PH-HP-ID&BP Archive Database - Unformatted Document

"For information - Hansard record of 10 January 2011 Blood Statements"

Document Type:	**Formal**
File Title:	**GHP - Blood Policy - Haemophilia - Archer Report - Government Response & Implementation - Implementation - 2010 Review**
File Reference:	**GHP/005/006/001/003/001/006 Vol 6**
Protective Marking:	**No Marking**
Filed by:	**Debby Webb/HP-SL/DOH/GB** on **11/01/2011** at **11:49**
Created by:	**Mark Noterman** on **11/01/2011** at **08:32**

Named Security Prior To Moving To Archive:

Who can edit?	**Nobody**
Who has edited?	**Debby Webb/HP-SL/DOH/GB**
Who can read?	**All readers of the document database**

Modification History Prior To Moving To Archive:

Modified Date and Time	Details
24/02/2011 14:17	File title update

Mark Noterman/CQEG/DOH/GB
11/01/2011 08:32

To Rowena.Jecock@ GRO-C Ailsa Wight, Debby Webb/HP-SL/DOH/GB@ GRO-C Ben Cole, MB Blood Policy/OIS/DOH@ GRO-C Gerry Robb/PH6/DOH/GB@ GRO-C Charlotte Mirrielees/OIS/DOH@ GRO-C

cc "LEGAL GROUP ADELPHI Antill-Pedler-Jobshare" <ADELPHI.ANTILL-PEDLER-JOBSHARE@ GRO-C, Clara.Swinson@ GRO-C "Kent Graham LEGAL GROUP DH LEGAL SERVICES" <GRAHAM.KENT@ GRO-C >, John.Henderson@ GRO-C Jonathan.Stopes-Roe@dh.gsi.gov.uk, Mike.DeSilva@ GRO-C , Nannerl.Herriott@ GRO-C Neil Coffey/OIS/DOH@ GRO-C "Nick Johnson" <Nick.Johnson@ GRO-C >, Peter.Bennett@ GRO-C "Raghuv Bhasin" <Raghuv.Bhasin@ GRO-C

bcc

Subject For information - Hansard record of 10 January 2011 Blood Statements

Commons

10 Jan 2011 : Column 33

Contaminated Blood

4.4 pm

The Secretary of State for Health (Mr Andrew Lansley): With permission, I would like to make a statement on hepatitis C and HIV-infected blood.

What happened during the 1970s and 1980s, when thousands of patients contracted hepatitis C and HIV from NHS blood and blood products, is one of the great tragedies of modern health care. It is desperately sad to recall that during this period the best efforts of the NHS to restore people to health actually consigned very many to a life of illness and hardship. As the current Health Secretary, and on behalf of Governments extending back to the 1970s, may I begin by saying how sorry I am that this happened and by expressing my deep regret for the pain and misery that many have suffered as a result?

It is now almost two decades since the full extent of the infection was established and two years since the independent inquiry led by Lord Archer of Sandwell reported. The majority of Lord Archer's recommendations are in place, as are programmes of ex gratia payments, which are administered by the Macfarlane Trust and the Eileen Trust for the HIV-infected and by the Skipton Fund for those with hepatitis C. However, significant anomalies remain and I pay tribute to Lord Archer, to other noble Lords and to hon. Members in this place from all parties for highlighting them.

In October, the Under-Secretary of State for Health, my hon. Friend the Member for Guildford (Anne Milton), announced a review into the current support arrangements -to look at reducing the differences between the hepatitis C and HIV financial support schemes and to explore other issues raised by Members during the recent Back-Bench debate, including prescription charges and wider support for those affected. We also asked clinical experts to advise on the impact of hepatitis C infection on a person's health and quality of life and to consider whether an increase in financial support was needed. My hon. Friend the Under-Secretary has met representative groups to understand the impact that these infections were having on people's lives and has also met many Members of both Houses who have been strong advocates on behalf of those affected.

We have now considered the findings of the clinical expert group and we accept that the needs of those with advanced liver disease from hepatitis C merit higher levels of support. At present, the amount of money paid to this group depends on the seriousness of the infection. There are two stages at which the Skipton Fund will make a payment, the first of which is when the person develops chronic hepatitis C infection. At this point, a person is eligible for a stage 1 relief payment-currently a lump sum of £20,000. Some may reach a second stage of developing an advanced liver disease such as cirrhosis or cancer, or of requiring a liver transplant; they then become eligible for a stage 2 payment, which is currently another lump sum of £25,000. Under new arrangements that we will introduce, this second stage payment will increase from £25,000 to £50,000. This will apply retrospectively, so that if a person has already received an initial stage 2 payment of £25,000, they will now get another £25,000 lump sum, bringing the total to £50,000.

10 Jan 2011 : Column 34

In addition, we will also introduce a new, annual payment of £12,800 for those with hepatitis C who reach this second stage. This is the same amount as those who were infected with HIV receive. Those infected with both HIV and hepatitis C from contaminated blood will now receive two annual payments of £12,800 if they meet the stage 2 criteria-one payment for each infection-along with the respective lump sums. All annual payments that are made, both to those so infected with HIV and to those with hepatitis C, will now be uprated annually in line with the consumer prices index to keep pace with living costs.

We know that some of those infected with HIV or hepatitis C from NHS blood and blood products face particular hardship and poverty. Those infected with HIV can already apply for additional discretionary payments from the Eileen Trust and the Macfarlane Trust, but no equivalent arrangements are in place for those infected with hepatitis C, so we will now establish a new charitable trust to make similar payments to those with hepatitis C who are in serious financial need. These payments will be available for those at all stages of their illness, based on individual circumstances. Discretionary payments will also be available to support the dependants of those infected with hepatitis C, including the dependants of those who have since died. Again, this will echo the arrangements in place for those infected with HIV and will enable us to give more to those in the greatest need.

