

From: IBCA Enquiries Mailbox <ibcaenquiries@ibca.org.uk>
To: o.mclaughlin@[GRO-C] o.mclaughlin@[GRO-C] <o.mclaughlin@[GRO-C]>
Date: Mar 3, 2025 1:52:35 PM
Subject: Re: Re: Payment Structures and Inheritance Tax for Infected (deceased) compensation

Dear Owen,

I am writing in response to your email of 10 February 2025 . I have addressed your points below.

Expanding our service in 2025

On 21 January, the Board agreed on an interim approach to allow us to begin processing as many claims as possible over the next year.

We worked and continue to work with community members and their representatives to ask them how we should expand our service beyond March 2025.

We asked many members of the community and representative groups, including Tainted Blood Affected Siblings and Children, about what factors we should take into consideration when opening up claims to new groups while the service is being developed in 2025.

It was clear from community engagement that there is no right decision for how we expand. However, to start expanding the claim service further we had to agree on a way forward.

This means that we can now continue designing and building the service to widen out to the following groups of people in stages:

- living infected people who are already registered with a support scheme
- supplementary claims
- people claiming on behalf of registered estates
- people who are affected and linked to a registered infected person or registered estate
- people infected but not registered with a support scheme
- personal representatives applying on behalf of an estate not registered with a support scheme
- and people who are affected and not linked to a registered claim.

We expect that some people from each group will be able to claim in 2025, although not all claims from all groups will be completed by then.

We are confident that this approach means we will deliver compensation to everyone who's eligible more quickly overall.

IBCA and its role as an arms length body

Setting up a new organisation is complicated and can take time. Because Cabinet Office is responsible for the recommendations in the Infected Blood Inquiry report and is IBCA's sponsoring department, it was able to quickly set up IBCA and fund staff as the organisation started forming.

This means that Cabinet Office is currently the holding department for most IBCA staff, who will transfer over to IBCA when it becomes a separate, independent organisation. We are also recruiting externally for new members of staff to join the team.

All arms length bodies have to report to Parliament via the Permanent Secretary for the Cabinet Office. This is particularly important given the level of budget we're responsible for, and our Chief Executive is accountable to Cabinet Office for reporting on how we use our budget and pay out compensation.

IBCA is completely independent in terms of our day to day delivery. Decisions about how we design our service are made by the Board, not the Cabinet Office. As an Arms Length Body, it is not IBCA's role to challenge policy decisions.

Estates, Inheritance Tax and Capital Gains Tax

As I previously explained, in respect of the rules surrounding inheritance tax, the key facts surrounding inheritance tax have been drafted in line with the recommendations to the inquiry relating to the estates of an infected person.

You can read [the statutory instrument](#) covering these provisions on the government's statutory instruments webpage. Should you wish to contact HMRC, the IHT Helpline can be contacted on 0300 123 1072, opening hours are Mon-Fri 9am-5pm.

Association with Cabinet Office, PMG

In your email you expressed concern that in my email of 5 February 2025 I referenced an email sent to you by Nick Thomas-Symonds, the Minister for the Cabinet Office. Your original correspondence was forwarded to IBCA from the Infected Blood Inquiry Response Team so that I could understand the substance of their response to you. We would always take this approach where possible so that our replies contain the most up to date information.

We will continue to speak to and listen to the community. We met members of Tainted Blood Affected Siblings and Children last year, co-hosted a community webinar with Tainted Blood, and invited members of that group to visit our Newcastle headquarters in January of this year.

I am grateful for you sharing your feedback with me and I hope this information has helped to address your concerns.

Kind regards



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On Mon, 10 Feb 2025 at 15:15, [o.mclaughlin@GRO-C](#) } [o.mclaughlin@GRO-C](#) } wrote:

Dear **B**

I appreciate that you are performing the role of a 'communicator' rather than that of a decision maker, therefore I am keen to make ensure that you appreciate my frustration is not personal - this is a business matter for the IBCA and is not aimed at you as an individual in any way.

