

The Macfarlane Trust

CONFIDENTIAL

for Department of Health
Meeting 18th November 1992

STATISTICS SUMMARY at 31st October 1992

1. Registration and Demography

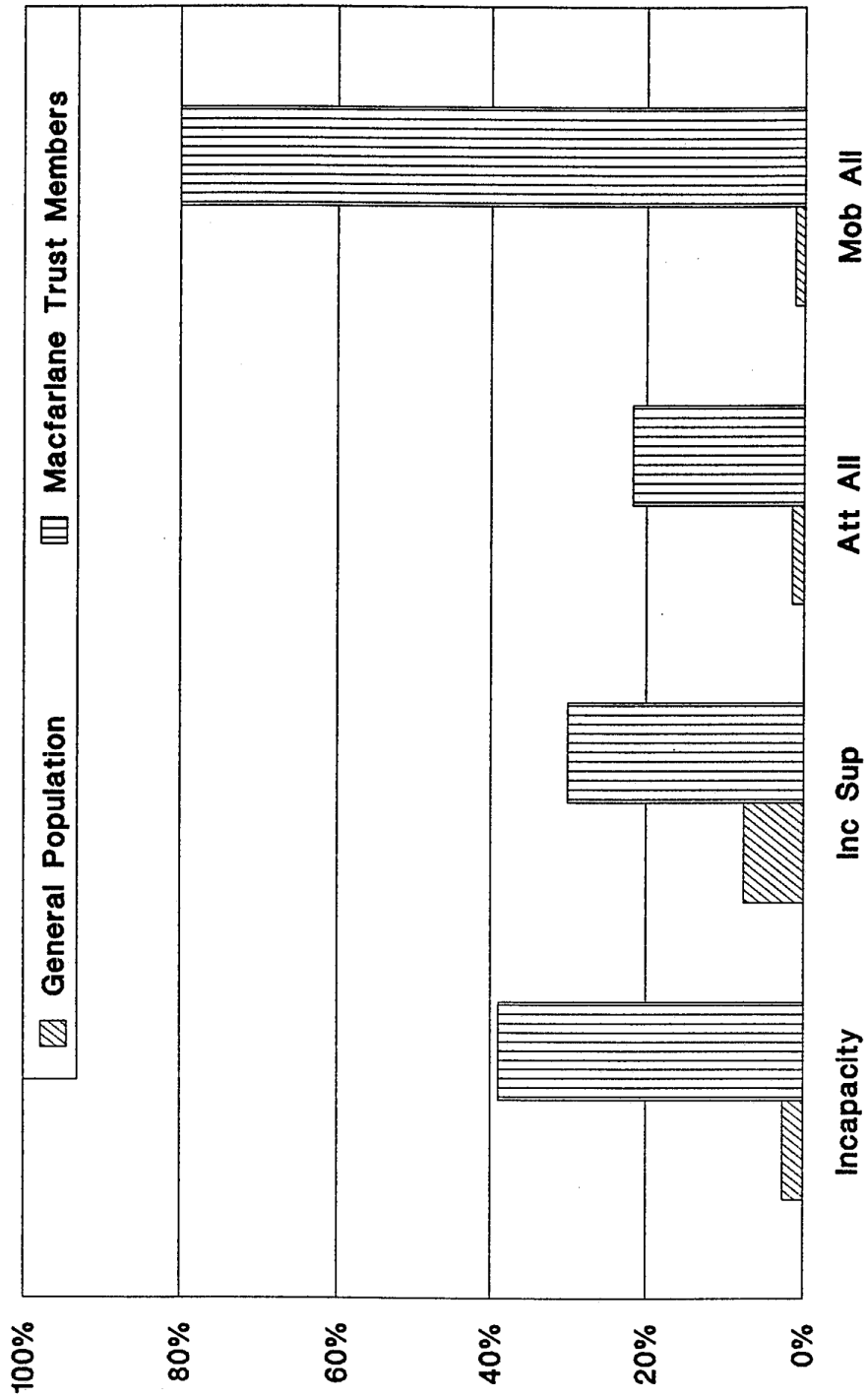
	Living	Deceased	Total
a. Under 18	110	25	135
b. Single Adult	346	149	495
c. Married	187	114	301
d. Married & Dep.Ch.	215	89	304
Totals	858	377	1235
e. Infected Partners	35	5	40
f. Widows	176	3	179
g. Wid. w. dep. ch.	89	2	91
h. Infected Widows (inc. in e, f & g)	12	2	14
i. Youngest Registered	d.o.b.	25.06.84	8 yrs
j. Ages	Range	Living	Deceased
	under 12	16	11
	12 - 17	94	14
	18 - 29	324	63
	30 - 39	236	85
	40 - 49	114	76
	50 - 59	55	55
	60 - 69	15	35
	70 & over	4	18
Totals	858	377 (31%)	
k. Oldest Registered	d.o.b.	26.03.14	78 yrs