We must also ensure that those infected through NHS blood and blood products get the right medical and psychological support. I can therefore announce two further measures. First, those infected with hepatitis C or HIV will no longer pay for their prescriptions. They will now receive the cost of an annual prescription prepayment certificate if they are currently charged for prescriptions. Secondly, the representative groups raised the issue of counselling support for those infected through blood and blood products. We fully recognise the emotional distress that they have experienced. As a result, we will provide £300,000 over the next three years to allow for around 6,000 hours of counselling to help those groups.

While we focus on those still living with infections, we must also recognise the bereaved families of those who have died. At present, no payment can be made to those infected with hepatitis C who passed away before the Skipton Fund was established. That is a source of understandable distress to those who survive them, and that is something that we now want to put right. I can therefore announce that, until the end of March 2011, there will be a window of opportunity in which a posthumous claim of up to £70,000 can be made on behalf of those infected with hepatitis C who died before 29 August 2003. A single payment of £20,000 will be payable if the individual had reached the first stage of chronic infection. Another single payment of £50,000 will be made if their condition had deteriorated to the second stage, in which they suffered serious liver disease or required a liver transplant. We will work with the Skipton Fund and various patient groups to publicise this new payment to those who may benefit. Those new payments, which will go to the individual's estate, should help more families to get the support that they deserve.

Taken together, these announcements represent a significant rise in the support available to those affected by this tragedy. Putting an exact figure on the package is difficult, as there is some uncertainty about how many people will be eligible, and how their illnesses may progress. However, we believe that the new arrangements could provide £100 million to £130 million-worth of additional support over the course of this Parliament. All payments will be disregarded for calculating income tax and eligibility for other state benefits, including social care. Although the changes apply only to those infected in England, I will be speaking to the devolved Administrations to see whether we can extend the measures across the United Kingdom.

Today's announcements cannot remove the pain and distress that individuals and families have suffered over the years, but I hope that the measures can at least bring some comfort, some consolation, and perhaps even some closure to those affected. I commend the statement to the House.

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): The Opposition welcome the review and today's statement, and we note that Labour Health Ministers had agreed the review in principle before they left office. We are glad that the statement was made on the very first day back after the Christmas break, because we are aware that the statement was promised before Christmas. We appreciate it being made as soon as it could be made.

Does the Secretary of State agree that the House owes a tremendous debt of gratitude to the patient groups that have campaigned for more than 25 years on the issue? They include the Haemophilia Society, the Hepatitis C Trust, the Taintedblood group, the Manor House Group, and individuals such as Haydn Lewis, who unfortunately passed away before he could see this resolution. Without the campaigning of those groups and individuals over two decades, the issue would have been one of private misery and private suffering. It is because they campaigned and kept the issue before the public and before the eyes of politicians that we are able to move decisively towards a proper resolution today.

Many of the measures in the statement will be welcomed, particularly the help with prescription charges and the £300,000 for counselling-I have seen with my own eyes the awful mental effect of this tragedy on people-as well as the payments for dependants, the provision for posthumous claims, and above all, the move towards parity in the cases of HIV and hepatitis C. All that will be welcomed, but there will still be campaigners who will regret that we have not been able to achieve parity with the compensation that was offered and handed out in the Republic of Ireland. It would be silly to pretend that there will not be many people still saying today, "Why could we not achieve what was done in the Republic of Ireland?".

Finally, when we remember that more than 4,500 completely innocent and trusting patients contracted HIV, hepatitis C or both as a consequence of tainted blood, and that more than 1,900 of those people have died, leaving thousands of dependants behind, should we not, as a House, resolve that it should never again take 25 years for perfectly innocent victims of errors and mistakes to have proper justice and recompense?

Mr Lansley: I am grateful to the hon. Lady and I entirely endorse her opening and closing remarks paying tribute to all the patient groups. My hon. Friend the Under-Secretary of State for Health has met many of those groups and individuals, and I know that she would heartily endorse what the hon. Lady said about how they have brought these issues time and again to the forefront of attention in the House and the other place. I do not want to underestimate the many in the House and the other place who responded to that and did so very well by bringing these cases forward. I hope that they will see in today's statement a proper response.

We do not know whether there will ever be a similar case. I hope we can avoid it-it would be much better to avoid it-but if we were ever in a situation where such a consequence flowed from the NHS seeking to do its best to treat patients but such harm nevertheless occurred, I hope we would recognise that, be able to identify it and not allow decades to pass before proper recognition took place.

That brings me to the substantive point that the hon. Lady made, which is the relationship between what we are doing and the compensation provided in the Republic of Ireland. As we explained in October, we do not regard these as comparable cases. In the Republic of Ireland, mistakes were made by the Irish Blood Transfusion Service which led to a recognition of liability, leading to a determination of compensation. In this country we are not providing compensation. We are recognising the harm that occurred, notwithstanding the fact that the NHS at the time sought to provide the treatment that it thought was in the best interests of patients.

That harm occurred. As an ex gratia payment and in recognition of the harm that occurred and the distress that followed, we have sought to ensure that there is proper support, financial and otherwise, for the victims and their families. I hope that by getting rid of the anomalies and recognising-in particular, through the work of the clinical expert group-the impact on those with hepatitis C, we are giving the support that those who were damaged should expect.

Jonathan Evans (Cardiff North) (Con): Although I welcome my right hon. Friend's statement, I should point out that Lord Archer recommended that there should be compensation along the Irish lines. That is a little of the context of what has taken place.

I take the opportunity of congratulating the Under-Secretary of State for Health, my hon. Friend the Member for Guildford (Anne Milton) on all the work that she has done on the matter, which I know has been welcomed across the House.

May I ask my right hon. Friend about the position in Wales? I was a little taken aback by the fact that he said that he intends to speak to fellow Ministers in Wales. I have a statement from the Welsh Minister indicating that as far as she is concerned, these issues come next to be considered by her in 2014, which was the previous agreement with the Department of Health. Many of my constituents will want to know what discussions have so far taken place and whether the arrangements will be replicated in the Principality.

Mr Lansley: The Under-Secretary will have heard what my hon. Friend said. I am grateful for it, too.

