<sup>68</sup> He had been insisting on completion by 1 January 1976, but a more realistic date for completion was 1 March.

57. By January 1976, Newcastle was reported to be slightly ahead of target.<sup>69</sup> That same month, a table of RTDs' expected take-up of the 1975/6 revenue allocations shows that Northern's estimated take-up was **£11,000**.<sup>70</sup>

## Conclusion

58. Northern RHA's participation in the scheme was delayed by the RHA's sluggishness in funding the changeover from glass bottles to plastic bags, and negotiations around the resultant accommodation adaptations which would provide the space required for the scheme. Eventually, the region received £33,000 in capital, and was offered £24,000 for 1975/6 and £48,000 for 1976/7, although it appears as if they only took up £11,000 in 1975/6, all in return for a target of 20,000 donations.

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<sup>66</sup> Letter from A. B. Baker (Regional Administrator, Northern RHA) to The Secretary (DHSS), 10 October 1975, **DHSC0002179\_016**

<sup>67</sup> Letter from D. U. Jackson to Regional Administrator, Northern RHA, 20 October 1975, **DHSC0002179\_027**

<sup>68</sup> Letter from S. Murray (Director, Newcastle RTC) to D. U. Jackson, 22 October 1975, **DHSC0003721\_096**

<sup>69</sup> Minutes of the 159th RTD Meeting, 21 January 1976, **NHBT0016480**

<sup>70</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

## Yorkshire

59. Immediately following the letter informing RHAs of the decision to earmark £500,000, Mr Inman, Regional Administrator of Yorkshire RHA, forwarded a letter to the DHSS from the Leeds RTC requesting funding of equipment amounting to £5,365 + VAT + delivery.<sup>71</sup> Mr Jackson replied explaining that before the special finance was allocated the DHSS needed to have informal discussions with RTDs, and Regional Administrators would then be invited to submit estimates of their requirements.<sup>72</sup>

60. In the draft of targets from 4 March 1975, Yorkshire RHA's minimum target was set at **19,000**, with the minimum donations needed for cryoprecipitate as 2,400.<sup>73</sup> In 1974, the Region had used 5,710 donations for cryoprecipitate, and the table shows that it was estimated 3,510 donations could be diverted to AHG, so the minimum additional donations required was calculated to be 10,051.

61. Yorkshire's original Appendix 2 cannot be found, but in the summary of replies circulated at the 156th RTD Meeting in April 1975, Yorkshire's bid is shown to be **£37,280** capital, **£1,080** non-recurring revenue, **£19,050** recurring revenue.<sup>74</sup> A further breakdown is shown in the spreadsheet,<sup>75</sup> where non-recurring revenue has been included under capital, as Mr Jackson had originally removed these items costing less than £1,000 from capital bids for the purposes of his table.<sup>76</sup>

62. In May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>77</sup> The table attached shows

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<sup>71</sup> Page 2 of letter from Secretary (Leeds RTC) to Mr Inman (Regional Administrator, Yorkshire RHA), 19 November 1974, **DHSC0002359\_065**

<sup>72</sup> Letter from D. U. Jackson to the Regional Administrator, Yorkshire RHA, 17 January 1975, **DHSC0003720\_156**

<sup>73</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>74</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>75</sup> **INQY0000332**

<sup>76</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>77</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

Yorkshire's special capital allocation was **£36,000**, special revenue allocation for 1975/6 was **£9,000** and for 1976/7 was **£18,000**. In return, the annual target was set at **19,000**.

63. By October 1975 the Region had fallen behind on reaching its targets as set out in table RTD(75)26.<sup>78</sup> A letter from Dr Tovey informed Mr Jackson that the new targets were to reach a monthly rate of 333 donations on 31 March 1976 (an annual rate of 4,000 donations), and a monthly rate of 783 donations on 30 June 1976 (an annual rate of 9,400 donations).<sup>79</sup> The target rate of 1,583 donations per month (19,000 donations per year) was therefore not expected to be reached until 30 September 1976.

64. In November 1975, Yorkshire RHA confirmed they had spent their full capital allocation of £36,000, consisting of £9,000 for works, £27,000 for equipment.<sup>80</sup> In January 1976, the Region advised the DHSS that their estimated take-up of revenue was **£6,500** for 1975/6.<sup>81</sup>

### Conclusion

65. Although in early 1975, Leeds RTC still issued some of their blood in bottles, Yorkshire RHA did not pose a problem cost-wise for the DHSS.<sup>82</sup> Yorkshire received £36,000 in capital allocation, was offered £9,000 in special revenue for 1975/6 but took up £6,500, and was offered £48,000 for 1976/7, in return for a target of 19,000 donations per annum.

### ***Trent***

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<sup>78</sup> RTD(75)26, **DHSC0002369\_006**

<sup>79</sup> Letter from Dr Tovey (Yorkshire RHA) to D. U. Jackson (DHSS), 30 October 1975, **DHSC0002179\_040**

<sup>80</sup> Revised capital estimates for Yorkshire RHA, 28 November 1975, **DHSC0003721\_065**

<sup>81</sup> Memo from R. P. Cleasby, Department of Health and Social Security (DHSS) to Mr Dutton, Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle, Mr Longfield, 27 January 1976, **DHSC0003721\_027**

<sup>82</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

66. Sheffield was another region which began in 1975 still issuing some of its blood in glass bottles, but its inclusion in the scheme was relatively smooth.<sup>83</sup>

67. In the draft of targets from 4 March 1975, Trent RHA's minimum target for AHG concentrate was set at **18,000**, with the minimum donations needed for cryoprecipitate 4,600.<sup>84</sup> In 1974, the Region used 439 donations for AHG concentrate and 10,177 for cryoprecipitate. The table shows that it was estimated that 5,577 donations could be diverted to AHG and 11,984 additional donations were required.

68. Trent's original Appendix 2 cannot be found, but in the summary of replies circulated at the 156th RTD Meeting in April 1975, Trent's bid is shown to be **£14,624** capital, **£1,236** non-recurring revenue, **£41,200** recurring revenue.<sup>85</sup> A further breakdown is shown in the spreadsheet<sup>86</sup>, where non-recurring revenue has been included under capital, as Mr Jackson had originally removed these items costing less than £1,000 from capital bids for the purposes of his table.

69. On 8 May 1975, Dr Wagstaff, Sheffield RTC, wrote to Mr Jackson, saying that despite a "long and hard look" at the estimated requirements, there was no ready means of reducing it.<sup>87</sup> He had thought about switching to the pigtail bag system, but was unhappy about using a semi-open system during the changeover from bottles to bags. As there were no issues with accommodation, he estimated that once delivery of the equipment had occurred, they could reach the target within nine months.

70. In May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>88</sup> The table attached shows Trent's special capital allocation was **£14,000**, special revenue allocation for

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<sup>83</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

<sup>84</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>85</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>86</sup> **INQY0000332**

<sup>87</sup> Letter from Dr Wagstaff (Director, Sheffield RTC) to D. U. Jackson (DHSS), 8 May 1975, **DHSC0002177\_027**

<sup>88</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

1975/6 was **£19,000** and for 1976/7 was **£38,000**. In return, the target was set at **18,000** donations.

71. Dr Wagstaff, Director of Sheffield RTC, wrote to Mr Jackson in October 1975, informing him that the alterations to the new centrifuge room were almost complete and they had taken delivery of all the hardware except the Grant's Plate Freezers.<sup>89</sup> He foresaw no great difficulty in starting the programme on schedule, with 50% of the target reached by 31 March 1976 and 100% by 30 June 1976.

72. In January 1976, a table of RTDs' expected take-up of the 1975/6 revenue allocations shows that Trent's estimated take-up for 1975/6 was **£19,310**, slightly above their allocation.<sup>90</sup> It is possible that this was authorised if they were ahead of schedule in reaching their targets.

### Conclusion

73. Trent received £14,000 in capital allocation, was offered £19,000 in special revenue for 1975/6 but took up £19,310, and was offered £38,000 for 1976/7, in return for a target of 18,000 donations per annum.

### ***East Anglian***

74. East Anglian was another region which was using some glass bottles at the start of 1975.<sup>91</sup> In January 1975, Dr Wragg, Regional Scientific Officer, wrote to Mr Jackson, in response to the letter of 24 December 1974 which informed regions of the earmarked finance.<sup>92</sup> He noted that the Director of the East Anglian BTS had previously prepared an estimate of costs to increase Factor

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<sup>89</sup> Letter from Dr W. Wagstaff (Director, Sheffield RTC) to D. U. Jackson, 16 October 1975, **DHSC0002179\_024**

<sup>90</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

<sup>91</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

<sup>92</sup> Letter from Dr Wragg (Regional Scientific Officer, East Anglian RHA) to D. U. Jackson (DHSS), 21 January 1975, **DHSC0003720\_130**

VIII production, and asked if the money would be allocated on a population basis or based on estimates from Directors.

75. In the draft of targets from 4 March 1975, East Anglian RHA's minimum target for AHG concentrate was set at **12,000**, with the minimum donations needed for cryoprecipitate 2,700.<sup>93</sup> In 1974, the Region used 2,033 donations for AHG concentrate and 6,003 for cryoprecipitate. The table shows that it was estimated that 3,303 donations could be diverted from cryoprecipitate to AHG and so 6,664 additional donations were required.

76. East Anglian's original Appendix 2 has not been found. From a letter on 12 May from Dr Darnborough to Mr Jackson, it is evident that their initial estimate included £2,000 for accommodation, but this needed to be increased to £8,000 after discussions with the RHA Architect and Engineer.<sup>94</sup> In the amended summary of replies, this £8,000 for accommodation was included, and East Anglian's bid is shown to be **£23,240** capital, **£900** non-recurring revenue, **£21,150** recurring revenue.<sup>95</sup> A further breakdown is shown in the spreadsheet<sup>96</sup>, where non-recurring revenue has been included under capital, as Mr Jackson had originally removed these items costing less than £1,000 from capital bids for the purposes of his table. It appears from a later table that East Anglian's bid had also estimated that they could provide 16,000 donations per annum.<sup>97</sup>

77. Dr Darnborough's letter also informed Mr Jackson that the region hoped the alterations to the accommodation would be completed by Christmas and he expected to achieve the initial target of 6,000 extra by March 1976, building up to 10,500 by the summer of 1976.<sup>98</sup>

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<sup>93</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>94</sup> Letter from J. Darnborough (Director, Cambridge RTC) to D. U. Jackson (DHSS), 12 May 1975, **DHSC0002177\_030**

<sup>95</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>96</sup> **INQY0000332**

<sup>97</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

<sup>98</sup> Letter from J. Darnborough (Director, Cambridge RTC) to D. U. Jackson (DHSS), 12 May 1975, **DHSC0002177\_030**



78. In May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>99</sup> The table attached shows East Anglian's special capital allocation of **£23,000**, special revenue allocation for 1975/6 of **£10,000** and for 1976/7 of **£20,000**. In return, the annual target was set at **16,000** donations.