2. Deceased

	Annual Number	Rate/1000				
before 1988	87		1992	Jan	11	Jul
1988	39	34		Feb	7	Aug
1989	54	49		Mar	6	Sep
1990	64	61		Apr	6	Oct
1991	71	72		May	5	Nov
1992	62	81		Jun	7	Dec
Total	377					62

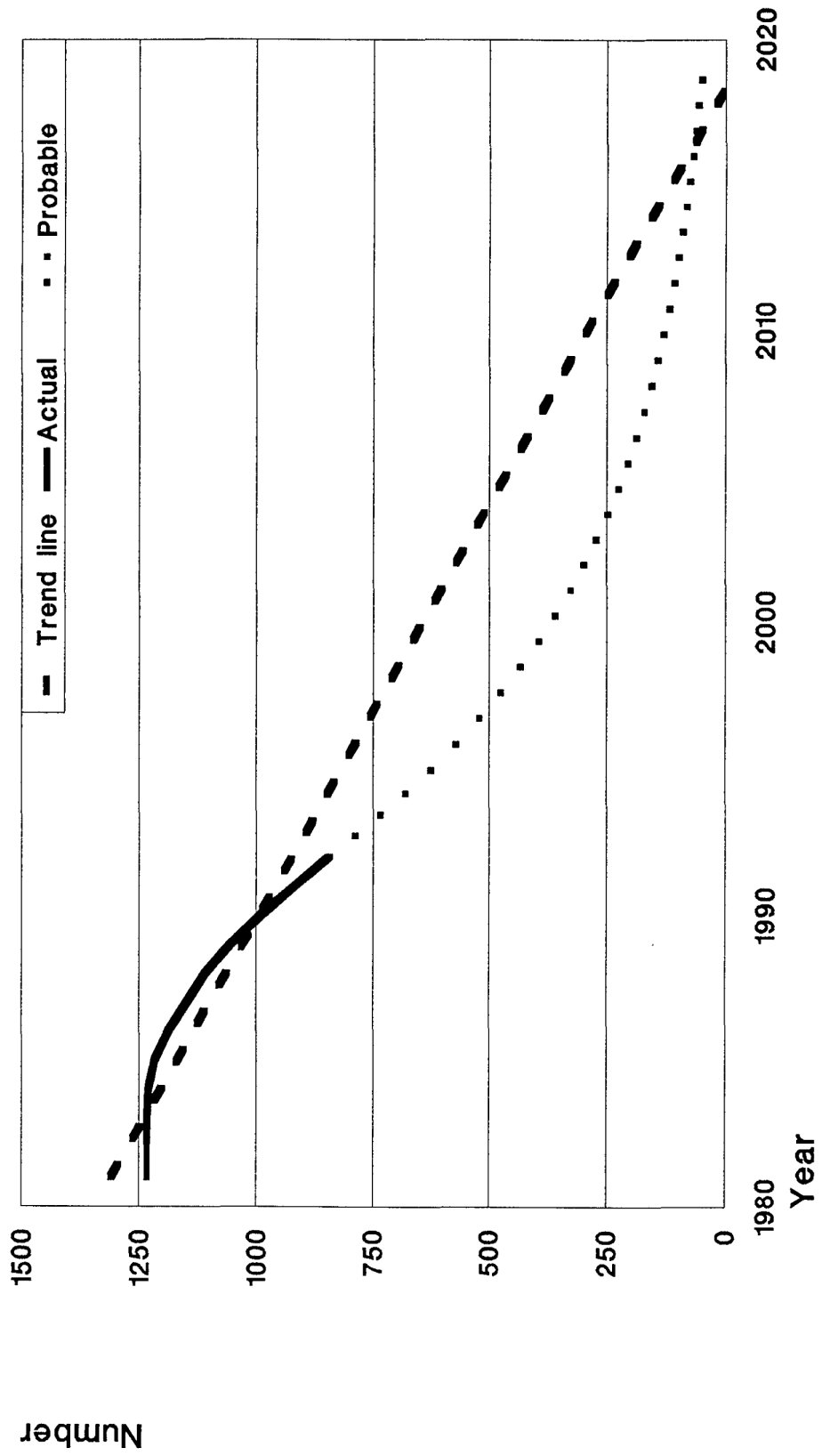
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Welfare Benefits Statistics