I am speaking on behalf of England in this respect. As the Department of Health, we administer the payments system. We had to reach to decisions and we have done so. We always intended to do so as rapidly as we could for England, but as I explained in my statement, these decisions have yet to be made by the devolved Administrations. It is reasonable for them to see the review report that I am publishing today, not least the clinical expert review that goes with it, in order for them to make their own decisions. Those are decisions that they must make, but if they wished us to continue to administer the system on the same basis across the United Kingdom, we would be happy to do so.

Diana Johnson (Kingston upon Hull North) (Lab): In the debate on the subject in the autumn, the Under-Secretary of State agreed to speak to her colleagues in the Department for Work and Pensions about the changes to benefits and how those would affect people who had received contaminated blood products. Can the Secretary of State give any guarantee about passporting people affected by the changes in benefits so that they do not lose out and have to go through a further set of medicals?

Mr Lansley: I am grateful for that. This is not a response to precisely the question that the hon. Lady asks, but Lord Archer made a point about whether payments should be made through the Department for Work and Pensions. We do not see that any tangible benefit would flow from that.

Chris Bryant (Rhondda) (Lab): That was not my hon. Friend's question.

Mr Lansley: No, I acknowledged that. I will of course respond to the hon. Lady, but I think it better for us to administer all the payments through the system that I have set out. As I say, they will be disregarded for the purposes of calculation of benefits, so to that extent they will not impact adversely on current benefits.

Jason McCartney (Colne Valley) (Con): Having spoken in the debate in October and having asked a question in Prime Minister's questions in November, I very much welcome a number in elements of the Secretary of State's statement, particularly those on free prescriptions and counselling help. Will he, however, promise to meet the Taintedblood campaigners and perhaps even to look at the overall level of compensation?

Mr Lansley: May I say two things to my hon. Friend? My hon. Friend the Under-Secretary has met those groups and will continue to meet them, because we want to ensure not least that those who are now eligible for enhanced payments and so on make proper applications. We have looked very carefully with the clinical expert group at the support that we ought to give. It is not compensation as such; it is an ex gratia form of support. We have made judgments, and if we were to go further, there would be significant additional costs. My hon. Friend the Under-Secretary and I have made it clear to the House in the past that to provide payments on the scale of the Republic of Ireland might involve up to, or perhaps even in excess of, £3.5 billion a year, so I am not in a position to say to my hon. Friend the Member for Colne Valley (Jason McCartney) that I expect to go beyond the support that I have set out today.

Mr Andy Slaughter (Hammersmith) (Lab): It is to be regretted that the review's terms of reference were so narrow, as it did not consider overall levels of compensation or HIV. If the Secretary of State believes that the Republic of Ireland case is simply too expensive, will he please say so and not rely, as the Department has, on either the idea that the Taintedblood campaigners and others are asking him to look at that and tying us to the Irish system, or the idea that they are asking us effectively to look at those levels of compensation because negligence was involved? That was not the case in Ireland. Is not the result likely to be more litigation? The levels of remuneration are still far too low.

Mr Lansley: With respect to the hon. Gentleman, in response to previous questions I made it very clear that the question was not simply about the amount of money. The situation in the Republic of Ireland is unique in respect of its determination of liability because of mistakes made by the Irish Blood Transfusion Service. To that extent, we are making ex gratia payments. The nature of our payments stands comparison to other countries, particularly now, in respect of hepatitis C and my announcements this afternoon.

Jenny Willott (Cardiff Central) (LD): I really welcome today's statement and, in particular, the apology, which will go a long way to ease some of the pain that some of the victims have suffered. Proper support for those infected with hepatitis C is also long overdue. Gareth Lewis, who was a leading Taintedblood campaigner-I believe he met the Under Secretary-tragically died just before Christmas, only a few months after his brother, Haydn, whom the hon. Member for Hackney North and Stoke Newington (Ms Abbott) mentioned. That highlights the urgency of my question. Governments are not known for moving quickly, particularly when it involves handing out money, so will the Secretary of State reassure us that everything that can be done will be done to ensure that the payments announced today are made as soon as is humanly possible?

Mr Lansley: May I pay tribute to my hon. Friend, who has on many occasions spoken up on behalf of her constituents and others who were affected by the tainted blood and blood products? The answer to her question is yes-absolutely we will. When we came into office, we were determined to implement the review. As she said, we sought to complete the review before Christmas-technically speaking, we did, but we were not in a position to announce it before Christmas. We are doing this at the first available moment, and we will do everything that we possibly can to ensure that potential beneficiaries are notified and reached as quickly as possible so that the payments are in place as soon as possible.

Chris Bryant (Rhondda) (Lab): It would be one of the greatest catastrophes if what happened were able to happen again. That is why it is so vital that the Government constantly keep under review the policy on donating blood. As the Secretary of State will know, men who have had sex with men are one of the categories of people who are not able to give blood at the moment, and that seems intrinsically unfair and prejudiced. I urge the Secretary of State to look only at the scientific evidence in the ongoing review; that, and not any other political consideration, is the basis on which the decision should be made.

Mr Lansley: Yes, I entirely agree.

Andrea Leadsom (South Northamptonshire) (Con): I have to say that I am a bit disappointed; I am not sure whether today's announcement will give closure to many people. A constituent of mine told me about a very good friend of his who died in Spain over Christmas. Sadly, his family could not afford to bring the body home, so he had to be cremated in Spain. Under the circumstances, it is very important that the ex gratia payments, available through the new charity to be set up, take into account the tragic and particular problems of individual sufferers.

Mr Lansley: Yes, indeed. I know that they will; that is one of the reasons why, in addition to the lump sum payments and annual payments that I have announced, we wanted to ensure that there was scope for discretionary payments based on individuals' needs.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): May I take the Secretary of State back to the point raised by the hon. Member for Cardiff North (Jonathan Evans)? It is rather surprising that there has not hitherto been any discussion with the devolved Administrations. If such payments are to be made in Scotland and Wales, is it anticipated that they will be made out of existing budgets? How will the matter be handled?

