

PS(PH)

FROM: R.M.Gutowski

DATE: 2 April 2004

Cc: Gerard Hetherington
David Harper
David Reay
Mike Burns – SOL
Bob Stock – SE
Cathy White – WAG
Gerry Dorrian –DHNI
Helena Feinstein
Siobhan Jones
Ailsa Wight
Richard Olszewski
Paul Corrigan
Steve Bates
Simon Stevens
Helen Hamlet

Hepatitis C Payment Scheme – Skipton Fund

Purpose

1. To inform you that the Skipton Fund, which is the vehicle to administer the payments under the Hepatitis C Scheme, has been registered as a limited company at Companies Home.

Timing

2. Not urgent – for information only

Background

3. One of the key elements when Secretary of State announced the criteria of the scheme was that it would be administered on a UK wide basis by a new independent operator called the Skipton Fund which would come under the management associated with the MacFarlane and Eileen Trusts. In setting up the Skipton fund we were advised by lawyers that it could not be a Charitable Trust because of the nature of the one-off payments. i.e. they were not to help alleviate on-going hardship.

4. In order to give the Skipton Fund a legal status it has been necessary to register it as a Limited Company. This was also important in terms of requiring the Fund to be a legal entity so as to be referenced in the Department of Work and Pensions Regulations allowing a social security disregard. We are currently working on the Fund's Memorandum and Articles of Association.
5. As a consequence of this development the Chief Executive of the MacFarlane Trust will become the Company Secretary of the Skipton Fund and four of the Trustees (two of which were appointed by the Secretary of State) will become Directors. In line with your wishes the administrative costs of the Fund will not come from a S64 grant but will be met from the money provided by the four Health Departments for the Payment Scheme itself.
6. Also inline with your wishes, the MacFarlane Trust itself has recently formally requested that they move away from S64 funding. The first step in this process will be to move the MacFarlane Trust under the management of the Skipton Fund while remaining a Charitable Trust. The MacFarlane Trust's S64 status will be the subject of a separate submission to you.
7. We have also had a request for a need for confidentiality orders for the Directors and Secretary of the Skipton Fund. There is some concern about the possibility of intimidation of the Officers of the Fund, given the track record of some of the haemophilia splinter groups. We will write to the DTI in support of such a request.

Conclusion

8. You are asked to note the legal status of the Skipton Fund.

R.M.Gutowski
Public Health
633B SKH
X **GRO C**