



THE MACFARLANE TRUST

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Please reply to:

GRO-C

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D.C. Dudley, Esq.,
Department of Health,
Room 631 Wellington House,
London, SE1 8UG

16th February 1998

Dear Mr. Dudley,

I appreciated very much the opportunity to meet with you recently, and to discuss matters of common interest associated with the affairs of the Macfarlane Trust. I write to you now in fulfilment of the promise to put before you again in this way the principal issue we discussed.

Your colleagues within the Department during the past nine years will be aware of the tremendous contribution made by Wing Commander John Williams, who was recruited by the Chairman and myself in the first days of the Macfarlane Trust, and entrusted with the task of establishing and managing an Administrative organisation capable of achieving the objectives of the Trust and of giving the fullest support to the Trustees. Not only did he do that in an exemplary manner, but he also rose to the challenges that came subsequently with the request from the Government to the Trust to administer Special Payments I and II, and later to establish and operate the Eileen Trust. His last few months of service brought extra pressures through the loss of the senior Social worker causing John to carry both responsibilities for six months while the vacancy was filled.

You yourself will be aware, from the management audit you commissioned in 1996, of the high commendation that was given to the administration and management of Trust affairs under John's direction, and it will be no surprise to you to learn that the Trustees have held John in the highest esteem.

At the end of December John retired and the Trustees are of the view that, following his departure, the service he rendered to the Trust should be recognised and acknowledged by giving to him a tax free ex-gratia award. During his service John accepted a relatively modest salary, no pension contributions were made, and he received no other benefits. In addition, by his effective administration, and the containment of management expenditure, the Trust was able for some years to return monies to the Department, representing under-spend of the S.64 grant.

We believe you will share our view that John is worthy of the retirement grant we wish to give to him pursuant to the power contained in the Trust Deed. The sum we have in mind is £4,000 representing the sum of a little under 2% of his average annual salary for each of his nine years of service. In discussion with the Trust's auditor I have received confirmation that in the published annual accounts the payment would be incorporated under the heading of 'Salaries' and it would not be separately identified. It would also be entirely within the power of the Trustees to decide whether or not, in the Notes to the accounts, there should be a reference to the payment, and I believe I speak for the Chairman and all Trustees in saying that no such reference would be sought.

As a retirement benefit and, therefore, a management cost, it would be proper for the source of funding of the award to be the S.64 grant, but you will be aware from the presentation already made to you by Miss Hithersay, as John's successor to the post of Administrator, that in the present financial year 1997/98 the Trust faces an over-spend by reason of the unexpected 'crash' of the computer system and the urgent measures that had to be taken to replace it with new hardware.

As you would expect, there is great reluctance on the part of the Chairman and the Trustees to use Trust funds for purposes of this kind, and we know that John himself, through his dedication to, and concern for, the beneficiaries of the Trust, would most likely not accept an award if he knew it had come from Trust funds. Consequently, in the belief that the Department is already examining ways of resourcing the excess management expenditure during the present financial year without touching Trust funds may I, through your good office, ask the Department to deal in like manner with this proposed award to John Williams which award, I am sure, will find favour with you as being richly deserved.

Thank you again for your willingness to meet with me, and for the most helpful and constructive discussion we were able to have. I look forward to hearing from you.

Yours sincerely,

GRO-C

Clifford Grinsted
Deputy Chairman

cc: The Rev. Preb. Alan Tanner
Chairman