Mr Lansley: What I have announced today will, of course, be funded from the Department of Health's budget in England and the matter would be a responsibility for the devolved Administrations in relation to their budgets - from within the budgets set through the spending review.

David Tredinnick (Bosworth) (Con): I, too, congratulate my right hon. Friend. I also congratulate the Under-Secretary of State for Health on all the work that she has done. The statement deals with what Lord Archer called the worst treatment disaster in the history of the national health service. It has to be said that the last Labour Government could have dealt with this, but they did not.

Following the comprehensive package that he has announced, will my right hon. Friend assure us that he will take active steps to contact the families of the bereaved and that no stone will be left unturned in making sure that all those who should have payments receive them?

Mr Lansley: I give my hon. Friend that assurance. We will take all the steps that we possibly can, not least on behalf of the bereaved families of those who died before 29 August 2003. That anomaly, among others, ought to have been rectified long ago.

Owen Smith (Pontypridd) (Lab): I, too, welcome the statement-in particular the serious and commendable way in which the Under-Secretary of State has dealt with this important issue. However, the people who really need to be congratulated today are the campaigners such as the family of my constituent Leigh Sugar.

I take the Secretary of State back to his comment that the measure will apply to England only. Will he explain the rationale for that? The previous schemes applied to England and Wales, although they predated devolution. Is he saying that no additional funds will be available for Welsh patients, under the Barnett consequentials, to provide similar funding in Wales?

Mr Lansley: I share the view of the hon. Gentleman. Today the people who should feel that we are expressing our support are those who have been harmed and their families. Those are the people whom we are really supporting today. I hope that they will feel that although not everything that they have hoped for is being provided, we are at least making very substantial progress and doing a great deal to show recognition of the harm that occurred to them.

At this Dispatch Box, I speak on health matters for England; I do not speak for Wales and I am not in a position to say what the decisions of the devolved Administrations are. I have set out what we are going to do in England. We are funding the measure from within allocated budgets, so no Barnett consequentials flow from it. These matters will be determined within each of the other Administrations in respect of whether they wish to share in the arrangements that I have described.

Mr Adrian Sanders (Torbay) (LD): There cannot be a Member of this House who does not have at least one constituent who is affected or who knows someone who is affected by this. I am sure that every hon. Member would like to congratulate the Government on the statement. Will the Secretary of State give an assurance that the bureaucracy needed to process matters forward has been looked at, so that it is kept to a minimum?

Mr Lansley: Yes, we have done that. My hon. Friend is absolutely right: hon. Members will have met constituents or the families of constituents who have been harmed, or the families of those who died. I hope that hon. Members will take the opportunity to bring the terms of today's statement to their attention, so that people can access the additional support at the earliest possible opportunity. We will seek to do what my hon. Friend mentions. What I am describing builds as far as possible on existing mechanisms and, with the exception of the new discretionary trust, will not create any additional bureaucracy.

Several hon. Members *rose* -

Mr Speaker: Order. I am well aware of the strong interest of the hon. Member for Coventry North West (Mr Robinson) in this subject and his track record on the issue in the House. The reason I have not called him and was not intending to call him is that, as far as I am aware, he was not here for the start of the statement. If I am wrong, I am happy to concede I am wrong. However, if I am right, that is the way it has to be for today. The hon. Gentleman is a very experienced parliamentarian and I am sure he will find other ways to make his point when he wants to make it.

Dr Phillip Lee (Bracknell) (Con): I welcome the Secretary of State's statement. In October's debate, I drew attention to the figure quoted of £3.5 billion that the Irish compensation scheme would cost and was concerned about its accuracy. The information was placed in the Library and, to justify it, it was indicated that there had been informal discussions. I have since found out that that was an unminuted telephone call. When I pointed that out, I was assured there would be further conversations with Republic of Ireland officials. Will he confirm that those took place and, if details are available, can they be placed in the Library?

Mr Lansley: My hon. Friend will know from the response that my hon. Friend the Under-Secretary gave to October's Back-Bench debate that we intended to place a note in the Library. We have done so. She has had further occasions to discuss these arrangements with colleagues in the House. The discussions between my officials and officials in the Republic of Ireland have confirmed that a figure of about £750,000 is not inappropriate as an estimate of the level of compensation per individual paid in the Republic of Ireland. That would support the view that we took in the House that the cost of providing compensation, if one were to do so, on the scale required in the Republic of Ireland would be in excess of £3 billion. As I said to the hon. Member for Hammersmith (Mr Slaughter), it is not on the basis of cost alone that we have reached that view; it is on the basis that the circumstances in the Republic of Ireland are unique and do not apply in this country. Therefore, we have assessed the case for support on the basis of the circumstances here and on an ex gratia basis, not on the basis of liability and consequent compensation.

Stephen Barclay (North East Cambridgeshire) (Con): I also thank the Minister for the welcome measures announced in the statement and for the progress that has been made after so long. May I return to the average figure of £750,000, because there is a concern that that figure could be confusing the average and the mean? If we take a figure between 500 and a million and say that it is the average, it does not provide an average figure. Such an approach is akin to saying that the price of a car ranges from £10,000 to £1 million and therefore the average price of a car is £500,000. In relation to the discussions that the Minister has had with officials in Ireland, will he confirm that the total paid in Ireland-the total payment in terms of Irish settlements on this matter-is less than £1 billion?

Mr Lansley: As I have said in response to previous questions, I pay tribute to the work that my hon. Friends have done in support of their constituents and others. It is not simply a question of trying to calculate what the level of compensation is in Ireland; that is not the issue. We are not making a comparison with Ireland; we are making a judgment. In this case, we have especially done so in relation to hepatitis C, on the basis of the report of the clinical expert group, to try to assess the level of harm and the consequences that have flowed from the transfusions that took place, albeit that in this country the NHS acted on the basis of its best efforts to provide the best possible care for patients. The Republic of Ireland is a unique, and quite distinct, case in that because of mistakes made, a finding of liability was arrived at which leads to compensation. In our case, we are not in that position. We are in the position of recognising the harm and distress that has occurred and, through an ex gratia scheme, providing support to those who have been harmed and their families.

