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133 Waterloo Road  
London. SE1 8UG

Martin Harvey  
MFET Ltd  
Alliance House  
12 Caxton Street  
London. SW1H 0QS.

18 May 2012

Dear Martin,

On 27 January 2012, we met to discuss the Macfarlane Trust's draft proposal for paying down its reserves. We agreed that the Trust would work up a more detailed proposal for drawing down the reserve over a period of several years, which we would be put to Ministers later in the year. However, we warned that we may need to reduce the Trust's financial allocation as part of the plan.

All Government Departments are being asked to identify further contingency savings in the current financial year. We therefore need to seek Ministers' views on managing the reserve sooner than we had originally envisaged.

At our meeting on 4 May 2012, you indicated that some of the MFT Trustees were keen to begin funding a programme of capital payments from the reserve. While we appreciate their wish to press ahead, it is not what we agreed with you and Roger when we met in January. I would therefore be grateful if you would abide by that agreement not to begin any new programme of capital payments from the reserve. We would like to understand how the Trust's proposals for spending down the reserve now

stand, and will arrange a meeting to discuss this with you and Roger as soon as practicable.

Best wishes,

GRO-C

Rowena Jecock  
Head of Policy, Blood Safety and Supply



# THE MACFARLANE TRUST

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MH/0612/res

June 2012

Dear Beneficiary

## **The Board's Proposal for the Reserves – Going Forward**

As you may know, there was an open meeting of beneficiaries on the 20<sup>th</sup> June to talk about the process for the survey of the community of care and the questionnaire that will form the focus of gathering information to try and establish the capital needs of individual beneficiaries. We have also received a number of responses by email etc. May we thank all of you who have gone to the trouble to express your views and attend the meeting. We undertook to write to all beneficiaries after the meeting responding to the key points made.

Some of you are unhappy about parts of the Board's letter sent under Russell Mishcon's signature in April. We apologise for any confusions arising from the letter and we are now writing to you to clarify the situation and explain the action we have taken arising from the comments received.

Firstly, we would like to clarify why we are taking any action at all at this stage to reduce the Reserves. Before the Archer Review, the MFT Board was able to accrue significant interest on the funds invested. The intention had been to keep them for a "rainy day". With the bleak economic situation, now, the Department of Health has "asked us" to reduce the level of Reserves very significantly. If we do not do so they will, most probably, reduce the level of our allocation over the next few years and expect the Board to supplement the figure from the Reserves. This would mean we would be using the Reserves without any additional benefit to you, the beneficiaries. We want to use them for the benefit of the community of care. Within Government policy the Department of Health is being cooperative and is working with us to reach a good solution. We can only do this, though, if we have the necessary information to put an evidence based case to them; this is why we have commissioned the survey.

One area of concern amongst you is the apparent lack of choice about meeting the requirements of the survey; in particular the suggestion that if a visit to an individual's home was not agreed there might not be any financial support. This is now not the case. The point has also been made that looking at individual's living environments would be intrusive.

Although a large number of beneficiaries intimated they would cooperate with the visits many of you will not, for understandable reasons. Following the 20<sup>th</sup> June meeting, we have, therefore, asked the consultants =MC to offer beneficiaries a choice so that you can decide how you want to respond to the survey. If your needs are for structural building works, or other improvements to your home, this will require a visit. Otherwise, it will be for

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you to talk through the survey options with =MC. You will receive a copy of the survey questionnaire in advance so you can decide how you want to address the questions and if you want to go ahead.

The Trust has to prepare an evidenced based business case to take to the Department of Health, by September, for utilising the Reserves, thus the need for the survey. The Department have to agree the business case before the Board can allocate funds from the Reserves. We are optimistic we can submit a business case that will satisfy the Department, providing we have the supporting evidence from you. We must emphasise that the case will be submitted by ourselves, on behalf of MFT Board and not by =MC.

Regarding the status of the survey, it will be anonymous. When the data is retrieved electronically and collated, it will be passed to Martin Harvey. A copy of the completed survey will be sent to you for consideration and any amendments you might wish to make. After this =MC will immediately delete and/or destroy their copies of the data.

Some of you have asked how the decisions will then be made on allocating the funds, and who will be responsible for this. Ultimately it will be the Board and we are considering the best way to do this, taking into account comments made by you. As soon as we have decided, we will let you know our proposal.

Finally, the Board is keen to foster closer relations with beneficiaries as a whole. Communicating to all of you on the Reserves has been a useful learning exercise. A way to do this would be to revive the Partnership Group (PG). We know it was not perfect but it was a useful tool to enable the Trust at least to glean the thoughts of the beneficiary community early on. Please see the "tear off" slip below; if you are keen for the PG to come alive again, please complete the "tear off" slip and send it back to the office by 1<sup>st</sup> September 2012. One or two of the primary beneficiaries have said they are interested in getting the PG going again.

If you have any questions about the proposal going forward, please do not hesitate to contact the Chief Executive by email or telephone. One or both of us will be happy to respond.

Please see enclosed the following for your information, both of which were circulated at the 20<sup>th</sup> June meeting.

- 1) The Reserves background note.
- 2) A legal note on the law in relation to charitable disbursements.

With kind regards,

Yours sincerely,

GRO-C

GRO-C

Martin Harvey  
Chief Executive

Direct Line: GRO-C

Roger Evans  
Chairman

GRO-C

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556.12

Fax:

GRO-C

Email: martin

GRO-C

## MACFARLANE TRUST

I support re-establishing the Partnership Group.

Yes/No\* delete

Name .....

Email: .....

Telephone for contact .....

Please return to:

The Administration Secretary,

Freepost

MFT

12 Caxton Street,

London SW1H OQS

By 1<sup>st</sup> September 2012

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