

Witness Name: Linda Haigh
Statement No: WITN4499002
Dated: 10 February 2021

INFECTED BLOOD INQUIRY

SECOND WRITTEN STATEMENT OF LINDA HAIGH

I provide this statement in response to a request under Rule 9 of the Inquiry Rules 2006 dated 8 December 2020. This statement should be read in conjunction with my first statement dated 27th November 2020.

I, Linda Haigh, will say as follows: -

Introduction

1. This is the second witness statement that I have provided to the Inquiry. At the time that I submitted my first witness statement, on the 1st December 2020, I was not legally represented. I would therefore like to apologise if any of the content of that statement was unclear or not expressed / formatted in the way that the Inquiry might have expected.
2. I would also like to explain that although my name was Linda Haigh when I began work with the Alliance House Organisations, during the course of my employment I got married and my current name is therefore Linda Constantine. However, for convenience, I am happy to continue to be referred to as Linda Haigh by the Inquiry and I have therefore left it as that in my witness statements.
3. I am also grateful for the opportunity to clarify certain other matters that were covered in my first statement or which may not have been apparent. In particular,

I would like to make it clear that although I divided my time as a Finance Manager between the Macfarlane Trust ("MFT"), the Eileen Trust ("ET"), the Caxton Foundation ("CF") and the Skipton Fund Limited ("SF Ltd") (together the Alliance House Organisations ("AHOs")), for much of the period that is now being examined by the Inquiry, I was in the early part of my career (in my mid- to late 20s) and had much less experience and responsibility than my job title may have implied.

4. It is also important to understand that we were a small staff of between five and nine people and my attendance at Board meetings was very much administrative. It follows that although I may have been present when some of the matters now being investigated by the Inquiry were being discussed, I did not vote on any of the decisions that were made.
5. I would also only attend those meetings that Martin Harvey or Jan Barlow asked me to attend and would sometimes only stay for the financial section, not for the whole meeting. Normally, I was invited to attend to present financial information and to answer any questions. I would also sometimes attend because a budget or other presentation that I had worked on was being considered for approval, or (together with our Auditors) when the final accounts were being presented, in case the trustees had any questions
6. In a similar vein, the fact that I was copied into countless emails should not be misunderstood to suggest that I was more integral to the issues being discussed than was in fact the case. Indeed, in many cases my inclusion within an email distribution was simply because the content had some financial aspect to it and it was likely that I may need to be aware of it, i.e. for my information.
7. Having explained that context, I will now consider the additional questions set out in the Inquiry's 2nd Rule 9 Request dated the 8 December 2020.

RESPONSE TO 2ND RULE 9 REQUEST

Question 1

8. Part of my role, as a Finance Manager, was to prepare budgets for the AHOs. Over the course of my employment, I did this on behalf of the MFT, the ET, the CF and SF Ltd.
9. As regards the MFT, ET and CF, I completed this work for the Chief Executive Officer ("CEO"), who would provide the initial direction for the budget, review the draft budget that I produced, and would then make his or her own amendments. I would base the management budget on previous expenditure and any known upcoming changes. The beneficiary budget was also based on previous expenditure and any information provided to me by the CEO, such as the calculation of new regular payments. Once the CEO was happy with the content of the budget, he would take it to the Board for approval.
10. For the SF Ltd, I was only involved in the production of the management budget, which the Director, Peter Stevens, would direct and review. A colleague, Neil Fish, would produce the projections for ex-gratia payments. The budget and projections would then be presented to the Board by Martin Harvey, who acted as Company Secretary for the SF Ltd.

Question 2

11. As well as preparing the budgets for the AHOs, I also dealt with administration regarding loans – receiving applications, collecting details from beneficiaries, dealing with solicitors following the trustees' approval of a loan, and producing loan statements, which we were required to produce annually. I would describe my work generally as administrative, rather than advisory.
12. In this respect, I have been asked to consider document [MACF0000041_030], which is a memorandum entitled "Re. Loan Request - 1512", which I sent to Martin Harvey, on the 20 December 2007. I should make it clear that I have limited

independent recollection of this loan application, although having seen the content, I believe it relates to a beneficiary who asked to apply for a loan (rather than, for example, trying for a grant). As part of my role, I would produce a memorandum like this one to summarise the relevant background for the CEO and Trustees. Although I would sometimes include 'suggestions' in these kinds of documents, as I did here, in effect all I was doing was indicating how the information provided by the beneficiary fitted within our policies. For example, if, as here, the information met the requirements of the Loan Policy then I would set out what the Trust *could* do.