Further to previous communication, I am, however, frankly stunned by the dismissive attitude of the Infected Blood Compensation Authority regarding critical concerns raised by the infected blood community. Throughout our ongoing correspondence, responses from the IBCA fail to meaningfully address key issues related to the prioritisation of Estate claims and the impact of Inheritance Tax on compensation payments.

I am writing not just on my own behalf but also that of the **TB Affected Siblings and Children** campaign group, representing others who have been similarly affected. Many bereaved families share the same frustrations regarding the IBCA's lack of transparency and engagement, particularly when it comes to ensuring that Estate claims are not deprioritised and that beneficiaries are not unfairly penalised by tax liabilities.

It is also increasingly evident that the IBCA is not operating at the "arm's length" distance from the Government that was promised. The close connections between the IBCA and the Cabinet Office raise serious concerns about conflicts of interest, particularly when the IBCA appears unwilling or unable to advocate on behalf of our community. Instead of acting as an independent body with the authority to challenge unfair policies, the IBCA's approach seems aligned with the Government's restrictive stance, leaving victims and their families without a truly impartial representative in this process. In your response you referenced an email I had been sent by Nick Thomas-Symonds - I didn't receive that letter until 24 hours after I had received your email. Not only did that indicate that you were aware of the content of an email sent to me by Mr Thomas-Symonds, but also that you had seen it before it had been sent to me. I would suggest that is conclusive.

You reference that you have previously provided "comprehensive information" - I respectfully disagree and don't believe that you have in any way done so. Your latest response exemplifies the ongoing frustration within the community: a lack of direct engagement, scripted and unhelpful replies, and an absence of meaningful dialogue. I am not clear who's role at the IBCA it is to reply with meaningful comments, but the blatant disregard for my simply put questions and observations, suggests to me that my points are just not 'landing', which has not surprisingly compounded my frustration. As I feel sure you will appreciate, everyone in our community that is affected in a similar way, believes that it is essential these issues are properly addressed to ensure that those who have waited decades for justice do not continue to be sidelined.

On behalf of all our members affected by the IBCA's contemptuous attitude, I would ask for your own comments (as an arm's length authority) on the points raised and whilst I understand the Authority is not able to change legislation around inheritance tax, I do believe that you can provide comment and opinion, unless of course you believe that you are conflicted by the interests of the Cabinet Office. Similarly, the issue of the prioritisation of the various categories of infected and affected persons is something which I truly believe you can answer. The IBCA is responsible for the execution of the Infected Blood Compensation Scheme on the basis that it is a separate entity with autonomy to make decisions regarding compensation claims, as described during its inception. Therefore the answer initially given that the Authority "does not yet know what order other groups will be able to make their claim", doesn't really stand up. We need reassurance that we are not being deprioritised and that elderly beneficiaries are not incurring significant risk of missing out on seeing justice for their deceased loved ones.

Thank you for your continued engagement, I look forward to your comprehensive reply in due course.

Yours sincerely,

Owen McLaughlin

On behalf of

TB - Affected Siblings and Children

----- Original Message -----

From: ibcaenquiries@ibca.org.uk

To: o.mclaughlin@ibca.org.uk GRO-C

Sent: Wednesday, February 5th 2025, 16:34

Subject: Re: Payment Structures and Inheritance Tax for Infected (deceased) compensation

Good Afternoon Owen,

Thank you for reaching out with your concerns. Further to our previous email, IBCA provided information regarding both the prioritisation of Estates and Inheritance Tax as requested.

Unfortunately, IBCA are unable to provide any further information regarding these. We are also unable to provide any assurances regarding the processing of estate claims or advise further regarding any advocacy of specific issues raised by the community.

Please refer to both our previous correspondence and the email received from Nick Thomas-Symonds in which both responses provided comprehensive information regarding both Estates and Inheritance Tax.