Duncan Hames (Chippenham) (LD): I thank the Secretary of State for bringing the Government's deliberations on the issue to this conclusion. Will he reassure the House that those experiencing the symptoms of advanced liver disease who received contaminated blood will not in all cases be required to have a liver biopsy in order to demonstrate and establish their eligibility for these payments?

Mr Lansley: No, they will not. From our point of view, eligibility will simply be based on a diagnosis of their condition.

David Mowat (Warrington South) (Con): I, too, welcome the statement, particularly the attempt to get better parity between HIV and hepatitis C. However, I remain slightly concerned about the definition of stage 2. What proportion of hepatitis C complainants does the Minister expect to progress to stage 2? He must have estimated that number in order to put a financial amount on the settlement.

Mr Lansley: I regret that I cannot give such an estimate to my hon. Friend. The estimate that I have given is a range that extends from £100 million to £130 million during the life of this Parliament. If one were to go beyond that period, the parameters of the range would widen, not least because we do not, and cannot, know to what extent this infection is likely to progress to the second stage of these diseases.

Charlotte Leslie (Bristol North West) (Con): I very much welcome much of what has been said in the statement, particularly the fact that the decision has been made to force closure on an issue that has been going on for so long. One of the things that has upset so many of the sufferers is not only that such a scandal happened but the subsequent failings, as they would see it, not of Government but of the Department of Health in being clear and transparent during those years in providing information on exactly what happened. Will the Secretary of State give an assurance that he will have to provide information to help those people who are still affected when they ask questions, perhaps through freedom of information requests, about what occurred in the past?

Mr Lansley: May I once more express my thanks to my hon. Friend for having been a forceful advocate in these matters? The answer to her question is yes, not least because my hon. Friend the Under-Secretary has been very open and willing to talk to everybody concerned, and she will continue to be so, because we are determined to give people confidence that we have not only exercised what we believe to be a responsible and reasonable judgment in these matters but are doing so in an open and transparent fashion.

Lords

10 Jan 2011 : Column 1229

Blood and Blood Products

Statement

6.59 pm

The Parliamentary Under-Secretary of State, Department of Health (Earl Howe): My Lords, I should now like to repeat a Statement made earlier by my right honourable friend the Secretary of State for Health in another place. The Statement is as follows.

"With permission, I should like to make a Statement on hepatitis C and HIV infected blood.

Mr Speaker, what happened during the 1970s and 1980s when thousands of patients contracted hepatitis C and HIV from NHS blood and blood products is one of the great tragedies in modern healthcare. It is desperately sad to recall that during this period the best efforts of the NHS to restore people to health actually consigned so many to a life of illness and hardship. As the current Health Secretary, and on behalf of Governments extending back to the 1970s, I begin by saying how sorry I am that this happened and express my deep regret for the pain and misery that many have suffered as a result.

It is now almost two decades since the full extent of the infection was established and two years since the independent inquiry led by the noble and learned Lord, Lord Archer of Sandwell, reported. The majority of the noble and learned Lord's recommendations are in place, as are programmes of ex gratia payments, administered by the Macfarlane Trust and the Eileen Trust for the HIV infected and by the Skipton Fund for those with hepatitis C. But significant anomalies remain and I pay tribute to the noble and learned Lord, Lord Archer, to other noble Lords, and to honourable Members from all parties for highlighting them.

In October, my honourable friend the Member for Guildford announced a review into the current support arrangements to look at reducing the differences between the hepatitis C and HIV financial support schemes and to explore other issues raised by Members during the recent Back-Bench debate, including prescription charges and wider support for those affected. We also asked clinical experts to advise on the impact of hepatitis C infection on a person's health and quality of life and to consider whether an increase in financial support was needed.

My honourable friend the Member for Guildford met with representative groups to understand the impact that these infections were having on people's lives. She also met many right honourable and honourable Members and noble Lords who have been strong advocates on behalf of those affected.

We have now considered the findings of the clinical expert group and accept that the needs of those with advanced liver disease from hepatitis C merit higher levels of support. At present, the amount of money paid to this group depends on the seriousness of the infection.

There are two stages at which the Skipton Fund will make a payment. The first is when the person develops chronic hepatitis C infection. At this point, a person is eligible for a stage 1 relief payment-currently a lump sum payment of £20,000. Some may reach a second stage of developing advanced liver disease, such as cirrhosis or cancer, or require a liver transplant. They then become eligible for a stage 2 payment, which is currently another lump sum payment, of £25,000. Under the new arrangements that we will introduce, this second-stage payment will increase from £25,000 to £50,000. This will apply retrospectively. So if a person has already received an initial stage 2 payment of £25,000, they will now get another £25,000 lump sum, bringing the total to £50,000. In addition to this, we will also introduce a new, annual payment of £12,800 for those with hepatitis C reaching the second stage. This is the same amount that those who were infected with HIV receive.

Those infected with both HIV and hepatitis C from contaminated blood will now receive two annual payments of £12,800 if they meet the stage 2 criteria-one payment for each infection-along with the respective lump sums. All annual payments made to both those so infected with HIV and those with hepatitis C will now be uprated annually in line with the consumer prices index to keep pace with living costs.

We know that some of those infected with HIV or hepatitis C from NHS blood and blood products face particular hardship and poverty. Those infected with HIV can already apply for additional discretionary payments from the Eileen Trust and the Macfarlane Trust, but no equivalent arrangements are in place for those infected with hepatitis C. Therefore, we will now establish a new charitable trust to make similar payments to those with hepatitis C who are in serious financial need. These payments will be available for those at all stages of their illness, based on individual circumstances. Discretionary payments will also be available to support dependants of those infected with hepatitis C, including dependants of those who have since died. Again, this will echo the arrangements in place for those infected with HIV and enable us to give more to those in greatest need.

