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SCOTTISH INFECTED BLOOD SUPPORT SCHEME (SIBSS) – INCREASING PARITY BETWEEN THE FOUR NATIONS' SCHEMES

Purpose

1. To provide a breakdown of funding required to reach parity of payments between the Scottish Infected Blood Support Scheme (SIBSS) and the schemes of the other nations.

Parity of Payments

2. While the Scottish Government's preference would be to consider in more detail the evidence basis for appropriate payment levels for each group of beneficiary based on the likely day to day impacts on them, in light of the in principle agreement that no one's payments should decrease in reaching payment parity across the four nations' schemes, additional funding is sought based on meeting the highest payment level in the UK for each beneficiary group.

3. In the attached, we provide an estimation of the costs of increasing payments for the infected to the English Infected Blood Support Scheme (EIBSS) levels.

4. We have estimated how much it would cost to increase all payments to the EIBSS levels, while also maintaining the approach agreed by the 2015 Financial Review Group that widows/partners should receive payments at 75% of the level their spouse/partner would have received if they were still alive.

5. The other nations also provide a £10,000 lump sum to the bereaved when a beneficiary dies and, in Wales, this is paid to the estate of the deceased and there is no requirement to prove the beneficiary's death was caused by HCV or HIV so we have estimated costs of making these payments in relation to all of the deceased through their estate. For those already registered with SIBSS and those who die in future, this would be paid automatically and we have assumed that death rates may increase by around 10% each year as beneficiaries are getting older. For those who died pre-April 2017 and do not have a widow/er/partner currently receiving support from SIBSS, we have estimated the numbers of deceased using the data available from SIBSS on numbers known to be deceased, along with information available on total numbers infected with HIV only, to estimate total numbers of deceased people whose estate could potentially claim the £10,000. We have then included figures, spread over three years, based on assuming 50% of those estates who are eligible come forward to make a claim.

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6. In addition, while we pay new HIV applicants to SIBSS a £70,000 lump sum, historically in Scotland and still elsewhere in the UK, beneficiaries received different amounts depending on whether they were under 18, single, married or married with children. However, given that the HCV applicants all receive the same amount regardless of their age or whether they have a spouse or children, the four nations have agreed it would ideally be fairest to provide those with HIV (or their estate if they have died) an additional lump sum if they received less than the highest amount, which is £80,500, to ensure everyone can claim the same amount. For those who are current long-term beneficiaries with HIV or who have joined SIBSS since April 2017, we have calculated the cost of topping up the lump sum payments for them if they did not receive the full £80,500 lump sum. We have also calculated these costs for payments to widows, widowers and partners of those infected with HIV who have died where they are current SIBSS beneficiaries. However, as for the £10,000 lump sum payment on death, for those who died prior to April 2017, we have calculated the total cost of topping up payments for them and have assumed that 50% of their estates would be likely to make a claim. We have spread the cost of these lump sum top-ups over 2020-21 and 2021-22 as we do not know when estates may come forward.

7. At present, the Department of Health and Social Care (DHSC) fund core and discretionary payments to those infected with HIV. This is a historical arrangement as the MacFarlane and Eileen Trusts, which initially distributed these payments, pre-dated devolution and funding for this has since remained in DHSC's budget. Going forward, DHSC does not have the funds to continue to provide this support and, for this reason, £0.75m is included annually to account for this as the Scottish Government would otherwise be unable to meet these HIV costs.

8. We have estimated a five year cost of changing payments as described above to total **£32.3m**.

9. Estimated costs are significantly higher in 2020-22 as these include backdating HIV lump sum and the £10,000 lump sum death payments. While the number of deaths is likely to increase slightly each year as beneficiaries get older and numbers of new applicants should decrease, given that it is impossible to predict accurately and numbers of new applicants joining SIBSS over the last three years has remained higher than the numbers of deaths until now, we have assumed in the calculation that overall numbers of beneficiaries on the scheme will remain the same for the next five years.

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