79. In July 1975, Mr Smith, Regional Administrator, wrote to Mr Jackson, confirming that the target of 16,000 was accepted and reiterating that the timeline for completion of building work was December 1975, and they anticipated reaching the in the summer of 1976.<sup>100</sup> He expected that the revenue allocation of £10,000 for 1975/6 would be fully taken up.

80. In October 1975, Dr Darnborough wrote to Mr Jackson, confirming that the RTC expected to achieve 100% of the target on 30 September 1976, assuming that the timetable for completing alterations and deliveries of equipment was not disturbed.<sup>101</sup>

### Conclusion

81. East Anglian received £23,000 in capital allocation, was offered and took-up £10,000 in special revenue for 1975/6, and was offered £20,000 for 1976/7, in return for a target of 16,000 donations per annum.

### ***N.W. Thames***

82. In the draft of targets from 4 March 1975, N. W. Thames RHA's minimum target for AHG concentrate was set at **26,000**, with the minimum donations needed for cryoprecipitate 17,400.<sup>102</sup> In 1974, the region used 5,061 donations for AHG concentrate and 38,130 for cryoprecipitate. The table

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<sup>99</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

<sup>100</sup> Letter from S. W. Smith (Regional Administrator, East Anglian RHA) to The Secretary, DHSS, 2 July 1975, **DHSC0002177\_063**

<sup>101</sup> Letter from J. Darnborough (Director, Cambridge RTC) to D. U. Jackson (DHSS), 9 October 1975, **DHSC0002179\_014**

<sup>102</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

shows that it was estimated that 20,730 donations could be diverted to AHG and so 209 additional donations were required.

83. N. W. Thames' returned Appendix 2 on 17 April, the details of which are included in the spreadsheet.<sup>103</sup> They asked for **£9,310** in capital allocation and **£34,450** in revenue allocation, making a total of £43,760. Notably they did not ask for any transport costs but did ask for £100 in recurring revenue for advertising costs, the only RHA to do so. In their return they stated that they could not increase the number of donations above the provisional target, although by May 1975, their target had risen to 31,100 donations per annum.<sup>104</sup>

84. In May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>105</sup> The table attached shows N. W. Thames' special capital allocation was **£7,000**, special revenue allocation for 1975/6 was **£16,000** and for 1976/7 was **£32,000**. In return, the annual target was set at **31,100** donations.

85. In June 1975, Dr Cleghorn rang Mr Jackson, evidently expressing concern about the discrepancy of £2,310 in capital and £2,450 in revenue between their bid and the allocation.<sup>106</sup> Mr Jackson explained to him that the Department had to cut between 3% and 9% from all revenue bids, and items costing less than £1,000 had been treated as non-recurring revenue. However, it was recognised that the extent to which regions could take up their revenue allocation for 1975/6 would vary, hence the request for information of their expected take-up, after which adjustments could be made. He therefore suggested to Dr Cleghorn that he give Mr Hewett (NW Thames RHA) the facts upon which a bid for an increase in the region's revenue allocation for 1975/6 might be substantiated.

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<sup>103</sup> **INQY0000332**; Letter from J. M. Paton (North West Thames RHA), to Mr B. O. B. Gidden (DHSS), 17 April 1975, **DHSC0002359\_062**

<sup>104</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

<sup>105</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

<sup>106</sup> Letter from D. U. Jackson (DHSS), to Mr Blanchard, Mr Lawrence and Mr Longfield, 20 June 1975, **DHSC0002177\_058**

86. As discussed in the first section of this memo, Mr Jackson relayed this in a letter to Mr Blanchard, Mr Lawrence and Mr Longfield, and asked them if, when, and how allocations could be revised to cover rising costs, and whether revenue expenditure incurred between 1 April and 30 May in anticipation of the allocation of funds could be taken into account.<sup>107</sup> He also enclosed a letter from Dr Cleghorn to Mr Hewett, dated 9 June 1975, which stated that the RTC had already stepped up production in anticipation of the special allocation to a rate equivalent to 11,800 per annum, and Dr Cleghorn expected to achieve the target annual rate of 31,100 by 30 September at the very latest.<sup>108</sup> Therefore, 50% of the 1976/7 allocation for 1975/6 was inadequate and 100% would be more realistic. Mr Longfield replied to Mr Jackson on 25 June, stating that expenditure incurred between 1 April and 30 May could be taken into account.<sup>109</sup> He noted that the North London RHA may be allowed more than 50% of its estimated allocation for 1975/6, but it would be difficult if there was a claim for an increase in the overall recurring cost.

87. The Divisional Head of Service Planning wrote to Mr Jackson in December 1975, writing that the target rate of 31,100 donations had been achieved in October 1975, and asking whether any addition could be made to the allocations.<sup>110</sup> Expenditure had been in excess of the original estimates. £7,000 of special capital had been allocated but the region had spent **£10,400**. There had been price increases in blood packs since the revenue estimates, and revised costs were as so:

	Current Year	Full Year
Balance of equipment	£1,910	
Staffing	£9,100	£9,100
Sealer clips etc.	£1,150	£1,480

<sup>107</sup> Letter from D. U. Jackson (DHSS), to Mr Blanchard, Mr Lawrence and Mr Longfield, 20 June 1975, **DHSC0002177\_058**

<sup>108</sup> Letter from Dr Cleghorn (North London Blood Transfusion Centre) to Mr Hewett (North West Thames RHA), 9 June 1975, **DHSC0002177\_052**

<sup>109</sup> Letter from R. C. Longfield to Mr Jackson, 25 June 1975, **DHSC0002177\_061**

<sup>110</sup> Letter from Divisional Head of Service Planning (North West Thames RHA) to Mr D. U. Jackson/Mr Cleasby, 29 December 1975, **DHSC0002179\_065**

Blood Packs	£22,975	£32,320
Total	£32,135	£42,900

88. In February 1976, Mr Dutton wrote to the Regional Administrator, informing him that, whilst the capital expenditure was significantly in excess of the special allocation of £7,000, it would not be possible to allocate further capital for AHG in 1975/6 or 1976/7.<sup>111</sup> However, the Department had authorised additional special revenue expenditure to be used in connection with AHG concentrate programme of £16,000 for 1975/6, thus allocating a total of **£32,000** for the year. No change could be made to the revenue allocation for 1976/7 of £32,000 but normal allocation procedures to take account of rising service costs would apply.

89. In March 1976, Mr Dutton wrote again, informing them that the Department would authorise an additional sum of **£3,400** for capital development for 1975/6 as requested, so authorised capital expenditure was now £10,400 in 1975/6.<sup>112</sup> He understood the Authority could not allocate additional revenue expenditure for 1976/7, resulting in an estimated shortfall of £10,900. He asked the Region to provide an estimate of how far production would fall below the agreed annual target rate of plasma from 31,000 donations if the shortfall could not be stopped. The Divisional Head replied on 6 May, estimating that production would fall 8,000 units below the agreed target of 31,100 donations if the deficit was not made up.<sup>113</sup>

90. Mr Dutton wrote to the Divisional Head again in June, notifying him that the Department had re-examined the possibility of making an additional revenue

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<sup>111</sup> Letter from T. E. Dutton to The Regional Administrator (North West Thames RHA), 9 February 1976, **DHSC0003721\_020**

<sup>112</sup> Letter from T. E. Dutton (DHSS) to Regional Administrator (North West Thames RHA), 8 March 1976, **DHSC0003721\_006**

<sup>113</sup> Letter from Divisional Head (General Administration, North West Thames RHA) to Mr Dutton, 6 May 1976, **DHSC0002181\_011**

allocation to the Authority but they had found it impossible.<sup>114</sup> He explained that:

“Although central funds were made available for this development, this process was intended essentially as a ‘pump-priming’ operation to start the AHG concentrate plasma production programme and this has largely been achieved. Thereafter it was expected that regions would continue the programme from within their normal allocations (which include an element for the programme, revised in the usual way to take account of cost increases).”<sup>115</sup>

91. Mr Dutton wrote that loss of 8,000 donations of plasma annually would therefore mean that health authorities would have to make up the deficiency by additional purchases of commercially-produced concentrate at considerable cost. He hoped that the region would therefore reconsider its decision to reduce plasma production.<sup>116</sup>

## Conclusion

92. N. W. Thames initial target was set at 26,000 donations per annum but this was soon raised to 31,100 donations per annum. The region initially bid for £9,310 in capital allocation and £34,450 in revenue allocation. They were initially offered £7,000 in capital allocation, £16,000 revenue for 1975/6 and £32,000 revenue for 1976/7. However, they had already reached their target by October 1975, and therefore requested an increase in revenue allocation, as well as an increase in capital allocation to £10,400. The Department agreed to increase the Region’s capital expenditure to £10,400 and allocated a full year of revenue, £32,000, to 1975/6. However, they did not agree to increase their revenue allocation for 1976/7 other than the usual way to take account of cost increases. This led the Region to predict a shortfall of 8,000 donations in 1976/7.

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<sup>114</sup> Letter from T. E. Dutton to Divisional Head (General Administration, North West Thames RHA), 21 June 1976, **DHSC0103283\_102**

<sup>115</sup> Letter from T. E. Dutton to Divisional Head (General Administration, North West Thames RHA), 21 June 1976, **DHSC0103283\_102**

<sup>116</sup> Letter from T. E. Dutton to Divisional Head (General Administration, North West Thames RHA), 21 June 1976, **DHSC0103283\_102**

## ***N. E. Thames***

93. In the draft of targets from 4 March 1975, N. E. Thames RHA's minimum target for AHG concentrate was set at **21,000**, with the minimum donations needed for cryoprecipitate 4,100.<sup>117</sup> In 1974, the Region used 14,550 donations for AHG concentrate and 9,068 for cryoprecipitate. The table shows that it was estimated that 4,968 donations could be diverted from cryoprecipitate to AHG and so 1,482 additional donations were required.

94. W. Firbank, Regional Administrator of N. E. Thames RHA returned Appendix 2 on 23 April 1975, including an additional estimate for the cost of producing up to 22,500 additional donations.<sup>118</sup> The details of their bid can be found on the spreadsheet,<sup>119</sup> but they were asking for £43,685 in capital expenditure and £22,193 in revenue to achieve the target of 21,000 donations per annum, and an additional £20,951 in revenue for the extra 22,500 donations. This meant £43,685 in capital and £43,144 in revenue to achieve 43,500 donations. Firbank wrote that the requirement for plastic blood bags would not be so large if the department could agree to the use of pigtail bags rather than double packs.