We must also ensure that those infected through NHS blood and blood products get the right medical and psychological support. I can therefore announce two further measures. First, those infected with hepatitis C or HIV will no longer pay for their prescriptions. They will now receive the cost of an annual prescription prepayment certificate if they are currently charged for prescriptions. Secondly, the representative groups raised the issue of counselling support for those infected through blood and blood products. We fully recognise the emotional distress that they experience. As a result, we will provide £300,000 over the next three years, allowing for around 6,000 hours of counselling to help these groups.

While we focus on those still living with infections, we must also recognise the bereaved families of those who have died. At present, no payment can be made to those infected with hepatitis C who passed away before the Skipton Fund was established. This is a source of understandable distress for those who survive them and it is something that we now want to put right. I can therefore announce that, until the end of March 2011, there will be a window of opportunity where a posthumous claim of up to £70,000 can be made on behalf of those infected with hepatitis C who died before 29 August 2003.

A single payment of £20,000 will be available if the individual had reached the first stage of chronic infection and another single payment of £50,000 will be made if their condition had deteriorated to the second stage where they suffered serious liver disease or required a liver transplant. We will work with the Skipton Fund and various patient groups to publicise this new payment to those who may benefit. These new payments, which will go to the individual's estate, should help more families to get the support that they deserve.

Taken together, these announcements represent a significant rise in the support available to those affected by this tragedy. Putting an exact figure on the package is difficult, as there is some uncertainty about how many will be eligible and how their illnesses may progress. However, we believe that these new arrangements could provide from £100 million to £130 million-worth of additional support over the course of this Parliament.

All payments will be disregarded for calculating income tax and eligibility for other state benefits, including social care, and while these changes apply only to those infected in England I will be speaking to the devolved Administrations to see if we can extend this across the UK.

Today's announcements cannot remove the pain and distress that these individuals and families have suffered over the years, but I hope that these measures can at least bring some comfort, some consolation and perhaps some closure for those affected. I commend this Statement to the House".

My Lords, that concludes the Statement.

Baroness Thornton: My Lords, perhaps I may start by wishing the Minister and other noble Lords a very happy new year and by commending the Minister for his patience: he finally got to make the Statement. I welcome the Statement and congratulate the Minister and his colleagues on making progress in building on the work that the noble Lord knows we were trying to do on this important and tragic matter, to which I had a personal commitment. Of the haemophiliac community, almost 2,000 of the 5,000 infected people have died in the intervening period. For those with hepatitis C, it has become more urgent that the ex gratia payments should be reviewed.

This is a campaign about which we know people feel strongly. One of the saddest documents that I have read recently was a letter to the Prime Minister, written in October on behalf of the campaign for all those infected. It described how about 100 people travelled to London to listen to a debate and to lobby for the day. A number of them were very sick, including a double liver transplantee. There were widows, young people who had lost their fathers and another person whose son had died only weeks before. They felt very aggrieved by the business in the other place, which did not produce the results that they had expected. A shocked and saddened group of people struggled down the stairs from the Public Gallery to leave Parliament. The letter concluded by saying:

"It is not an Act of Parliament that is needed, but an act of political will".

To an extent, that is what has happened today. Indeed, their disappointment was added to before Christmas when they were expecting the announcement that we now have before us. I particularly welcome the extra amounts of money available and the fact that these will not be taken into account for the purposes of taxation and means-tested residential social care support, but I have some questions for clarification.

The first question concerns how the money will be distributed. The Statement says that a new trust is going to be established. Will the Minister expand on how the money is to be distributed through that trust? Will the trust be like the ones that exist at the moment or do the Government envisage something new and different? I should like some information about how the money will be made available and how it will be distributed. I would also like some clarification on prescription charges, because the

Government's decision to abandon free prescription charges for people with long-term conditions has obviously impacted on the groups that we are referring to. I know that the Minister suggested that the prescription charges will be mitigated, but can he clarify whether that will cover, for example, those in the early stage of hepatitis C, not only stage 2? Will it cover everyone encompassed by the different stages of these conditions?

The areas that I feel are less welcoming concern the issues that have been discussed in this House on many occasions to do with considerations about mortgages, life insurance and travel insurance for people affected by these conditions. I cannot see anything in the review that suggests that consideration has been given to these matters. They form part of the completion and closure that is needed. I would also like an assurance from the Minister about support for the Haemophilia Society, particularly as I understand that the Government will be working with the society to help to deliver the information programme that is going to be necessary to ensure that people in this community take advantage of the benefit that the Government are offering.

My final questions concern where the money to fund this is coming from. If the Government are successful in persuading Scotland and Wales to expand this scheme, which I hope sincerely they will be, how is that to be funded? That is the question that those Administrations will be addressing. However, I very much welcome this Statement and I congratulate the Minister and his colleagues on the progress that they have made.

Earl Howe: My Lords, I am heartened by and grateful for the welcome given by the noble Baroness to this Statement and the package of support that was announced in it. We think that it represents a fair and reasonable recognition of the suffering that many of these victims endure. We wanted to recognise that and I hope, as I said in the Statement, that it will be of some comfort to them and their families that they will receive better support.

The noble Baroness asked me some specific questions. She asked me first about the new trust and in what respects it will be different from the trusts that currently exist. I can say to her that we intend to set up the new charitable trust as quickly as possible. Its primary task will be to administer the discretionary elements of the payments that we have announced. In the mean time, the payments will begin immediately; in other words, there will be an in-year pro rata payment for the current financial year where people are due for an annual payment, and we can proceed with that speedily. As she will see in the paper that we have published, our advice is that those who feel that they have a claim should contact the Skipton Fund. There will also be a notice on the department's website to direct them appropriately. The new trust will be essentially a charitable trust with the kind of mandate that we have seen with the Macfarlane and Eileen trusts and the Skipton Fund, but for a different cohort of people.