Incapacity = Invalidity & Sickness Benefit
 Inc Sup = Income Support; Att All = Attendance Allowance
 Mob All = Mobility Allowance

Trust 'Population' Forecast



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Summary of Trust Payments

1. Payments to 31st March 1993

	Grants	Regular Payments	Winter Supplements	Total
88/89	496,909	564,490	-	1,061,399
89/90	786,394	999,449	390,000	2,175,843
90/91	783,960	1,083,965	420,640	2,288,565
91/92	376,318	1,392,627	421,820	2,190,765
92/93 *	220,000	1,466,000	425,000	£2,111,000
Total	2,663,581	5,506,531	1,657,460	£9,827,572

* includes estimate for the final 4 months

2. Estimates for future years

93/94	230,000	1,416,000	410,000	£2,056,000
94/95	240,000	1,353,000	390,000	£1,983,000
95/96	252,000	1,280,000	366,000	£1,898,000
96/97	265,000	1,218,000	347,000	£1,830,000

Notes

1. The figures show a drop in total expenditure of approximately 4% (in real terms around 10%) in each of the last two years. This is mainly accounted for by reducing numbers.
2. The change of emphasis between single grants and regular payments is marked over the last two years. This is due to the change of policy transferring virtually all support of living standards into the regular payments scheme. This process is now completed and it is forecast that there will begin a slow swingback of emphasis in both actual and proportional terms (see 3d).