95. After the RTD meeting, Dr Jenkins, Director of Brentwood RTC, wrote to Mr Jackson, adding two items to Laboratory Equipment and making savings under revenue due to a change from pigtail plastic packs rather than double bags.<sup>120</sup> He noted that they were confused about the application of VAT since the last budget, so prices may have to be modified. This amended bid is also outlined on the spreadsheet and was a total of **£45,225** capital and **£18,578** revenue for 43,500 donations.<sup>121</sup>

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<sup>117</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>118</sup> Letter from W. Firbank (North East Thames RHA) to B. O. B. Gidden (DHSS), 23 April 1975, **DHSC0002177\_010**

<sup>119</sup> **INQY0000332**

<sup>120</sup> Letter from W. J. Jenkins (Director, Brentwood RTC) to D. U. Jackson (DHSS), 6 May 1975, **DHSC0002177\_022**

<sup>121</sup> **INQY0000332**

96. In May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>122</sup> The table attached shows N. E. Thames' special capital allocation was **£42,000**, special revenue allocation for 1975/6 was **£8,000** and for 1976/7 was **£17,000**. In return, the annual target was set at **43,500** donations.

97. Dr Jenkins, Director of the N. E. Thames RTC, wrote to Mr Jackson in October 1975, reporting that they had a set-back in the form of building work delays for the alteration of the accommodation.<sup>123</sup> At the start, the firm completion date was the end of August 1975, but the District Engineer now said it would be completed by the end of January 1976. They were currently producing 20,000 donations per annum, and intended to double this once the builders were gone. He suggested that Mr Jackson could write to the Regional Administrator to stress the urgency.

98. Mr Jackson wrote to W. Firbank on 29 October, reminding him that he had told the Department it would take two months to complete the alteration at Brentwood after which they expected to be able to provide plasma at a rate of 43,500 donations per annum.<sup>124</sup> However, during September, only 2,145 donations had been received from Brentwood. He understood that the reason for this shortfall of 41% was that alterations were now not expected to be completed until the end of January 1976. He asked for an explanation for the unexpected delay of five months and any steps which could be taken to reduce it. Mr Jackson then wrote to Dr Jenkins, enclosing a copy of this letter, and suggesting that Brentwood's date for meeting the 100% target should be pushed back by three months, which was a little disappointing but not unduly serious.<sup>125</sup> In fact, by January 1976, Brentwood had nearly reached their target.<sup>126</sup>

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<sup>122</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

<sup>123</sup> Letter from W. J. Jenkins (Director, North East Thames RTC) to D. U. Jackson (DHSS), 14 October 1975, **DHSC0002179\_020**

<sup>124</sup> Letter from D. U. Jackson (DHSS) to W. Firbank (North East Thames RHA), 29 October 1975, **DHSC0002179\_038**

<sup>125</sup> Letter from D. U. Jackson (DHSS) to Dr W. J. Jenkins (Brentwood RTC), 29 October 1975, **DHSC0003721\_101**

<sup>126</sup> Minutes of the 159th RTD Meeting, 21 January 1976, **NHBT0016480**

99. In December 1975, the Principal Assistant Treasurer wrote to Mr Cleasby, confirming estimated revenue expenditure was to be £8,000 in 1975/6.<sup>127</sup> He also stated that estimated revenue expenditure would be **£26,165** in a full year (consisting of 1 senior lab technician, 2 junior technicians, 1 clerical officer, 1 driver and laboratory equipment/blood bags). This was £9,165 over the allocation of £17,000.

100. This discrepancy does not appear to be picked up on for some time. The Principal Assistant Treasurer wrote to Mr Dutton in July 1976, asking if further consideration could be given to their allocation and explaining that their original estimate of costs had been based on basic salaries and did not take into account enhancements, London weightings, National Insurance and superannuation.<sup>128</sup> The estimate was amended in his letter of December 1975. Pay and prices at December 1975 were increased by 12% on the March 1977 cash limits, which made the total **£31,400**. He explained that the RHA would therefore have great difficulty in running the project with a total of £17,000 and was already subject to a restricted budget in the current financial year. He asked for help from the Department or production of concentrate may have to be restricted.

101. Mr Dutton replied, stating that he was considering the request in conjunction with the Finance Division, but from conversations he had had with them recently he was not very hopeful of the outcome.<sup>129</sup> He hoped that the Authority would consider the consequences of restricting the concentrate, which would lead to greater expenditure on commercial concentrates.

102. It is unknown if or how this matter was resolved. Almost a year later, on 1 June 1977, Mr Dutton wrote to Dr Jenkins in response to another request for

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<sup>127</sup> Letter from M. J. Smith (Principal Assistant Treasurer, North East Thames RHA) to Mr Cleasby (DHSS), 8 December 1975, **DHSC0002179\_059**

<sup>128</sup> Letter from Principal Assistant Treasurer (North East Thames RHA) to Mr Dutton (DHSS), 20 July 1976, **DHSC0002181\_024**

<sup>129</sup> Letter from T. E. Dutton to Mr Smith (Principal Assistant Treasurer, North East Thames RHA), 23 July 1976, **DHSC0103283\_092**



additional finance.<sup>130</sup> He wrote that financial assistance was unlikely and he hoped that Dr Jenkins could persuade the RHA of the importance of stepping up the output of fresh plasma.

103. On 2 June 1977, Mr Dutton received a letter from the Regional Treasurer, who wrote that he would be examining the issue of additional funds, but that the region had received a “meagre increase” of 0.27% in the current year, accounting to £875,000, out of which they were supposed to meet the revenue of capital schemes exceeding £2.5m.<sup>131</sup> He said he could not “produce instant funds at the drop of hat” but he would do his best. He also asked for information on developments ahead of time. A handwritten annotation from Dutton addressed to Mr Cleasby notes “I would have thought that it was first and foremost for Dr Jenkins to keep his authority warned of developments which would affect their expenditure.” He did not think a reply was necessary, except a simple acknowledgement. It is not known whether there was any further correspondence on this matter, or how the issue was resolved.

### Conclusion

104. N. W. Thames agreed to a target of 43,500 donations, with a capital allocation of £42,000, and a revenue allocation of £8,000 for 1975/6 and £17,000 for 1976/7. There were some discussions of delay to building works, but these do not appear to have significantly set back achievement of targets. However, there was a significant underestimation of revenue expenditure, with a full year estimated to cost £31,400 by July 1976. It is not known whether this expenditure was ever authorised by the Department, and discussions with the DHSS of expenditure may have continued into 1977.

### ***S.W. and S.E. Thames***

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<sup>130</sup> Letter from Mr Dutton to Dr Jenkins, 1 June 1977, **DHSC0002183\_046**

<sup>131</sup> Letter from Regional Treasurer (North East Thames RHA) to Mr Dutton (DHSS), 2 June 1977, **DHSC0002183\_052**

105. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **36,000**, with the minimum donations needed for cryoprecipitate 10,700.<sup>132</sup> In 1974, the Region used 0 donations for AHG concentrate and 23,777 for cryoprecipitate. The table shows that it was estimated that 13,077 donations could be diverted from cryoprecipitate to AHG and so 22,923 additional donations were required.
106. S.E. & S. W. Thames' original Appendix 2 has not been found. In the amended summary of replies, the Region is noted as having bid for **£9,626** capital, **£1,529** non-recurring revenue and **£49,388** recurring revenue.<sup>133</sup> A further breakdown is shown in the spreadsheet<sup>134</sup>, where non-recurring revenue has been included under capital, as Mr Jackson had originally removed these items costing less than £1,000 from capital bids for the purposes of his table.
107. S.W. & S. E. Thames was another region which was still using glass bottles in 1975.<sup>135</sup> In a letter to Mr Blanchard on 21 May 1975, Mr Jackson wrote that S. W. Thames had still not made a final decision about changing from bottles to plastic bags, but provided they were given assurances that they would finance the changeover and it would be completed by the end of the year, the Department was prepared to make an offer.<sup>136</sup>
108. Mr Jackson wrote to the General Administrator on 28 May 1975, explaining that he understood the region's ability to meet its target depended upon an area in the RTC at present used for sterilising bottles becoming available for processing plasma, and this depended on the necessary finance being provided by the RHA to change from bottles to plastic bags.<sup>137</sup> He wrote that if the region could meet the cost of introducing plastic bags and could

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<sup>132</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>133</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>134</sup> **INQY0000332**

<sup>135</sup> Minutes of the 3rd Special Meeting of RTDs, 19 February 1975, **CBLA0000255**

<sup>136</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

<sup>137</sup> Letter from D. U. Jackson (DHSS) to General Administrator (South West Thames RHA), 28 May 1975, **DHSC0002177\_039**

provide assurance that the necessary alterations to the bottle sterilising area could be completed before the end of the calendar year, the Department could offer a special capital allocation of **£9,000** in 1975/6 and a revenue allocation of up to **£22,000** in 1975/6, rising to **£45,000** in 1976/7.

109. On 19 June, the General Administrator wrote to Mr Jackson, informing him that the Authority had authorised the changeover from glass to plastic at Tooting and it was hoped within a few weeks they could give the necessary assurance that the conversion of accommodation could be achieved before the end of the calendar year.<sup>138</sup>

110. Although the DHSS had not yet received confirmation of their participation, Mrs Tunnard ordered the region two centrifuges and one plate freezer in July, on the assumption that they would eventually become part of the programme.<sup>139</sup> She noted that Dr Rogers had asked for the plate freezer which had not been included in the original bid, so it might need to be taken into account when deciding the region's allocation.

111. By September 1975, confirmation from the region was still not forthcoming, and Mr Jackson wrote to the General Administrator to inform him that the centrifuges and freezer had already been centrally ordered for the region at a cost of £6,870.62 + VAT, without the Department fully realising that the region had not yet confirmed their readiness to participate in the scheme.<sup>140</sup> Mr Jackson asked for their assurance that they would cover the cost of introducing plastic bags, and that the target of **36,000** donations for AHG concentrate could be met by no later than 31 December 1976. He also noted that the capital allocation of £9,000 had been allocated prior to Dr Roger's request of the plate freezer, which had been requested mid-July, six weeks after all available funds had been distributed, so no additional funds were available for this.