The noble Baroness also asked me about prescription charges. What we concluded was that, while many of the victims of this tragedy are already in receipt of free prescriptions, there are some who are not. We have received vociferous representations from them and their representatives. Therefore, we will make arrangements through one of the charitable trusts, probably the new one, to pay those who are eligible a sum equivalent to the cost of an annual prepayment certificate, so that in practice all their prescriptions will be free of charge.

The noble Baroness asked about insurance and what consideration we had given to the requests made by campaigning groups on that score. The review highlighted to us that making provision for access to insurance was, first, unlikely to represent value for money because the administrative costs would be enormous in comparison with the benefits obtained. Also, and crucially, it would have been fraught with difficulty, including administrative complexity. There is no need to remind the noble Baroness that the current fiscal context makes it even more imperative that we achieve value for money in everything that we do. We judged that it was more important to set up a discretionary fund where, if necessary, people who were in particular hardship could look for additional support and perhaps fund insurance premiums from that support. However, an across-the-board arrangement for insurance premiums, as will be apparent from the report that we have published-I should also tell her that we took advice on this from the Association of British Insurers and various specialist insurers-ruled itself out for a number of reasons.

We intend support for the Haemophilia Society to continue. The noble Baroness also asked where the money is coming from. There will be a significant immediate cost to the departmental budget during this current year. I am pleased to say that we have found savings in our current expenditure for this year, which enables us to make room for these payments. We have had this in mind for some considerable time and I am pleased that it has come to fruition. In future years, we have found room in our central budgets for the ongoing annual payments.

As regards Scotland, Wales and Northern Ireland, obviously it would have been preferable if there could have been a UK-wide announcement, but clearly it is not for us to prescribe to the devolved Administrations what they should do. However, as I indicated, we are talking to them actively and it is up to them to consider whether this is something that they wish to do for those infected in hospitals in the various devolved regions.

Lord Morris of Manchester: My Lords, I have two interests to declare, both non-pecuniary: as president of the Haemophilia Society, and as the architect of the independent public inquiry into the contaminated blood disaster headed by my noble and learned friend Lord Archer of Sandwell.

Is the Minister aware that, of the 1,241 haemophilia patients infected with HIV, only 361-29 per cent-are still alive, and that the number of deaths in the hepatitis C-infected community is much higher and continues to rise? Is he further aware that, as of now, an estimated 2,007 people have died from being treated with contaminated NHS blood and blood products? I congratulate the Minister on the progress that he has made, but will he now meet the haemophilia community and listen again to its plea for a response that is more in keeping with the scale of the disaster?

Earl Howe: My Lords, the noble Lord, Lord Morris of Manchester, to whose efforts I pay particular tribute in the context of this debate, as in many other contexts, has reminded us of the devastating effect of this tragedy on individuals and families. The previous Government recognised this and significantly improved the payments that were available to the victims of this disaster. We felt that there was still further to go, hence today's Statement. We have arrived at this point following a brief but nevertheless thorough review of the arrangements, informed by a scientific report which is also published today-noble Lords can read the advice that we received-to enable us to understand rather better the suffering that these victims endure in clinical terms as well as in human terms. On the basis of that, we have arrived at the arrangements whose details I have repeated.

We believe that this is a fair and reasonable package of support for these poor victims. We do not intend to revisit it in the future. I acknowledge that some people might have different views on the appropriate level of payments for this patient group, but the package needs to be considered in the context of the whole range of support that is available for the group, especially Department for Work and Pensions benefits, the care available under the NHS and the care available from social services. Having consulted widely, we consider that the sums announced in this package, taken in the round with the other support available to this patient group, are both appropriate and reasonable. So, while I understand the noble Lord's request, I am not in a position to accede to it at this point.

Baroness Hussein-Ece: My Lords, I congratulate my noble friend the Minister on the package announced in the Statement today. We very much welcome both it and, as the noble Baroness, Lady Thornton, said, the huge progress that has been made. Given that the commitment to review the current arrangements was made just last October, the Minister is to be congratulated on the swiftness with which this matter has been brought back to your Lordships' House. I hope that it serves to bring some comfort to those who have for so many years campaigned for justice, and particularly to the relatives of the deceased and the many other victims of this tragic episode.

The Minister announced that there would be a window for posthumous claims until the end of March 2011. There is concern that that is not a very big window and that it does not offer a lot of time to locate people and, for the many who may need assistance, to put a claim together. Perhaps the Minister can say why it is such a small window. Is he satisfied that it is sufficient time in which to track down as many people as possible who may have lost out?

It is not quite clear from the Statement who will receive posthumous payments. Will widows, partners and children be included in the arrangements? I would appreciate clarification on those points.

Earl Howe: I am very grateful to my noble friend. The window of opportunity referred to in the Statement-until the end of March, which is the best part of three months-should be sufficient to enable those with a valid claim to come forward. On the whole, we believe that, in the haemophiliac community, the victims' families know who they are. I acknowledge that there is more difficulty with those who were in receipt of whole blood, but, again, we believe that the victims' families know who those individuals were as well. Our job now is to publicise these arrangements so that the families are aware of the support that is currently available to them. We think that the window is sufficient.

My noble friend asked who is to be included in posthumous claims. One claim per deceased estate will be considered. The deceased person may have left his or her estate to a spouse or, indeed, to charity, but whoever it is, the beneficiary of that estate is the person entitled to come forward to claim the money. We will deal with claims on the basis that the validity of the claim is proven in relation to the estate of the deceased person. That is a matter of public record.

Lord Archer of Sandwell: I thank the noble Earl for repeating the Statement and recognise his readiness to listen to and act on representations, but will he also recognise the efforts of a vast number of people of all political parties and none who have worked assiduously for a very long time to ensure that financial relief of a proper order is made available to those who have suffered from the tragedy and to their dependants? If it is in order, I would also like to pay tribute to the work of my noble friend Lady Thornton, who throughout this has shown a ready ear and sympathy for those who are affected. Of course I also pay tribute to my noble friend Lord Morris, who has worked tirelessly throughout so many years.