Question 3

13. I have set out details of when I would attend trustee meetings as part of my introduction to this statement above.

Question 4

14. In my first statement to the Inquiry at paragraph 6, I referred to Section 64 funding. Section 64 funding was only available to meet the management costs of the AHOs and could not be applied to beneficiary funding (i.e. grants or loans). So far as I understood the situation, the CEO and trustees decided to follow the Charity Commission guideline that management costs should be around 10% of a charity's overall expenditure. The AHOs therefore aimed to be administered within that spending guideline and although there was no enforcement of this level as such, as this was what had been decided by the trustees, it was a target that everyone was expected to adhere to.

15. I have been asked when Section 64 funding stopped being awarded, but I am afraid I cannot recall, although I would expect this to be reflected in relevant Board minutes.

Question 5

16. As I have touched upon above, management budgets for the MFT and CF were estimated based upon previous expenditure, generally increased by a small percentage and then adjusted for any known upcoming changes. The beneficiaries' budget was drawn up based upon the previous year's up-to-date expenditure and the CEO would then amend this, based upon the discussion of this issue at Board meetings and with the Department of Health ("DoH"), to reflect any necessary changes.
17. We would receive an allocation from the DoH and the trustees of each of the AHOs would then set out their organisation's regular payments, with any remaining amount being allocated to grants. Office grants were based on the previous year's expenditure with a percentage increase and trustee grants were then made up of the balance. However, the trustees could also overspend and draw down on the investments. In the early stages, I seem to recall that we had to ask for permission from the DoH to do this, but later on I believe this changed and the trustees were entitled to authorise a draw down themselves, although I cannot remember the exact process anymore.
18. I have also been asked to explain how the needs of the beneficiary population were forecast. I am afraid I am not aware of any method of calculation that was used to determine the overall 'need' of the beneficiary population and I also struggle to see how this could be budgeted for, as one person's perception of 'need' may be very different from another's. I do recall there was a methodology presented based on a calculation of poverty however, details of which I would expect to be referred to in the minutes of the MFT Board. The poverty calculation was recommended by Martin Harvey and accepted by the trustees. As I recall, this was based on the regular payments to beneficiaries, which were then reviewed and topped-up to increase a beneficiary's income above that baseline. Any grants that were awarded were then paid on top of this. I am sorry that I cannot provide any more concrete details, figures etc., but these may also be referred to in the Board meeting minutes.

19. In terms of my own involvement in this issue, I was part of the implementation team and it is possible that I may have assisted with the calculation part of the proposal, but I really cannot remember.

Question 6

20. I left my roles with MFT and CF by agreement, having concluded that I no longer wished to work there. When I did so, I entered into a termination agreement, the terms of which preclude me from providing any further details, on grounds of confidentiality.

21. I am aware that by referring to this agreement, I may give the impression that there is 'something to hide'. I wish to assure the Inquiry that this is not the case and would hope that it would respect my right to maintain my integrity and to uphold a confidence that I agreed that I would maintain, in respect of which I consider that I am both legally and morally bound.

22. I understand that the Inquiry has the power to issue a "Section 21 Notice" to seek to compel me to give this evidence. Were it to do so, I reserve my right to rely upon Section 22(1) of the Inquiries Act 2005, which I understand prevents the Inquiry from requiring me to give evidence that I could not be required to give in court proceedings.

23. I have also been asked to explain why the MFT and CF were restructured at around this time. I am afraid I do not know the answer, but do know that the CF was restructured sometime after my departure.

Question 7

24. I have been asked about the National Support Services Committee ("NSSC") discretionary grants and whether these were given pursuant to any specific policies (i.e. office guidelines) or were granted on an *ad hoc* basis.

25. In order for me to answer the question, it is necessary for me to explain something about the grants process. First of all, the 'Office Guidelines' contained a list of grants that the office could give to beneficiaries and which the beneficiaries could apply for. If a beneficiary applied for anything else however, i.e. something which was not on the list, then their application would be presented to the NSSC for a decision. The NSSC would consider the application and might grant them the full amount sought, or only some of it, or indeed nothing at all. There was also an appeal process set up to deal with the NSSC's refusal or partial refusal of an award.

26. To the best of my recollection, I never attended an NSSC meeting and so I am unable to provide any evidence about what took place during those meetings.

Question 8

27. As I have explained above, my role was administrative; I had no decision-making remit.

28. The people who were able to consider awarding financial help to beneficiaries were the trustees and decisions were made at Board meetings and at the NSSC. The names of these individuals would therefore be recorded in the minutes of those meetings and in the records concerning the appointment of trustees.