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<sup>138</sup> Letter from General Administrator (South West Thames RHA) to D. U. Jackson (DHSS), 19 June 1975, **DHSC0002177\_057**

<sup>139</sup> Letter from Mrs R. A. Tunnard to D. U. Jackson, 18 July 1975, **DHSC0002177\_072**

<sup>140</sup> Letter from D. U. Jackson (DHSS) to The General Administrator (South West Thames RHA), 12 September 1975, **DHSC0002199\_003**

112. The General Administrator wrote to Mr Jackson in October, confirming that the region would meet the cost of introducing plastic containers and the changeover was being made that month. Dr Rogers, the Director, was planning to meet the target of 36,000 donations by the end of December 1976. Whilst it was difficult to give an unqualified undertaking of all the costs involved, it was their present intention to provide the balance of funds required.<sup>141</sup>

113. Mr Jackson replied, confirming that the special capital and revenue allocations would be made.<sup>142</sup>

### Conclusion

114. The region's participation in the scheme was delayed by Regional planning of the changeover from glass to plastic bags. However, by October 1975 their participation in the scheme was confirmed and the region was allocated a special capital allocation of £9,000, a revenue allocation of £22,000 in 1975/6 and £45,000 in 1976/7. They took up the whole £22,000 allocation in 1975/6.<sup>143</sup> RTD(75)26 shows that it was estimated the region would reach its target of 36,000 donations per annum by December 1976, but it is unclear whether this was reached.<sup>144</sup>

### **Wessex**

115. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **11,000**, with the minimum donations needed for cryoprecipitate 7,800.<sup>145</sup> In 1974, the region used 0 donations for AHG

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<sup>141</sup> Letter from General Administrator (South West Thames RHA) to D. U. Jackson (DHSS), 10 October 1975, **DHSC0002179\_015**

<sup>142</sup> Letter from D. U. Jackson (DHSS) to The General Administrator (South West Thames RHA), 14 October 1975, **DHSC0003721\_119**

<sup>143</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

<sup>144</sup> RTD(75)26, **DHSC0002369\_006**

<sup>145</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

concentrate and 17,130 for cryoprecipitate. The table shows that it was estimated that 9,330 donations could be diverted from cryoprecipitate to AHG and so 1,670 additional donations were required.

116. Wessex RHA returned Appendix 2 on 25 April 1975, details of which can be found in the spreadsheet.<sup>146</sup> The region did not commit to providing donations above the target of 11,000, and bid for £14,600 capital and £11,400 revenue. After the RTD Meeting, Dr Smith wrote to Mr Jackson with revised costing figures, and “with some misgivings” reduced expenditure, a summary of which is included in the spreadsheet.<sup>147</sup> The new bid was for **£13,600** capital and **£10,250** revenue. He noted that once the money was available, they could start within three months and try to reach the target figure by six months.

117. On 30 May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>148</sup> The table attached shows Wessex’s special capital allocation of **£13,000**, a special revenue allocation for 1975/6 of **£6,000** and for 1976/7 of **£11,000**. In return, the annual target was set at **11,000** donations.

118. In October, D. S. Smith wrote to Mr Jackson, confirming that the region was on schedule to meet their target figures.<sup>149</sup> The timetable suggests that they were expecting to reach their target by 31 December 1975.<sup>150</sup>

119. In December 1975, Mr Jackson was informed that a simpler method for transport had been adopted, costing £1,782.14, along with £9,191.15 on laboratory equipment and £492 on structural engineers.<sup>151</sup> This appears to

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<sup>146</sup> **INQY0000332**; Letter from A. A. Wright (Senior Assistant Secretary, Wessex RHA) to D. U. Jackson (DHSS), 25 April 1975, **DHSC0002177\_013**

<sup>147</sup> **INQY0000332**; Letter from D. S. Smith (Medical Director, Wessex RTC) to D. U. Jackson (DHSS), 8 May 1975, **DHSC0002177\_026**

<sup>148</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

<sup>149</sup> Memo from D.S. Smith (Wessex RTC) to D. U. Jackson (DHSS), 13 October 1975, **DHSC0002179\_018**

<sup>150</sup> RTD(75)26, **DHSC0002369\_006**

<sup>151</sup> Letter from J. C. Allan (Capital Development Officer, Wessex RHA) to D. U. Jackson, 23 December 1975, **DHSC0002179\_063**

make a total capital spend of **£11,465.29**. It was estimated that the price increases for plastic bags, plus salaries for staff would completely absorb the £6,000 of revenue allocated.

### Conclusion

120. Wessex was offered £13,000 in capital, £6,000 in revenue for 1975/6 and £11,000 in revenue for 1976/7 to reach a rate of 11,000 donations per annum. In fact, it only used £11,465.29 in capital. No evidence has been found that they did not reach their target as estimated in December 1975.

### **Oxford**

121. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **13,000**, with the minimum donations needed for cryoprecipitate 1,600.<sup>152</sup> In 1974, the region used 27,778 donations for AHG concentrate and 3,406 for cryoprecipitate. The table shows that it was estimated that 1,806 donations could be diverted from cryoprecipitate to AHG and so -16,584 additional donations were required.

122. Evidently in response to an earlier draft of Appendix 1, Dr Fisher wrote to Dr Maycock in February 1975 enclosing Appendix 3, which is detailed in the spreadsheet.<sup>153</sup> He wrote that Oxford RTC had been placed in a difficult position in that they seemed to be producing more plasma than required of them and they assumed therefore that the region would have little or no claim over the £500,000. Factor VIII production had taken priority in the region and had been financed entirely out of their annual budget. As a result, the equipment and staff requested were needed not just to increase donations but to maintain the present production level. He hoped that it would not go unnoticed that their plasma production estimate was three times the target set by DHSS. Their return stated that with this capital and revenue, they could

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<sup>152</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>153</sup> **INQY0000332**; Letter from Dr Fisher (Deputy Director, Oxford RTC) to Dr Maycock (DHSS), 14 February 1975, **DHSC0002359\_034**

provide up to 14,000 additional donations per year (2,340 litres of plasma) [making a total of 41,778 donations].

123. The provisional target in the letter of 21 March 1975 for the Region was: -14,500 donations.<sup>154</sup> J. R. Watkins, General Administrator of Oxford RHA, replied to the letter on 17 April, reminding Mr Gidden that 40% of the national output was prepared in Oxford and pointing out that the 'additional figure' in the letter was a substantial minus.<sup>155</sup> He wrote that they had provisional plans for a further increase in production at Oxford if resources could be found, and as it seemed improbable that the RHA could provide the necessary financial resources, he was submitting the proposals to the DHSS. The current level of production had been reached with inadequate accommodation and at the expense of other work, and it was probable the level of production could not be maintained without developments. However, with the capital and revenue expenditure in Appendix 2, he expected they could increase donations by one third to approximately 40,000 per annum.

124. A summary of Appendix 2 can be found in the spreadsheet.<sup>156</sup> Watkins noted that the cost of the additional accommodation had been calculated very roughly and a more detailed estimate could be prepared when the money was forthcoming.<sup>157</sup> The bid included £30,000 on accommodation, and totalled **£49,500** capital and **£31,700** revenue.

125. On 6 May, J. R. Watkins wrote to Mr Jackson, stating that they would be able to build up additional production once the extra equipment was delivered, but full extra production would have to wait until the completion of additional accommodation, which at an approximate guess would be 9-12 months, although detailed planning had not begun yet.<sup>158</sup> He hoped that Mr Jackson would be able to confirm the additional funds soon. The sum of

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<sup>154</sup> Letter from B. O. B. Gidden to Regional Administrators, 21 March 1975, **HSOC0015206**

<sup>155</sup> Letter from J. R. Watkins (Oxford RHA) to B. O. B Gidden (DHSS), 17 April 1975, **DHSC0002359\_077**

<sup>156</sup> **INQY0000332**

<sup>157</sup> Appendix 2, Summary of Facilities Required for Oxford RTC, **DHSC0002359\_078**

<sup>158</sup> Letter from J. R. Watkins (General Administrator, Oxford RHA) to D U Jackson (DHSS), 6 May 1975, **DHSC0002177\_021**

£11,000 which had been included in the bid was now no longer required as they would be using pigtail bags.

126. The funds were confirmed in a letter from Mr Gidden in May 1975, with Oxford being allocated **£47,000** of special capital allocation, **£10,000** of special revenue allocation for 1975/6 and **£19,000** for 1976/7.<sup>159</sup> In return, the annual target was set at **40,800** donations per annum.

127. In July 1975, J. R. Watkins wrote to Mr Jackson, confirming that the target of 40,800 units was accepted, and they remained committed to the timetable as set out in May, dependent upon the completion of the capital scheme, which they had begun planning.<sup>160</sup> A handwritten annotation states “I read this as putting the date of achieving the target approximately 30/06/1976”.

128. In September 1975, J. R. Watkins wrote to Mr Jackson informing him that the anticipated take-up of revenue for 1975/6 was £10,046, with staff remaining at current levels and the purchase of 2,500 double packs.<sup>161</sup> This figure is £46 over the allocation of £10,000 and it is not known whether this additional expenditure was ever authorised.

129. In October 1975, Dr Gunson wrote to Mr Jackson regarding dates for reaching targets.<sup>162</sup> Whilst initially he had estimated the 100% target could be achieved by 30 September 1976, the alterations for the Centre were not expected to commence until the end of January 1976 on a six month contract, and so a more realistic date for the 100% target was 31 December 1976. Until then, they would maintain production at 27,800 donations per annum.

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<sup>159</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

<sup>160</sup> Letter from J. R. Watkins (General Administrator, Oxford RHA) to D. U. Jackson (DHSS), 3 July 1975, **DHSC0002177\_064**

<sup>161</sup> Memo from J. R. Watkins (General Administrator, Oxford RHA) to D. U. Jackson (DHSS), 25 September 1975, **DHSC0003721\_126**

<sup>162</sup> Letter from H. H. Gunson (Director, Oxford RTC) to Mr D. U. Jackson (DHSS), 20 October 1975, **DHSC0002179\_029**



130. In November 1975, confusion emerged as to what the region's production rate had been in 1974. On 3 November, Mr Jackson wrote to Dr Gunson asking for clarity as to the current rate of production at Oxford. The rate for 1974 had been understood to be 27,800, but Dr Bidwell now said it was 22,759.<sup>163</sup> The figures received for 1975 so far was the equivalent of an annual total of 20,596, 25% below 27,778, and even 10% below Dr Bidwell's reduced estimate of 22,759.

131. On 14 November, Mr Jackson wrote to Dr Maycock, outlining an issue with the targets for Oxford, namely a discrepancy of about 5,000 between the figure of 27,778 that Oxford RTC had apparently accepted as being the number of donations used in 1974 and the figure given by Dr Bidwell as 22,402.<sup>164</sup> Dr Gunson had completed his own count and arrived at 22,752. It was therefore clear 27,778 was wrong and this had implications for Oxford's target, which would now mean an increase of 18,000 donations, or 79%. Dr Gunson had pointed out he would need extra equipment and staff for this increase, for which there were no funds. Therefore, he had agreed to provide no less than the original 13,000 additional donations, for a total target of **36,000** donations, rather than 40,800.

