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The Rt Hon William Waldegrave Esq MP
Secretary of State for Health
Richmond House
LONDON

17 January 1991

Dear William,

HAEMOPHILIACS WITH HIV

As you know the announcement on 11 December that the Government had agreed in principle to proposals put forward by the Steering committee of Solicitors representing the HIV haemophiliacs in England and Wales as a basis for ending the litigation, indicated that the outcome of the settlement would apply to all parts of the United Kingdom. I understand that the £42m which Treasury has agreed to provide is intended to cover all infected HIV haemophiliacs and their families in the UK and that additional monies would be provided to cover the legal expenses incurred up to that date and to allow the solicitors to advise their clients on the offer.

However there are separate Scottish legal actions for compensation but these had not progressed as far as the English claims. The Scottish lawyers concerned were not represented on the steering committee and have not been party to the preparation of the proposals nor involved in the discussions which have taken place with the Steering Committee. This has placed the Scottish Office in a difficult position since all the discussions on the details of the settlement have been in relation to the English plaintiffs and there have already been representations made to me by the Scottish lawyers that they were not consulted before the offer was made public. They consider that they are not in a position to advise their clients on acceptance or otherwise until they know and can assess the contents of the offer and conditions of acceptance but also until they have fully investigated their clients' claims. It has not been possible as yet to let them have sight of the heads of agreement since this has still to be finalised for the English litigants and will, because it is drafted in the context of English litigation, and in effect is a response to an initial approach by the English Steering Group, require thereafter to be revised in order to convey the offer properly for Scotland. My officials have been liaising with yours and it is hoped to let the Scottish lawyers have a Scottish draft soon.

As the Scottish legal proceedings have not advanced to the same stage as in England and Wales, the Scottish lawyers estimate that in order to carry

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out a further assessment of the acceptability of the proposals for settlement so far as individual clients were concerned, there would need to be investigation of the claims. This would take some time and would conflict with the shorter timetable which I understand is being proposed for acceptance of the offer by English plaintiffs. Clearly we would wish to move in step with you and other parts of the United Kingdom in making the offer formally but if a common date for acceptance is imposed there is a risk that the Government would be criticised by the legal profession and the public in Scotland for attempting to steamroller the settlement without giving an opportunity for adequate investigations of the value of the claims by the legal representatives of claimants and the consequent wisdom of acceptance of the offer - opportunities which were given to claimants in England.

Certainly the offers to both litigants and non-litigants can be made at the same time and that is our intention but it would be helpful to allow for some flexibility for the particular Scottish position. Unless you see any difficulties therefore, I propose to decide what would be a reasonable period to allow for the Scottish responses. I understand that there will be some additional legal expenses but the number of claimants is small (20 - 30) and I would ask that the modest amounts be treated in the same way as the legal expenses for English plaintiffs and met from the additional sums to be provided by Treasury. We shall ensure that the presentation is handled carefully.

I hope that it will be possible to have sight of the final version of the Heads of Agreement soon.

I am copying this letter to Secretary of State for Northern Ireland and Chief Secretary to the Treasury.

Yours ever,

GRO-C

IAN LANG