I congratulate the Government on addressing one very important anomaly that is suffered by the dependants of deceased recipients of the Skipton Fund. Do I take it that that is the only anomaly that the Government are proposing to address, or will their ears be open throughout the discussions to some of the other anomalies that have been uncovered? I am grateful for the increased benefits, but will the Minister explain why they are paid through charitable trusts and not directly from government offices as a direct entitlement of the beneficiary? There may be good reasons for that, but, so far as I am aware, they have never been given.

Finally, since this announcement was in the form of a Statement, does that foreclose further discussion on what is to be done, or will there continue to be discussions about the proposals during their progress through Parliament and into the future?

Earl Howe: My Lords, the noble and learned Lord, Lord Archer, is himself to be thanked and congratulated on the immense amount of work he did to inform the thinking of the previous Government and the current Government in these matters. I immediately echo his tribute to the work of so many people-people, as he said, of all political parties and none-who enabled us to gain a proper understanding of these issues. I am also well aware that the noble Baroness, Lady Thornton, was working very hard up to the time of the last general election to see whether a better package could be delivered. I was particularly pleased to hear her support for this series of announcements.

The noble and learned Lord asked me about the benefits for deceased victims and whether these were the only anomaly that we sought to correct. We identified two principal anomalies in the situation that has pertained hitherto: the first was the one to which he referred in relation to those who died prior to 29 August 2003, which was an arbitrary cut-off date; and the second was the clear imbalance of benefits for those who suffer hepatitis C as a result of receipt of contaminated blood. There was a gap to be filled there, and we were even clearer on that having read the scientific report that we received. We therefore sought to redress that particular imbalance. There are a number of other new elements in the package, but I have identified the two main ones that stood out to us.

The noble and learned Lord asked why we were choosing to use charitable trusts as the mechanism for payment. We feel that the arrangements have worked well so far through charitable trusts and we do not think it appropriate for these benefits to be paid through the Department for Work and Pensions. It is not really in the department's remit to do that; it is there to pay benefits and certainly not to decide on discretionary payments. We hope and believe that the victims who are currently in receipt of the benefits have good relationships with the trustees of all the funds.

As for the practical arrangements for paying these new sums, if there are queries we will endeavour to answer them. As I have indicated, we are directing people towards the Skipton Fund as the point of information on this, but the package that my right honourable friend announced today should be regarded as the final one because we believe that it settles the outstanding issues that we needed to address.

Lord Reid of Cardowan: My Lords, I thank the Minister and welcome the Statement today. As a former Health Secretary, I took some interest in this matter, but, like the Minister, I would like to congratulate my colleagues who have been involved in the issue in recent years. The one thing that I came to understand was that this was not only an intractable problem but an increasingly intractable problem. There are two reasons for that: first, as time passed, the human tragedy of the people afflicted became more and more obvious; and secondly, the scientific evidence became more and more complicated and difficult for the Government to avoid.

I have two quick questions. First, we have finally reached a stage which may not be completely the end and may not be completely satisfactory, but which is much fairer than the previous one. But does he accept that if there is a disparity between Scotland, England and Wales in terms of the treatment of victims and there is seen to be inequality and unfairness, it will detract greatly from any value that this has created? Secondly, as my noble friend and colleague Lord Morris said, although this goes a long way, there may still be outstanding issues. Will he not close the door completely to further discussions that could arise in the light of further scientific evidence?

Earl Howe: My Lords, I am grateful to the noble Lord, who comes to this with considerable knowledge and experience as a former Secretary of State for Health. He is right: it has been a difficult if not an intractable problem for successive Secretaries of State. He is also right to say that the human tragedy has become more obvious as the years have passed. For one thing, it was not so obvious in the early days that there would be so many victims of hepatitis C, because that condition only tends to emerge after a considerable lapse of time. The HIV infection was more immediate and more obvious.

The noble Lord is right that in making this announcement for England, we are creating an immediate disparity with the devolved Administrations. As I indicated, I hope that in our discussions with the devolved Administrations-who are, after all, autonomous-we can arrive at a more equitable package for all victims across the United Kingdom. I am sure, without wishing to appear to interfere in the affairs of the devolved Administrations, that that is something that, as human beings, we would like to see. But I cannot pre-empt the decisions that will be taken in those Administrations.

Baroness Masham of Ilton: My Lords, I declare an interest as a vice-president of the Haemophilia Society. I am very pleased that the Government have recognised the plight of so many people and families who have suffered this disaster. But what safeguards are in place to prevent any infections from blood transfusions or blood products happening in the future? Prevention is so important and one never knows what is on the horizon.

Earl Howe: My Lords, the noble Baroness is, as always, absolutely on the mark. This has been an important issue not just for the current Government but for the previous one.

The measures in place to ensure the safety and quality of human blood, blood components and the blood products manufactured from them have developed significantly since the mid-1980s. We test for viral markers. Donations contribute to a plasma pool which is also tested for viral markers. In 1985, the introduction of heat treatment in the UK removed the risk of both HIV and hepatitis from blood products. Testing of all donations for HIV was also introduced in 1985. Testing for hepatitis C was introduced in 1991 when tests became available. The European directive is now in force. As of 2002, it sets standards of quality and safety for the collection, testing, processing and storage and distribution of human blood and blood components. We have a Community code for medicinal products which affects blood products such as clotting factors. On completion of manufacture, blood products are tested for compliance with specification by the manufacturer. All batches of blood products undergo independent testing by an EU official medicines control laboratory. We are in a different world entirely now from that of the 1970s and 80s.

Lord Corbett of Castle Vale: My Lords, can I ask-

Earl Attlee: My Lords, I am sorry but we are out of time.

Kind regards

Mark Noterman
CJD & Branch Co-ordination
Infectious Diseases and Blood Policy
Department of Health
530, Wellington House,
135-155 Waterloo Road, London SE1 8UG
tel. GRO-C
ext
mark.noterman@ GRO-C