132. By December 1975, Oxford was anticipating that building works would extend into the next financial year. An internal memo showed that Oxford only anticipated £19,000 of expenditure falling into 1975/6 and anticipated £28,000 would fall in 1976/7.<sup>165</sup> The region asked Mr Dutton whether capital allocation could extend into 1976/7, who replied that there was no special capital allocation for 1976/7, and if capital expenditure arose in that year it would have to be met from the ordinary allocation of capital.<sup>166</sup> He hoped that the works could therefore be speeded up so that the expenditure fell within the current financial year.

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<sup>163</sup> Letter from D. U. Jackson (DHSS) to Dr Gunson (Oxford RTC), 3 November 1975, **DHSC0002179\_083**

<sup>164</sup> Letter from D. U. Jackson to Dr Maycock, 14 November 1975, **DHSC0002179\_045**

<sup>165</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

<sup>166</sup> Memo from T. E. Dutton (DHSS) to J. R. Watkins (General Administrator, Oxford RHA), 22 December 1975, **DHSC0002179\_061**

133. J. R. Watkins replied on 31 December, pointing out that his letter in July had confirmed the time-table was set out 12 months from the start of the planning, which could not begin until the allocation was confirmed by the DHSS on 30 May.<sup>167</sup> He had told Mr Jackson on the telephone that a carry-over into 1976/7 was almost inevitable and since then the time-table had slipped slightly so expenditure was likely to be even higher in 1976/7. He emphasised the disproportionate share of AHG concentrate which Oxford produced and stated that if an arrangement for carry-over funding could not be made the RHA would have to consider whether it could proceed with the project.

134. An internal meeting in the DHSS was held in January 1976 to discuss the issue of carrying over unused special capital allocations into 1976/7, which both Oxford and Mersey wanted to do.<sup>168</sup> The note of the meeting details that Mr Dutton had emphasised the Minister's focus on increasing AHG production but Mr Fisher had stated that Treasury rules made it impossible for RHAs to carry over unspent capital allocations, and the sum involved did not merit a special request to CP2. Accordingly, RHAs would have to meet such expenditure from their main allocations. They had not yet been informed of the size of these allocations, so they were therefore not in a position to say that they could not find such finance. It was agreed that the RHAs would be informed that capital expenditure falling in 1976/7 would have to be financed from their main allocation but if other RHAs reported belatedly they were in a similar predicament the situation would be reviewed. On 10 February 1976, Mr Dutton wrote to J. R. Watkins, confirming that capital expenditure falling in 1976/7 would have to be met from the Authority's main allocation of capital.<sup>169</sup>

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<sup>167</sup> Letter from J. R. Watkins (General Administrator, Oxford RHA) to T. E. Dutton, 31 December 1975, **DHSC0002179\_066**

<sup>168</sup> Memo from T. E. Dutton to Mr Fisher, 2 February 1976, **DHSC0003721\_024**

<sup>169</sup> Letter from T. E. Dutton to J. R. Watkins (General Administrator, Oxford RHA), 10 February 1976, **DHSC0003721\_017**

135. J. R. Watkins replied on 18 February, describing Mr Dutton's letter as showing the Department "cutting off its nose...".<sup>170</sup> He emphasised Oxford's "totally disproportionate" contribution to the country's AHG concentrate, meaning that the recommended minimum for production was less than actual production in 1974. Oxford was a small region with a very small capital allocation, and so it was quite unreasonable to propose the cost of increases in AHG should be met from the region's resources, and he held out very little chance of the scheme being funded in consideration of the region's other priorities. No progress could therefore be made unless Mr Dutton was quickly able to adjust the special allocation.

136. On 20 February, Mr Dutton wrote to Mr Liddle, saying that the line of Oxford's reply did not surprise him and they were correct in stating that they were a major producer without which the programme would founder, something which could not be contemplated given the Minister of State had recently reaffirmed his aim of self-sufficiency.<sup>171</sup> Besides from this, the alternative of buying commercial product, with its higher hepatitis risk, would be more costly than producing their own. Mr Dutton wrote that if they continued to insist extra capital would be met out of next year's normal allocation, it was understandable that Oxford would wish to assess the priority of AHG production against all other commitments, and the Authority's order of priorities may not be the same as the Department. It seemed to him the Department had to devise some means of ensuring Oxford was able to get on with the necessary works.

137. On 5 March, Mr Dutton wrote to J. R. Watkins again, to inform him that the RHA had now been notified of their 1976/7 capital allocation, and he hoped they had been able to reconsider the possibility of meeting the estimated capital expenditure of **£33,500** out of this main allocation.<sup>172</sup>

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<sup>170</sup> Letter from J. R. Watkins (General Administrator, Oxford RHA) to T. E. Dutton, 18 February 1976, **DHSC0003721\_015**

<sup>171</sup> Memo from T. E. Dutton to Mr Liddle, 20 February 1976, **DHSC0002313\_004**

<sup>172</sup> Letter from T.E. Dutton to Mr Watkins (General Administrator, Oxford RHA), 5 March 1976, **DHSC0003721\_007**

138. On 12 March, Mr Whitley, Capital Development Officer of the RHA, wrote to Mr Dutton, expressing concern at the letter of 5 March.<sup>173</sup> He noted that he understood that since this letter Mr Dutton had kindly agreed to raise the matter again within the Department. However, the present position was that equipment had been purchased and stood unused in an overcrowded Department, and more equipment could be delivered at any moment. It would constitute a waste of public funds if the balance of the scheme could not proceed. Space tied up with AHG production work was badly needed for other laboratory purposes and Dr Gunson would find it difficult to maintain output. He would have to use double plastic packs, which would increase revenue costs by £27,000 per annum. It was unreasonable to expect Oxford to support a scheme which was designed to benefit the NHS as a whole, representing a disproportionate burden on a small region. It would be impossible for the RHA to contemplate financing the balance of the work and he hoped that Mr Dutton would reconsider.

139. On 26 March 1976, Mr Dutton wrote to Mr Whitley, informing him that the Department had recognised the exceptional nature of the situation and were prepared to agree to carry over **£28,000** of expenditure, and he trusted he could accept this as the most the Department could agree to in the circumstances.<sup>174</sup> With the £19,000 estimated to be spent by the Region in 1975/6, this totalled the £47,000 originally earmarked for Oxford in 1975/6.

### Conclusion

140. Oxford originally received £47,000 of capital allocation in 1975/6, £10,000 of revenue allocation for 1975/6 and £19,000 for 1976/7 to reach a target of 40,800. However, owing to a previous miscalculation, that target was reduced to 36,000, which was anticipated to be met by December 1976. After a lengthy negotiation, Oxford was allowed to carry over £28,000 of their capital allocation to 1976/7.

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<sup>173</sup> Letter from G. H. Whitley (Oxford RHA) to T. E. Dutton (DHSS), 12 March 1976, **DHSC0002181\_073**

<sup>174</sup> Letter from T. E. Dutton to G. H. Whitley (Capital Development Officer, Oxford RHA), 26 March 1976, **DHSC0002181\_007**

## **South Western**

141. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **21,000**, with the minimum donations needed for cryoprecipitate 6,900.<sup>175</sup> In 1974, the region used 5,139 donations for AHG concentrate and 15,149 for cryoprecipitate. The table shows that it was estimated that 8,249 donations could be diverted from cryoprecipitate to AHG and so 7,612 additional donations were required.

142. The region's reply to Appendix 2 was received on 18 April, and is summarised in the spreadsheet.<sup>176</sup> The bid was for £10,425 in capital and £28,350 in revenue, with an additional £2,500 in capital and £21,450 in revenue to provide 8,000/9,000 additional donations. This made a total of £12,925 in capital and £49,800 in revenue to provide 29,000-30,000 donations.

143. On 7 May 1975, G. H. Tovey wrote again to Mr Jackson with changes to Appendix 2, which is also detailed in the spreadsheet.<sup>177</sup> The key change was the switch to pigtail bags from double bags, which was estimated to save 88p per donation. However, the centrifuges could not be altered with windshield heads and strengtheners, and so there was a need to purchase three additional 6L Mistral centrifuges for £6000, with a saving of about £1,000 from no longer purchasing windshield heads and strengtheners. He estimated that the region could provide the donations within six to nine months of receiving the money. The total amended bid was therefore for **£17,925** in capital and **£18,300** in revenue for 29,500 donations.

144. On 30 May 1975, Mr Gidden wrote to the Regional Administrators, advising them of their special capital and revenue allocations.<sup>178</sup> The table

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<sup>175</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>176</sup> **INQY0000332**; Memo from Regional Administrator (South Western RHA) to B. O. B. Gidden (DHSS), 18 April 1975, **DHSC0002177\_003**

<sup>177</sup> **INQY0000332**; Letter from G. H. Tovey (Medical Director, South West RTC) to D. U. Jackson (DHSS), 7 May 1975, **DHSC0002177\_025**

<sup>178</sup> Letter from B. O. B. Gidden to Regional Administrators, 30 May 1975, **DHSC0002177\_046**

attached shows South Western's special capital allocation of **£16,000**, special revenue allocation of 1975/6 of **£9,000** and for 1976/7 of **£17,000**. In return, the annual target was set at **29,500** donations.

145. In October, G. H. Tovey wrote to Mr Jackson confirming that, subject to the additional equipment being received within 4-6 weeks, the RTC was on track to achieve 100% of the target by 31 March 1976.<sup>179</sup>

### Conclusion

146. South Western was offered £16,000 in capital, £9,000 in revenue for 1975/6 and £17,000 in revenue for 1976/7. They took up the full £9,000 in 1975/6 and appear to have reached their target by March 1976.<sup>180</sup>

### ***West Midlands***

147. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **26,000**, with the minimum donations needed for cryoprecipitate 15,000.<sup>181</sup> In 1974, the region used 1,350 donations for AHG concentrate and 33,109 for cryoprecipitate. The table shows that it was estimated that 19,459 donations could be diverted from cryoprecipitate to AHG and so 6,541 additional donations were required.