As ever, I am grateful for you sharing your feedback and I hope this information along with the responses received has helped to address your concerns.

Kind Regards,

B

Infected Blood
Compensation Authority

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On Fri, 24 Jan 2025 at 09:41, Owen McLaughlin <o.mclaughlin@ibca.org.uk> wrote:

Dear **B**

Thank you for your reply and for confirming that Nick Thomas-Symonds will respond to my concerns in due course. Whilst I appreciate this acknowledgment, I must respectfully point out that my original email also sought specific comments and clarification directly from the IBCA.

My intention in contacting the IBCA was to better understand your position as a body operating at "arm's length" from the Cabinet Office. I believe it is crucial to have the IBCA's independent perspective, particularly regarding the prioritisation of Estates in the claims process and the concerns surrounding inheritance tax.

Whilst I welcome and look forward to hearing from Mr. Thomas-Symonds, his response will inevitably reflect a ministerial and Government-level view. However, your role as the organisation tasked with the administration of compensation is equally significant, and it would be helpful to hear your thoughts on the following points:

1. Prioritisation of Estates – I remain unclear on how and when Estate claims will be processed in comparison to infected and affected claims. What assurances can the IBCA offer that these claims will not fall behind or be indefinitely delayed? Can you confirm when Estate payments will begin to be processed? The confusing part of this is that for those previously registered with Alliance House Organisations and now with IBSS teams, all of the necessary information exists and has been verified. Since the infected individuals have sadly passed away, there will be no change in circumstances. Why then is there any need for delay in processing these claims?

2. Inheritance Tax – Whilst I understand the IBCA cannot directly influence legislation, your acknowledgment of the issue and any support in raising its profile with relevant stakeholders would be appreciated. Under current legislation, there seems to be a discriminatory slant in respect of delays imposed on Estates where beneficiaries are elderly or in poor health. Does the IBCA have any plans to advocate on behalf of the community to ensure compensation awards fulfil their intended purpose without being unfairly diminished by tax liabilities?

I hope you can provide a more comprehensive response on these matters from the perspective of the IBCA. Our community looks to you not only as administrators but also as a trusted body that can represent our concerns fairly and transparently.

As a member of the Infected Blood community, one of my biggest frustrations is the lack of a direct voice with the powers that be. I understand from trusted community representatives who have attended meetings with the Cabinet Office and yourselves that there has been very little opportunity to properly discuss these matters, largely due to time constraints. Whilst questions have been asked, the apparent scripted nature of the Cabinet Office responses leaves many of us feeling as though our concerns are not being fully heard, let alone addressed.

I would sincerely appreciate the opportunity to engage further with the IBCA on these points to ensure the voices of those within our community are adequately represented. Many of us (as I know you appreciate) have been living through this horror story for decades - over 40 years in some cases - and the toll of such a prolonged struggle means that large numbers do not have the mental strength to bring these critical issues to light. Therefore, on behalf of the community, my previous offer to provide feedback or contribute to discussions remains open, and I hope this can be considered moving forward.

Thank you again for your time and for continuing to engage with these important issues. I look forward to your reply.

Kind regards,

Owen McLaughlin

On 22 Jan 2025, at 11:15, IBCA Enquiries Mailbox <ibcaenquiries@ibca.org.uk> wrote:

Good morning Owen

Thank you for your email dated 19 January 2025.

I understand you have raised your concerns with Nick Thomas-Symonds, Paymaster General and Minister for the Cabinet Office (MCO).

Please be advised Mr Nick Thomas-Symonds will respond to you directly in due course.

Kind regards

B

Infected Blood
Compensation Authority

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On Sun, 19 Jan 2025 at 19:51, Owen McLaughlin <o.mclaughlin@GRO-C> wrote:

Dear B

Thank you for your email in response to mine to Mr Foley and for acknowledging my feedback. I appreciate the time you've taken to reply.

Unfortunately, I feel that your response does not fully address the key concerns I raised, particularly regarding the position of Estates and the implications of inheritance tax on compensation payments.

