



SCOTTISH OFFICE
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Graeme Dickson Esq
HM Treasury
Treasury Chambers
Parliament Street
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12 December 1990

Dear Graeme,

COMPENSATION FOR HAEMOPHILIACS

We spoke this morning about yesterday's announcement by the Secretary of State for Health that up to £51m compensation will be made available to the MacFarlane Trust for distribution to haemophiliacs infected with the AIDS virus as a result of using contaminated blood products. I explained that we in Scotland had not been expecting such an announcement and indeed that there had been no consultation with us about the details of requirements in Scotland. I am endeavouring to ascertain from DH Finance what the package comprises.

You explained that your understanding was that the figure of £42m, which will be a claim on the Reserve, covers compensation payments under seven different categories for all haemophiliacs registered with the MacFarlane Trust. You quoted a total figure of 1,365 haemophiliacs. There was a handful of claims for clinical negligence outstanding which are still being pursued through the courts and which would have to be settled by the appropriate regional health authorities from existing resources. But in addition there was the possibility that a further £4m to £5m would be made available from the Reserve to cover legal costs.

It would therefore seem that these sums include provision for compensation and associated costs for haemophiliacs resident in Scotland. There has not, however, been any parallel negotiation with the legal representatives of Scottish haemophiliacs and this is now being commenced by the Scottish Home and Health Department. Our legal advisers have raised a number of questions about the details of the Heads of Compromise and we are concerned that there may be difficulties here in reaching agreement with the Scottish legal representatives. In addition we are concerned that the numbers of possible claimants could be very much larger than the figure of 77 known cases in Scotland which is what we assume the Department of Health have taken into account.

My purpose in writing, therefore, is to record that Scottish haemophiliacs must of course be included in this scheme, that until we have further details of what has been assumed for Scotland in the DH figures we

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cannot confirm them, and that it is possible the costs will be greater in respect of Scottish haemophiliacs than has been assumed. My colleagues in the Scottish Home and Health Department are in touch with the relevant Policy Division in DH to take the matter forward and I will let you know once we have further and firmer information. In the meantime I am copying this letter to Marion Stewart and Peter Kendall in the Department of Health, Jon Shortridge in the Welsh Office and George Tucker here in SHHD.

Yours

GRO-C

A J RUSHWORTH



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FROM SCOT OFF NSRH

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