

John

(File Him 10)

1. Mr Canavan
2. Mr Heppell

from: M H Arthur HS1A  
date: 5 September 1989

Meeting with the Macfarlane Trust - 7 September 1989

cc Dr Reiman

I attach a background note covering the agenda items envisaged by the Macfarlane Trust, together with comments arising from the preliminary meeting with them on 31 August.

They have written before on the issue of life assurance. We undertook to consult with the Association of British Insurers, and indicated the Trust should be able to be more flexible than commercial concerns (see attached correspondence). The underwriting of risks is a matter for the insurance companies, and they are unwilling to provide cover for those with HIV infection. The Trust will therefore again wish to put to you the problems faced by those who are refused insurance. In particular this creates housing problems.

At a recent meeting with MS(H) to discuss the current HIV litigation, topping up the Macfarlane Trust was raised as a possible palliative. The need for housing-loans might provide grounds for such a topping up, while adhering to the broad intent of the Trust as envisaged by Ministers.

The Haemophilia Society have recently described the £10 million sum as inadequate, but there can be no guarantee that such additional funding would meet the expectation of the litigants in the present court cases alleging negligence. Nor could we expect the media to draw the distinction we seek between the ex-gratia Trust Fund and the out-of-Court settlement the Haemophilia Society seek (see Appendix <sup>2</sup> to the Background Note).

We are taking advice for Sol C on the definition of "dependants" to determine how broadly this could be read without amendment of the Trust Deed. It may be necessary to have written proposals from the Trust before Sol can give us definitive advice.

M H Arthur  
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NB Also enclosed:

- (i) Previous covers Mac Trust & Mr Heppell
- (ii) Two-monthly report to 31 May '89
- (iii) Balance sheet
- (iv) Letter from Haem. Socy. to Lord Trafford.