148. In May 1975, Dr Bird wrote an internal letter to Dr Christie, discussing their bid for the special allocation. He wrote that it was unlikely that the sum of £73,000 for accommodation would be accepted by the DHSS and he suggested it was deleted.<sup>182</sup> He also noted that the DHSS had costed this project on the basis of requiring 6,200 additional donations in the West Midlands, having diverted plasma from cryoprecipitate. However, demand for

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<sup>179</sup> Letter from G. H. Tovey (South West RTC) to D. U. Jackson, 20 October 1975, **DHSC0003721\_108**

<sup>180</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

<sup>181</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>182</sup> Letter from Dr Bird (Director) to Dr Christie Gordon (Regional Medical Officer, West Midlands RHA), 1 May 1975, **DHSC0002177\_016**

cryoprecipitate was escalating rapidly, and 28,200 additional donations would be needed during the interim period before AHG was received in a fair share, which would require a whole new blood collecting team, processing equipment and laboratory staff.

149. West Midlands' original Appendix 2 cannot be found. In the amended summary of replies, the Region is noted as having bid for **£20,400** capital, **£1,700** non-recurring revenue and **£101,500** recurring revenue.<sup>183</sup> A further breakdown is shown in the spreadsheet<sup>184</sup>, where non-recurring revenue has been included under capital, as Mr Jackson had originally removed these items costing less than £1,000 from capital bids for the purposes of his table.

150. On 16 May 1975, Mr Lawrence wrote an internal memo to Mr Blanchard, noting that West Midlands had been advised that the DHSS would not be able to provide more than £45-50,000 of recurring revenue, and if they could not trim their bid to that level they would be left out of the distribution.<sup>185</sup> On 21 May, Mr Jackson sent Mr Blanchard an allocation of funds and a draft letter that would be sent to RHAs notifying them of their allocations.<sup>186</sup> He wrote that he had originally proposed to offer West Midlands £50,000, but as this would give them more than any other Region and there seemed to be no case for this he reduced it to **£48,000**.

151. On 28 May, Mr Jackson wrote to Mr Greathead, noting that West Midlands had originally bid for £73,000 to alter their RTC, but had since offered to finance this work themselves, but had been unable to reduce their bid of £101,500 revenue.<sup>187</sup> This was unnecessarily high, being nearly twice as big as the next highest. It was planned to write to the West Midlands explaining that this could not be accepted but offering to make further efforts to include them if they could cut their revenue bid by 55%.

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<sup>183</sup> Paper, 'Anti-haemophilic Globulin Concentrate', 1975, **DHSC0002369\_004**

<sup>184</sup> **INQY0000332**

<sup>185</sup> Letter from P. W. D. Lawrence to Mr Blanchard, 16 May 1975, **DHSC0003720\_018**

<sup>186</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

<sup>187</sup> Note from D. U. Jackson to Mr Greathead enclosing draft note on AHG Concentrate, 28 May 1975, **DHSC0001775**

152. On 16 July, Dr Christie Gordon from West Midlands RHA wrote to Mr Jackson, setting out the reasons for the variance in the views between the DHSS and West Midlands RHA.<sup>188</sup> Firstly, the figures in DS117/75 underestimated the demand for cryoprecipitate/concentrate in the region, meaning they did not have 18,400 donations which could be diverted to AHG, and more blood would need to be collected as a further increase in the use of concentrated red cells could not be expected. Secondly, the need for fresh plasma necessitated daytime collection in centres close to the laboratory, reducing the scope for diverting existing donations. Thirdly, Dr Gordon believed that to change to the pigtail plastic pack would be a retrograde safety step, inconsistent with current practices, and the RTD insisted on maintaining the present policy. She noted, “it seems surprising that at a time when the application of the Medicines Act imposes stricter safety measures in so many aspects of the Service’s work, we should apparently be under pressure to lower the standard of safety in this one respect.” However, she wrote that the region had recently created a ‘half’ collecting team, and she proposed that next year this be increased to a full team. The region accepted that not all the additional blood would be for AHG production, although initially the proportion would be high. It was not likely to be possible to provide plasma in the quantity required until 1976 and she hoped an agreed allocation could be kept “on ice” until then. Her request was therefore: £19,700 in capital, £56,000 revenue (£40,000 for plastic blood bags, £6,000 for technicians and £10,000 for laboratory assistants).

153. Perhaps not yet in receipt of Dr Gordon’s letter, Mr Jackson wrote an internal memo on 17 July, that read “I understand Birmingham are having differences of opinion locally as to how to proceed but we need to have a meeting, preferably in London, to resolve the matter.”<sup>189</sup> Mr Jackson also wrote to Dr Gordon directly, asking if she had had an opportunity to form a

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<sup>188</sup> Letter from Christie W. Gordon (West Midlands RHA) to D. U. Jackson (DHSS), 16 July 1975, **DHSC0002177\_069**

<sup>189</sup> Memo from D. U. Jackson (DHSS) to Mr Lewis, 17 July 1975, **DHSC0000928**



view on whether Mr Gidden's letter of 2 June offered a possible basis for negotiation at a meeting.<sup>190</sup>

154. On 18 July, Mrs Tunnard centrally ordered 6 centrifuges, 2 plate freezers and 1 flow inducer pump for Birmingham, on the presumption that they would eventually be confirmed to be part of the programme.<sup>191</sup>

155. In an internal memo to Mr Jackson in August 1975, Mr Lawrence wrote that he had indicated to the Region that they may be able to modify the allocation if necessary and he would talk with the Treasurer.<sup>192</sup> A postscript notes that he had talked with the West Midlands Treasurer and he was prepared to settle the whole business for a full year revenue addition of £53,000. Mr Lawrence would leave it with Mr Jackson to settle the details.

156. On 18 September, Mr Jackson wrote to Dr Gordon, offering a special revenue allocation of up to **£26,000** in 1975/6, rising to **£53,000** in 1976/7, as well as a special capital allocation of **£20,000** in 1975/6, provided the following assurances could be made: (a) that the region could meet the target of **26,000** donations for AHG concentrate by 31 December 1976 at the latest, and informing them of the dates by which they could achieve levels of 6,500, 13,000 and 19,500 respectively; and (b) that if the full cost of meeting the target could not be met by the special capital and revenue allocations any necessary expenditure would be met from the region's existing resources and the target date would not be deferred for lack of funds.<sup>193</sup> A similar letter was written to the Regional Administrator on 18 September.<sup>194</sup>

157. Dr Gordon replied on 15 September, reiterating that the provision of plasma was dependent on alterations to accommodation, to which the RHA

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<sup>190</sup> Memo from D. U. Jackson (DHSS) to Dr Christie W. Gordon (Regional Medical Officer, West Midlands RHA), 17 July 1975, **DHSC0003721\_168**

<sup>191</sup> Letter from Mrs R. A. Tunnard to D. U. Jackson, 18 July 1975, **DHSC0002177\_072**

<sup>192</sup> Memo from P. W. D. Lawrence to D. U. Jackson, 22 August 1975, **DHSC0002177\_094**

<sup>193</sup> Letter from D. U. Jackson (DHSS) to Dr Christie W Gordon (West Midlands RHA), 1 September 1975, **DHSC0002177\_095**

<sup>194</sup> Letter from D. U. Jackson (DHSS) to The Regional Administrator (West Midlands RHA) 18 September 1975, **DHSC0002179\_004**

had already allocated funds.<sup>195</sup> The alterations were in the design stage and the best estimate was that they would be completed towards the end of 1976. Until alterations were complete, it would be difficult to meet the target of 26,000, and they were trying to formulate realistic estimates for the sub-targets. She wrote that they had every expectation they would meet the target by the spring of 1977, but she could not guarantee the provision of any additional funds required from the region's resources until the allocation for 1976/7 was known.

158. Mr Bales, Regional Administrator, wrote to Mr Jackson on 3 October, stating that the region accepted the target figures of an annual rate of 13,000 donations by 31 March 1976 and 26,000 by 31 March 1977, but that the achievement of the latter target was entirely dependent upon the completion of building work, and the intermediate target might prove beyond the Centre's capability until the building work was completed.<sup>196</sup> Furthermore, he noted that "achievement of the higher target may require revenue funds additional to those made available by DHSS, and no absolute commitment can be made at this stage as to this Authority's ability to provide them." He stated that the expected take-up of revenue allocation for 1975/6 was £26,000.

159. In October 1975, Dr Bird, Director of the Birmingham RTC, wrote to Mr Jackson, similarly noting that the achievement of targets was dependent on laboratory reconstruction so no firm predictions could be made, but that they would do their best, despite supplying both Regional Hospitals in ever increasing amounts as well as the DHSS.<sup>197</sup>

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<sup>195</sup> Letter from Dr Christie W. Gordon (West Midlands RHA) to D. U. Jackson (DHSS), 15 September 1975, **DHSC0002179\_003**

<sup>196</sup> Letter from K. F. Bales (Regional Administrator, West Midlands RHA) to D. U. Jackson (DHSS), 3 October 1975, **DHSC0002179\_011**

<sup>197</sup> Letter from Dr Bird (Director, Birmingham RTC) to D. U. Jackson, 31 October 1975, **DHSC0002179\_030**

160. A report in January 1976 noted that delays in building modifications would defer attainment of target by about 6 months in Birmingham, and demand for cryoprecipitate was also growing in the region.<sup>198</sup>

### Conclusion

161. West Midlands' bid to participate in the scheme was the largest, and this appears to be related to the region's significant commitment to producing cryoprecipitate, demand for which continued to grow over this period, as well as more stringent safety procedures (preferring double plastic packs to pigtail packs, which required a semi-open process). The region was eventually included in the scheme for £20,000 capital allocation, £26,000 revenue for 1975/6 and £53,000 for 1976/7, with a target donation rate of 26,000 per annum. However, they continued to insist that attainment of the target was dependent upon building works and no firm commitments were made.

### ***Mersey***

162. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **16,000**, with the minimum donations needed for cryoprecipitate 5,200.<sup>199</sup> In 1974, the region used 0 donations for AHG concentrate and 11,378 for cryoprecipitate. The table shows that it was estimated that 6,178 donations could be diverted from cryoprecipitate to AHG and so 9,822 additional donations were required.

163. Mersey RHA sent an estimate of costs on 18 April which is summarised in the spreadsheet.<sup>200</sup> The only additional cost they anticipated was staff, with an increase of £41,329, but a saving of £8,842 once the changeover to plastic bags was enacted.

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<sup>198</sup> Minutes of the 159th RTD Meeting, 21 January 1976, **NHBT0016480**

<sup>199</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>200</sup> **INQY0000332**; Appendix B, Production of Anti-Haemophilic Globulin Concentrate, Mersey RHA, 18 April 1975, **DHSC0003720\_062**

164. They sent a revised Appendix 2 to Mr Jackson on 1 May, which is also outlined in the spreadsheet.<sup>201</sup> The bid was for £78,042 in capital (including £40,000 for accommodation) and £58,929 in revenue, with an additional £500 in capital and £4,225 in revenue to provide 5,000 additional donations. This made a total of **£78,542** capital and **£63,154** revenue to achieve **21,000** donations per annum. J. D. Shepherd, Regional Administrator, wrote that to achieve the target they would either have to expand the building, or change over from glass to plastic containers, which would cost £50,000 per annum. This latter alternative was what the Appendix 2 was based upon. Shepherd wrote that with the changeover to plastic, the region anticipated being able to provide 5,000 additional donations. Once the changeover had taken place, there would also be an anticipated saving of £8,842 on staff involved in the sterilisation of bottles.