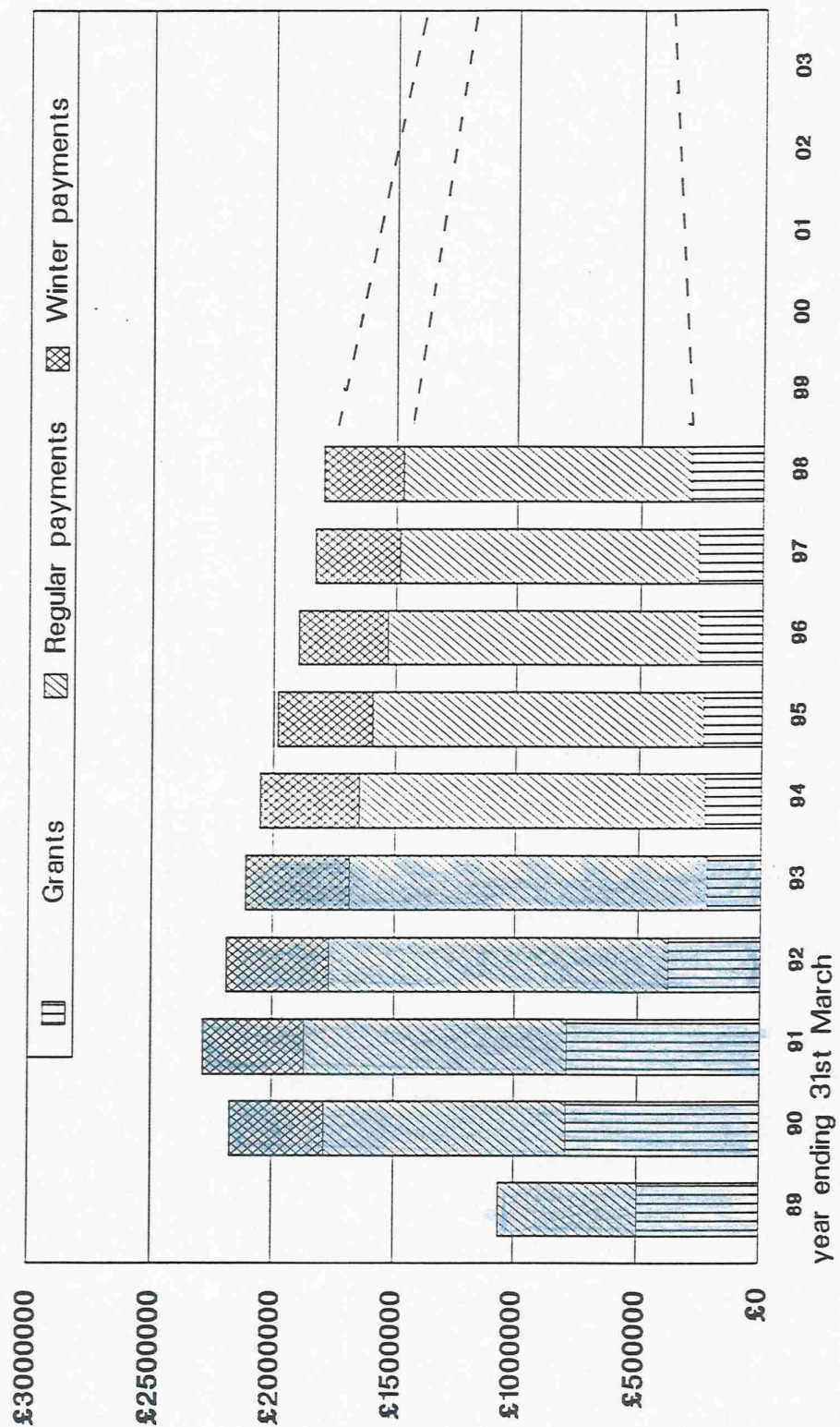
3. Estimate for future years.

These estimates are based on the assumption of maintaining approximately current levels of support (as seen by the individual) in real terms. The separate figures are calculated as follows:

- a. Single Grants Single grants are now virtually entirely related to advancing sickness and bereavement. The group receiving this priority treatment stays fairly constant in number as those dying are replaced by those falling to decreasing states of health. Thus figures for the next five years show a 4-5% annual rise in order to maintain present value.
- b. Regular Payments The number of registered persons receiving these payments is likely to decrease by up to 10% per annum but this is offset by the increased number of widows (with dependant children or themselves sick/disabled) who come on to the scheme at the lower levels of payment. Hence a reduction of 8% is estimated, but this is again offset by an increase in 4-5% to maintain value in real terms.
- c. Winter Supplements These payments are made to infected persons only (not widows or other dependants). Hence the figure allows for the forecast reduced numbers, again offset by an increase of 5% to maintain real value.
- d. General It will be noted that the forecast is for a rise in single grants sufficient to maintain the real value, and a drop in the regular payments and winter supplements. This will slowly change the relative balance as stated in para. 2 above (see Graph).

