

Mr Alcock PS to S of S

From: J C Dobson EHF1

Date: 15 April 1991

cc: Mr Sands PS/MS(H)
Mr Heppell HSS
Mr Powell SOLB3
Dr Rejman MEDISP
Mr Kendall FA2
Mr Gutowski MCA
Mr Canavan EHF1A o/r
Mr Shroot ID
Mr Provan DSS

FILE

HIV HAEMOPHILIA LITIGATION

You asked for briefing on the Sunday Times article alleging that government "red tape and legal wrangling" has held up payment of the £42m settlement. A copy of briefing supplied earlier today to No 10 is attached at A, with some additional Q and A briefing at B. More detailed notes on the two main allegations in the article, on the social security disregards and on the request for evidence to confirm the allocation of plaintiffs to the various payment categories, are at C and D respectively.

Timing

2. The next Court hearing is set for 1 May. We are cautiously optimistic that we can tie up all the loose ends before then. The problems over the social security disregards and categorisation appear to be on their way to resolution, as does the other outstanding problem of delimiting the allegations which plaintiffs who wish to continue with cases of "clinical negligence" against individual doctors and HAS may make.

3. However if the plaintiffs' solicitors - or even just one faction of them - are determined to string out proceedings in the hope of winning yet further concessions the timetable will slip again. We might at the end of the day need to revert to the idea of setting up the Macfarlane Trust in "shadow" form, or even of making payments to non-litigants, in order to demonstrate the government's wish to make progress and to put further pressure on the plaintiffs' solicitors. But I do not believe that the time has yet come for this.

Presentation

4. S of S asked if we should put up a government lawyer to put the Department's side of the story. I would advise against this; although I think we have a good story to tell, on this issue the public is not disposed to believe the government's case. I suggest that the best course would be for ministers to say in general terms that

- a. the government has done all it can to speed the settlement
- b. given goodwill on both sides payments could begin within a couple of weeks [ie within days of the Court hearing on 1 May]

but to avoid getting drawn into matters of detail.

GRO-C

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