165. On 2 May, Dr Lehane of Liverpool RTC wrote to Mr Jackson after the RTD meeting enclosing a second revised Appendix 2, detailed in the spreadsheet.<sup>202</sup> The letter stated that after the conversation “only those items relating solely to the production of AHG Concentrate” had been included. It can therefore be surmised that the region had been told its estimate was not acceptable as it contained items not related to the production of AHG concentrate. The revised bid was for £28,760 capital and £39,935 revenue, with an additional £500 of capital and £4,225 revenue for an additional 5,000 donations. This made a total of **£29,260** capital and **£44,160** revenue for **21,000** donations per annum. An annex to the letter suggests that the costs to change from bottles to plastic bags for blood collection was still estimated to cost £49,282 in capital and £54,042 in revenue, accounting for alteration to accommodation and staff for an additional team. A handwritten annotation to the letter reads, “discussed with Dr Lehane, he cannot do anything without the £40,000 for accommodation.” However, the notes suggest that by 2 May, it had been accepted that these additional expenses could not come from the special allocation.

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<sup>201</sup> **INQY0000332**; Letter from J. D. Shepherd (Regional Administrator, Mersey RHA) to D. U. Jackson (DHSS), 1 May 1975, **DHSC0002177\_015**

<sup>202</sup> **INQY0000332**; Letter from Dr Lehane (Director, Liverpool RTC) to D. U. Jackson (DHSS), 2 May 1975, **DHSC0003720\_036**

166. On 21 May, Mr Jackson sent Mr Blanchard a memo which noted that Mersey had offered orally to fund the £40,000 for the alteration of accommodation.<sup>203</sup> On 28 May, Mr Jackson wrote to J. D. Shepherd, confirming that if the RHA allocated £40,000 of the current year's capital funds to modify the Transfusion Centre and could assure the Department that the necessary work would be undertaken immediately then they could offer a special capital allocation of **£28,000**, and an additional revenue allocation of **£20,000** in 1975/6, rising to **£41,000** in 1976/7.<sup>204</sup> On 2 June, J. D. Shepherd replied to Mr Jackson, confirming that the RHA had approved the expenditure and the necessary work would now begin.<sup>205</sup>

167. In October 1975, a handwritten annotation notes that Dr Lehane had telephoned Mr Jackson to tell him that according to the builder's schedule, alterations to the RTC would not be completed until the end of 1977.<sup>206</sup> Dr Lehane was refusing to accept this and together they had agreed a programme which was tentative and subject to review.

168. At an RTD meeting in January 1976 it was reported that, although modifications to buildings would not be complete until the end of 1977, Liverpool might be able to send small amounts of FFP.<sup>207</sup>

169. Mr Dutton's memo of February 1976 illustrates that Mersey RHA wanted to carry over an unused portion of their special capital allocation to 1976/7.<sup>208</sup> Mersey were estimated to only spend £20,000 in 1975/6.<sup>209</sup> Initially, as for Oxford, this request was refused, and it is not known whether Mersey was ever given permission to carry over their unspent portion.

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<sup>203</sup> Letter from D. U. Jackson (DHSS) to Mr Blanchard, Mr Lawrence, Mr Longfield, Mr Masters, 21 May 1975, **DHSC0002177\_034**

<sup>204</sup> Letter from D. U. Jackson (DHSS) to J. D. Shepherd (Mersey RHA), 28 May 1975, **DHSC0002177\_041**

<sup>205</sup> Letter from J. D. Shepherd to D. U. Jackson (DHSS), 2 June 1975, **DHSC0002177\_049**

<sup>206</sup> Memo from D. U. Jackson to Dr Lehane (Liverpool RTC), 28 October 1975, **DHSC0003721\_115**

<sup>207</sup> Minutes of the 159th RTD Meeting, 21 January 1976, **NHBT0016480**

<sup>208</sup> Memo from T. E. Dutton to Mr Fisher, 2 February 1976, **DHSC0003721\_024**

<sup>209</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

170. It is not known to what extent Mersey took up their 1975/6 revenue allocation, but presumably they did not take it up, or took up very little, given building work delays meant they were not supplying any plasma for AHG concentrate during that financial year.

### Conclusion

171. Mersey participated in the scheme after committing to fund £40,000 of accommodation alterations themselves, and were offered a special capital allocation of £28,000, a revenue allocation of £20,000 for 1975/6 and £41,000 in 1976/7. Whilst it is evident there was a request that part of their capital allocation roll over to 1976/7, documents have not yet been found to demonstrate whether this was approved, or how much of their allocation was spent.

### ***North Western***

172. In the draft of targets from 4 March 1975, the region's minimum target for AHG concentrate was set at **25,000**, with the minimum donations needed for cryoprecipitate 9,400.<sup>210</sup> In 1974, the region used 0 donations for AHG concentrate and 20,866 for cryoprecipitate. The table shows that it was estimated that 11,466 donations could be diverted from cryoprecipitate to AHG and so 13,534 additional donations were required.

173. On 24 April 1975, North Western's Appendix 2 was returned to Mr Gidden, as summarised in the spreadsheet.<sup>211</sup> The return stated the region could not provide additional donations above the provisional target. It bid for £108,215 in capital (including £90,000 to alter accommodation) and £49,700 in revenue. Mr Pethybridge, the Regional Administrator, seemed to accept that the resources needed stretched beyond what they could hope from the

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<sup>210</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>211</sup> **INQY0000332**; Letter from Regional Administrator (North Western RHA) to B. O. B. Gidden (DHSS) 24 April 1975, **DHSC0002177\_012**

allocation, and referred to the possibility of the RHA allocating a sum of money from their “very reduced capital resources” to provide the accommodation costs if the DHSS provided the cost of the laboratory equipment.

174. Mr Pethybridge wrote to Mr Jackson on 14 May 1975, having been informed by Dr Stratton that the DHSS would have difficulty in providing the money to alter the existing accommodation.<sup>212</sup> He reported that in the Manchester RTC at Roby Street, accommodation problems were “very severe” and no more cryoprecipitate could be produced than that which was already being provided. However, the RHA was willing to provide £90,000 to upgrade the accommodation at Roby Street if the Department could provide the rest of the money listed in Appendix 2, i.e. the capital equipment and revenue money for lab equipment and staff. He requested an early indication as to whether an arrangement could be met, as the Authority was preparing their small capital schemes programme.

175. On 16 May 1975, Mr Lawrence wrote an internal memo to Mr Blanchard and noted that North Western had been given an undertaking that they would get their £50,000 bid if they undertook to finance the accommodation upgrades.<sup>213</sup>

176. On 28 May, Mr Jackson wrote to the Regional Administrator, offering to provide a special capital allocation of **£17,000** for 1975/6, with an additional revenue allocation of **£23,000** in 1975/6, rising to **£46,000** in 1976/7.<sup>214</sup>

177. In June, Mr Pethybridge replied, assuring him that planning was going ahead on the scheme to modify the transfusion centre at Roby Street, and he anticipated that work would start on site in December 1975 to be completed in

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<sup>212</sup> Letter from F. Pethybridge (Regional Administrator, North Western RHA) to D. U. Jackson (DHSS), 14 May 1975, **DHSC0002177\_031**

<sup>213</sup> Letter from P. W. D. Lawrence to Mr Blanchard, 16 May 1975, **DHSC0003720\_018**

<sup>214</sup> Letter from D. U. Jackson (DHSS) to the Regional Administrator (North Western RHA), 28 May 1975, **DHSC0002177\_042**

16 months.<sup>215</sup> A handwritten annotation on the letter reads: “Spoken to Dr Stratton and explained that this will not do. He will arrange for Manchester to write more explicitly.”

178. Although the RHA had not yet confirmed their participation, Mrs Tunnard centrally ordered the region 2 plate freezers in July 1975, on the presumption they would be included.<sup>216</sup> Just after this, Mr Pethybridge wrote to Mr Jackson, confirming that the RHA would provide £90,000 in 1975/6 and 1976/7.<sup>217</sup>

179. In October, Dr Stratton wrote to Mr Jackson that the new premises at Roby Street would be ready for occupation in February 1977, so it was unlikely the target would be reached before June 1977, and further delays might extend this.<sup>218</sup> However, it was hoped that some production would come from Lancaster before this time.

180. Mr Jackson replied asking for an estimate of how much production would come from Lancaster and roughly when production may begin.<sup>219</sup> Dr Stratton responded that it would be towards the end of 1976, if they were lucky, before Lancaster produced anything, but it was difficult to give a firm date.<sup>220</sup>

## Conclusion

181. North Western’s participation was delayed by negotiations over the building work required at Roby Street, but the RHA agreed to finance the £90,000 required. In return, the region received £17,000 in capital, and

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<sup>215</sup> Letter from F. Pethybridge (Regional Administrator, North Western RHA) to D. U. Jackson, 23 June 1975, **DHSC0002177\_059**

<sup>216</sup> Letter from Mrs R. A. Tunnard to D. U. Jackson, 18 July 1975, **DHSC0002177\_072**

<sup>217</sup> Letter from F. Pethybridge (Regional Administrator, North Western RHA) to D. U. Jackson (DHSS), 18 July 1975, **DHSC0002177\_073**

<sup>218</sup> Letter from F. Stratton (Director, North Western RHA) to D. U. Jackson (DHSS), 28 October 1975, **DHSC0003721\_113**

<sup>219</sup> Letter from D. U. Jackson to Dr Stratton (Manchester RTC), 31 October 1975, **DHSC0002179\_041**

<sup>220</sup> Letter from Dr Stratton (Manchester RTC) to D. U. Jackson, 10 November 1975, **DHSC0002179\_044**



£23,000 of revenue in 1975/6 (of which they spent £12,334), and £46,000 in 1976/7.<sup>221</sup> The extensive nature of the building work required meant that the region was slow to reach their target.

## Wales

182. The earliest drafts of targets from 4 March 1975 includes Wales with the Regions.<sup>222</sup> Its target was set at **11,000**, with 5,800 donations for cryoprecipitate. In 1974, Wales contributed 2,888 donations for AHG concentrate and 12,771 donations for cryoprecipitate. It was estimated that 6,971 donations could be diverted from cryoprecipitate to AHG concentrate, so the additional donations required was 1,141.