JAW\DH9210-4

Trust Expenditure



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PORTFOLIO SUMMARY at 31st October 1992

Name of Stock	Holding (nominal)	Annual Dividend Book Cost Yield %	... Market Value Yield %
15% Excheq 1997	1,500,000	225,000	1,985,960	11.32	1,950,465	11.54

Month Capital Gain (Loss)	96,090
Overall Capital Gain (Loss)	(35,495)

Sterling at Nat West Bank

Period	Maturing		
-----	-----		
1 week	3 Nov	1,000,000	8.375%
3 months	6 Nov	1,000,000	10.00%
1 month	22 Nov	1,000,000	7.875%

		3,000,000	

Bank Deposit a/c 247,500

TOTAL VALUE Book £5,233,460 Market £5,197,965

ESTIMATE FOR 31 MARCH 1993 £4,076,000 *

* Because of timing of investments all major dividends are received in the first seven months of the financial year, resulting in a lower cash outflow. On the other hand, because of the winter supplement payment, three fifths of expenditure falls in the second half year resulting in a considerable reduction of capital.

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Some Funding Options

- Assumptions - Interest rates on investments averaging 7%
- Inflation at 4-5%
- Any grant postulated is made at the beginning
of the Financial Year

1 No Further Funds

Choice between: Fund exhausted in 2 years (first quarter 1995/6)
or
Cutback of all regular support within 6 months
in order to retain a reserve fund to meet crisis
level of grants.

2 £5 Million Replenishment Grant in 1993

Will be back to 1993 resources in just over 3 years (beginning
financial year 1996/7).
A further review would be needed or we would be back to Option 1.

3 Annual Committed Grants to Support Status Quo

Would cost £1.6 Million p.a. for first 5 years, falling thereafter.
See Table A.
Each year guaranteed defers option 1 by a year.
5 year cost £8 Million.

All figures shown in £1,000

Table A

To maintain 'status quo' - Cost £1.6 Million p.a.

	93/4	94/5	95/6	96/7	97/8
Capital b/f	4,050	3,922	3,856	3,873	3,962
New Grant	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
Total	5,650	5,522	5,456	5,473	5,562
Expenditure	<u>2,050</u>	<u>1,983</u>	<u>1,898</u>	<u>1,830</u>	<u>1,780</u>
Int. @ 7%	<u>3,600</u>	<u>3,539</u>	<u>3,555</u>	<u>3,643</u>	<u>3,762</u>
	<u>322</u>	<u>317</u>	<u>315</u>	<u>319</u>	<u>326</u>
Capital c/f	3,922	3,856	3,873	3,962	4,088
Av.cap.for year	4,600	4,531	4,507	4,558	4,652

Cost for next 5 years - £8 Million, falling slowly thereafter

Funding Option 4

Support Current levels of help, but allowing Trust Fund to fall to a minimum reserve level of £3 Million, but not lower.*

Would cost £1.4 Million p.a. for at least 5 years then falling slowly.

See Table B attached.

5 year cost £7 Million.

- * It is estimated that this is the level of fund at which, by cutting all ongoing and regular support, the Trustees could continue to provide a minimum acceptable level of support to those in terminal stages of illness.

. All figures shown in £1,000

Table B

To allow reserve to fall to £3 Million but not below - cost £1.4M p.a.

	93/4	94/5	95/6	96/7	97/8
Capital b/f	4,050	3,710	3,415	3,187	3,014
New grant	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>	<u>1,400</u>
Total	5,450	5,110	4,815	4,587	4,414
Expenditure	<u>2,050</u>	<u>1,983</u>	<u>1,898</u>	<u>1,830</u>	<u>1,780</u>
Interest @ 7%	<u>3,400</u> <u>310</u>	<u>3,127</u> <u>288</u>	<u>2,917</u> <u>270</u>	<u>2,757</u> <u>257</u>	<u>2,634</u> <u>247</u>
Capital c/f	3,710	3,415	3,187	3,014	2,981
Av.cap.for year	4,925	4,119	3,866	3,672	3,524

Cost for next 5 years - £7.0 Million

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