1. Position of Estates in the Claims Process:

Whilst I understand the complexities of developing processes for different groups, I remain deeply concerned about the lack of clarity regarding the prioritisation of Estates. You mentioned that systems and processes will be updated to work for each group, and I understand that the service is being tested as it progresses. However, there has been a consistent message throughout this process that Estates of deceased infected persons would see claims treated in the same way as claims from living infected persons.

Your email does not explain how or when Estates will be included in the process, nor does it clarify their exact position in relation to infected and affected claims. My concern remains that Estates could fall through the cracks - neither treated with the priority of infected claims of living victims, nor linked effectively to them as Mr Foley indicated affected claims would be during the recent Webinar. Could you provide a more detailed explanation of where Estates fit into the timeline, and whether there will be specific assurances that these claims will not be indefinitely delayed? Currently this is not clear and as I am sure you can appreciate, that is extremely stressful and mentally traumatising for those who are in great need of closure.

2. Inheritance Tax on Compensation Payments:

The information provided about inheritance tax rules is noted, but it does little to address the underlying issue. As I previously explained, the significant delays in awarding compensation have created a situation where older families, like mine, face an undue burden. My Dad's compensation claim is decades overdue, and the prospect of up to 40% of this award being returned to the Government in tax feels fundamentally unjust.

NOT RELEVANT

Whilst I fully appreciate that the IBCA cannot itself redefine legislation around inheritance tax, I believe the organisation has an important role to play in recognising and supporting the Infected Blood community's concerns. By raising the profile of this issue within Government and advocating for exemptions or procedural safeguards, the IBCA could help to ensure that these payments fulfill their intended purpose. At the very least, I would ask that the IBCA demonstrate its appreciation of the scale of this issue and consider how best to engage with the Government to highlight its impact.

Could you provide clarity on whether the IBCA is engaging with the relevant bodies on this matter, and whether there is any scope for further consideration of the inheritance tax implications?

3. Urgency for Elderly Bereaved Partners:

Finally, I must reiterate the urgency of ensuring that elderly bereaved partners, like my mother, are not subjected to prolonged delays. As you are aware, claims for affected persons cease upon their death. For those nearing the end of their lives, the risk of never seeing justice realised is unacceptable. I urge the IBCA and Government to provide reassurance that these cases will be prioritised appropriately.

Once again, I would welcome the opportunity to provide further feedback or contribute to discussions as part of your consultations with the community. I hope you will consider the points raised and provide a more detailed response to help alleviate these concerns.

Thank you for your continued engagement.

Kind regards,

Owen McLaughlin

On 17 Jan 2025, at 10:40, IBCA Enquiries Mailbox
<ibcaenquiries@ibca.org.uk> wrote:

Dear Owen,

Thank you for your email, as ever your feedback is much appreciated.

I'm sorry our recent compensation webinar has caused you confusion, that was not our intention.

We do not yet know what order other groups will be able to make their claim. The service needs to work for the requirements of each group of people. We need to create processes and update systems so they

work for each group. But we don't need to wait until each group has received its compensation before starting the next.

As said previously, we are meeting with members of the community to hear their views on the order in which we should approach this and any factors which should be taken into account.

We'll always aim to improve the service using the community's feedback, both during these early phases and after the service opens to everyone. We remain committed to paying compensation to everyone as quickly as possible.

The claims service will continue to be tested regularly as we move forward with increasingly larger groups of people able to start their claim.

As previously said, in respect of the rules surrounding inheritance tax, the key facts surrounding inheritance tax have been drafted in line with the recommendations to the inquiry relating to the estates of an infected person.

When it comes to making an estate claim, IBCA will be able to provide you with an independent financial adviser who will be able to answer any questions relating to your personal circumstances.

Thank you once again for sharing your feedback, I hope this information helps to ease your concerns.

Kind regards

B

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NOT RELEVANT