183. In February 1975, a letter from W. A. Vinall to Mr Jackson demonstrates that the Welsh Office had received a draft letter to Regional Administrators in advance of it being sent, and said that it would not cause them any embarrassment.<sup>223</sup> Although they would prefer Wales and its target to be omitted, they understood that the draft had already been prepared, but hoped their suggested amendment could be made when the letter was issued in its final form. Of most relevance, the letter requested a short paragraph be added, to say that the Welsh Office were contemplating “a broadly proportionate effort in Wales” and that the two Departments were keeping in touch.

184. In the letter to RHAs on 21 March 1975, Mr Gidden included a provisional Regional target for Wales, which he noted was in agreement with the Welsh Office, because blood products production was organised on an integrated basis.<sup>224</sup> However, Wales does not appear in any further tables of the scheme.

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<sup>221</sup> Memo from R. P. Cleasby (DHSS) to Mr Cumming, Mr Fisher, Mr Lawrence, Mr Liddle and Mr Longfield, 26 January 1976, **DHSC0003721\_028**

<sup>222</sup> Draft letter from B. O. B. Gidden to Regional Administrators, 4 March 1975, **DHSC0000935**

<sup>223</sup> Letter from W. A. Vinall to D. U. Jackson, February 1975, **DHSC0000941**

<sup>224</sup> Letter from B. O. B. Gidden to Regional Administrators, 21 March 1975, **HSOC0015206**

185. Despite this, the Welsh target continued to be monitored by the DHSS. In November 1975, Mr Jackson wrote to Mrs Evans at the Welsh Office regarding the Welsh target.<sup>225</sup> He wrote that Mr Mason from the Welsh Office had agreed that production in 1975 could be expected to be the same as 1974 - 2,900 - and an annual target of 11,000 donations could be reached by September 1976. Dr Bevan had since reported that achievement of the target depended on the Welsh Office funding five additional senior technicians as they were considerably under-staffed. They had been allowed two of the five, but these were needed to maintain output, and the target could not be reached until additional staff was hired. Mr Jackson noted that whilst Dr Bevan referenced maintaining output, in the first ten months of 1975, only 909 donations had been produced, a drop of over 60%. He had revised the Welsh targets, but expressed frustration that these targets were unnecessarily low and hoped that they could be improved upon.

#### **Allocation to BPL**

186. The £500,000 was primarily allocated to RHAs, intended to boost production of FFP, although BPL would face inevitable increases in expenditure as plasma supply to the laboratory increased. In March 1975, the first of a number of internal meetings was held at BPL to discuss the equipment and accommodation that would be required were plasma to increase to 275,000 donations per annum, which amounted to 1,000 litres of FFP per week.<sup>226</sup> There is some evidence that the DHSS was involved in discussions of these costs; at an internal meeting in April 1975, it was stated that cost estimates for equipment were required by the DHSS by 18 April 1975.<sup>227</sup>

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<sup>225</sup> Letter from D. U. Jackson to Mrs Evans (Welsh Office), 24 November 1975, **DHSC0000920**

<sup>226</sup> Note of a meeting at BPL to discuss requirement for increasing Antihaemophilic Fraction Production, 11 March 1975, **CBLA0000259**

<sup>227</sup> Note of an internal meeting at BPL held on 8 April 1975, 14 April 1975, **CBLA0000268**, pg. 2

187. An undated return of Appendix 2 outlines the estimated expenditure for BPL.<sup>228</sup> It estimates expenditure of **£57,723**, with an additional £5,772 shown for a 10% contingency, making a total of **£63,495**. Expenditure is detailed for the following items:

Capital

Alteration of existing accommodation and services - £4,402

Laboratory equipment - £38,721

Revenue

Laboratory equipment - £8,500

Staff - £6,100

188. It appears that this expenditure, not including the 10% contingency, was provided for by the DHSS; in his Proof of Evidence, Dr Lane states that BPL eventually received **£58,000** for the purchase of additional equipment as part of the special allocation.<sup>229</sup>

189. The DHSS was involved in the central purchase of centrifuges to BPL, and there is a discussion in the documents as to their delivery date.<sup>230</sup> A handwritten annotation on a memo dated 21 August 1975 states that the Department had received delivery dates for the centrifuges to BPL, one in September and two in October, and these were acceptable to BPL.<sup>231</sup>

190. In August 1975, Dr Maycock provided a report to the Blood Products and Blood Group Reference Laboratory Managing Committee. He wrote that the DHSS' scheme to increase production of FFP would result in £44,970 non-recurring expenditure in the current year, and around £17,000 in revenue

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<sup>228</sup> Return of Appendix 2, undated, **CBLA0000320**

<sup>229</sup> Draft Proof of Evidence of Richard Spencer Lane, Draft No 5, 10 December 1990, **CBLA0000005\_002**, p.g.38 [99]

<sup>230</sup> Memo from D. U. Jackson (DHSS) to Mr Lewis, 17 July 1975, **DHSC0000928**

<sup>231</sup> Memo from I. D. Alexander to D. U. Jackson, 14 July 1975, **DHSC0001769**

in a full year at BPL.<sup>232</sup> When the scheme operated at planned capacity, Factor VIII would be prepared from 1,000 litres of plasma weekly.

191. By September 1975, the delivery of the centrifuges was delayed, and it was reported at an internal meeting that Penwalts had said that four would be delivered at the end of October and one at the end of November.<sup>233</sup>

192. By January 1976, Dr Maycock estimated that all the necessary modifications to BPL would be completed by late January or early February 1976.<sup>234</sup>

193. In March 1976, Mr Bailey from BPL wrote to Mr Dutton, referring to the need to “carry over the unspent part of the special vote for the increase in Factor VIII production.”<sup>235</sup> He attached a list of BPL’s outstanding requirements for the AHG increase and their costings, totalling £6,550:

AHF Transporter Trolley - £130

Freeze Drying Vial Containers - £1,100

Grants Circulating Heater and Controller - £200

Thermocouple Meter with sensors - £120

Outstanding building modifications - £5,000

194. Mr Cumming replied to Mr Bailey in July 1976.<sup>236</sup> He explained that what Mr Bailey had referred to as a “special vote” was actually a special allocation of £500,000 made to RHAs to ensure RTCs substantially increased the amount of plasma supplied to BPL. None of this money was earmarked for BPL, but provision had been made in their estimates for the effect of the

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<sup>232</sup> W. d'A. Maycock, Report to Blood Products and Blood Group Reference Laboratory Managing Committee, August 1975, **CBLA0008907**, pg. 5

<sup>233</sup> Minutes of the 8th internal BPL meeting on Anti-haemophilic Factor Production Increases, 11 September 1975, **CBLA0000303**

<sup>234</sup> Minutes of the 159th RTD Meeting, 21 January 1976, **NHBT0016480**, pg. 7

<sup>235</sup> Letter from Mr Bailey (Administrative Officer, BPL) to Mr Dutton (DHSS), 8 March 1976, **DHSC0002181\_002**

<sup>236</sup> Letter from Mr Cumming to Mr Bailey (Administrative Officer, BPL), July 1976, **DHSC0003616\_087**

increased production of AHG. The cost of this equipment for 1976/7 would therefore have to be met from their cash limit of £995,000.

195. Mr Cumming also wrote to Mr Dutton, explaining that there was some misunderstanding within BPL that their allocation for AHG production was part of the special distribution to Regions.<sup>237</sup> He explained that BPL's allowance for AHG production was regarded as part of their annual vote and included as such in budget and revised estimates. He would have no objection to BPL purchasing the equipment amounting to £6,550 provided they could contain total expenditure within the cash limit of £995,000.

196. On 16 July 1976, Mr Dutton wrote a memo to Mr Cumming entitled "Preparation of all AHG Concentrate in Small Containers".<sup>238</sup> He reminded him that Dr Owen had stipulated not only that they should achieve self-sufficiency but also provide clinicians with a product which was as acceptable clinically as the commercial preparation. He apologised for troubling him again with requests to spend extra sums, but the expenditure was unavoidable if Elstree and Oxford were going to meet their commitments. He would discuss with all concerned the possibility of looking ahead so only requests for additional expenditure that were quite impossible to foresee would occur, but this particular expenditure was in that category.

197. On 22 July 1976, D. C. Liddle wrote to Mr Dutton, responding to a request Mr Dutton had made on 16 July for a further £11,200 (full year cost) to be added to the permissible expenditure of the budget of BPL and PFL.<sup>239</sup> He wrote that he was not able to consider it whilst the future of funds earmarked for Liberton remained in doubt. With the advent of cash limits, they must know the extent to which processing at Liberton would call on future funds before any case could be mounted for an increase in total expenditure.

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<sup>237</sup> Letter from Mr Cumming to Mr Dutton, 8 July 1976, **DHSC0002181\_022**

<sup>238</sup> Memo from Mr Dutton to Mr Cumming, 16 July 1976, **CBLA0000388**

<sup>239</sup> Letter from D. C. Liddle to Mr Dutton, 22 July 1976, **DHSC0002181\_025**

## Conclusion

198. In 1975, the DHSS allocated special finance to RHAs in order to boost production of AHG concentrate. The total spent (presuming Regions spent their full allocations unless there is evidence they did not) was **£270,865.29** of capital in 1975/6, and **£192,144** of revenue in 1975/6. Given delays in their building work, it is more likely that Mersey did not spend their revenue allocation of 1975/6, making the total revenue expenditure for 1975/6 **£172,144**. If the **£58,000** that BPL received is included, this makes a total expenditure of 1975/6 of **£501,009.29**. These figures should be treated as approximations, though, as some regions included VAT in their calculations and others did not, and the final expenditures for some regions have not been found.
199. By 1976/7, the special allocations appear to have become subsumed as a part of the standard Regional allocations, revised “in the usual way” to take account of cost increases, so expenditure cannot be tracked as easily.<sup>240</sup> Expenditure for 1976/7 was set at **£433,000** before cost adjustments, including revenue allocations and the £28,000 of Oxford’s capital allocation which was allowed to spill over.
200. Therefore, between 1975-7, a minimum of **£934,009.29** was spent by the DHSS to boost AHG production, not including revisions for costs.
201. This expenditure paid off, and the targets for plasma production were attained.<sup>241</sup> However, Dr Owen’s intention was that this expenditure would increase production to the level of self-sufficiency, but demand for Factor VIII grew dramatically over this period, and so although the targets were met, self-sufficiency was not reached, and additional production required further investment.

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<sup>240</sup> Letter from T. E. Dutton to Divisional Head (General Administration, North West Thames RHA), 21 June 1976, **DHSC0103283\_102**

<sup>241</sup> Written answers, 26 June 1978, **DHSC0000291**

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