29. In addition, I think the CEO (Martin Harvey and then Jan Barlow) had a discretion to make certain limited awards for support services, up to a set amount (I believe up to £1k or possibly £5k). Rosamund Riley, the Support Services Manager, could also award discretionary amounts of either £500 or £1k, (again, I am not certain of the amount) and could also make awards for support services within the Office Guidelines, as could the other the Support Service Officers, Nicole and Keisha (whose surnames I am unable to recall).

Question 9

30. In paragraph 55 of my first statement, I stated that I was not aware of any issues between the trustees and higher management of the Trust. When I then spoke to

a member of the Inquiry team on the telephone, it became apparent to me that I may have become confused when answering that question. I would therefore like to clarify my earlier statement by explaining that the only conflict between any of the trustees and a member of staff, that I am aware of, concerns Jude Cohen, who ended up being dismissed during her probationary period.

31. I do not know the full details of her situation, much of which I only became aware of as a result of various rumours. However, I believe it related to some letters that Jude had written and one of the trustees saying that he would not attend an 'away-weekend' if Jude was going to be in attendance. As far as I am aware, the situation was handled by Martin Harvey and from what I understand, Jude Cohen was dismissed a day or two before the away-weekend.

32. I would like to make it clear that I personally did not have any issues with the MFT or CF trustees.

33. I have now also been asked to discuss my working relationship with certain members of staff and I set these out below:

- a. Jan Barlow – When Jan joined the organisation my impression was that she was looking forward to making some changes. She had a different management style to the previous CEO and this led to various conflicts with me, for example, concerning my working-from-home arrangements (one day per week) and a period during which I had a number of emergency dental treatments that had to be scheduled during working-hours. In October 2014, I raised these issues with the Deputy CEO (whose name I can no longer remember), and the issue was then resolved by agreement.
- b. Peter Stevens – Peter devoted lots of his time to the charities and we grew to have a good working relationship, after some initial differences which we resolved, mainly to do with administration.
- c. Roger Evans – Roger was a former civil servant and CEO of one of the NHS Trusts. He became the Chairman of the MFT just before Martin Harvey left

the Trust and I had very little dealings or contact with him, as his requests were typically communicated via the CEO.

- d. Jude Cohen – although we had some disagreements and discussions regarding general work practices and processes, on a personal level we were friendly.
- e. Martin Harvey – over the years we had some disagreements about work, mainly concerning grants and the fact that, in the early days, as CEO he had a substantial discretion about the grants which would be awarded. Unfortunately, this could lead to inconsistencies and conflict between the office staff and beneficiaries, who would talk to one another and question why one of them had received more money than the other. It was clear to me that Martin reacted with compassion; however, in my opinion his unconscious bias would occasionally result in inconsistencies in the awards/grants. This situation was resolved by reducing discretionary grants and introducing more processes and procedures. Despite our disagreements, we were always able to discuss these issues and resolve them between us.

Question 10

34. Although not addressed in my first witness statement, I have now been asked to consider a memorandum that I wrote to Martin Harvey dated the 12 August 2005 [AHOH0000051]. Before addressing the questions raised, I should make it clear that my recollection of these issues is limited and although I have been assisted by reviewing the memorandum, there are certain elements that I do not recall clearly. I have therefore answered these questions to the best of my recollection:

- a. When I referred to “*loopholes*” in the office guidelines, I assume I was referring to inconsistencies that needed clarifying. I have not had access to a copy of the Office Guidelines that applied at the time in preparing this response to the Inquiry. However, what I can say, is that the Office Guidelines changed substantially over the years and eventually became a public document. Gaps that existed in the earlier versions of the guidelines

were gradually tightened up; for example, I recall that beneficiaries could apply for children's school clothing assistance and, at first, some would apply constantly for grants. This guideline was later amended to specify how often a beneficiary could submit an application and part of the process then required them to provide receipts, if they were seeking reimbursement.

- b. When I referred to mistakes being made, as I recall this was a reference to my frustration that paperwork would sometimes be incomplete; that colleagues wouldn't have checked it properly; and were not being held accountable for their mistakes. Occasionally, this had an impact on the beneficiaries because part of the Office Guidelines provided that a beneficiary could only apply once or twice within a given period and that any further request would have to go to the NSS (or later the NSSC) for consideration. Because of the mistakes that were being made, it was sometimes not identified that a beneficiary had made too many applications within the relevant period and a letter would then be sent out to them, confirming the grant of an award. When this mistake was subsequently discovered by the finance department, a further letter would then have to be sent out to the beneficiary, explaining that they were not entitled to receive the award under the Office Guidelines and that their request would have to be presented to the NSSC for a decision instead. This, in turn, could result in the beneficiary having to submit further information in support of their request, which I believe they found stressful and frustrating, based on the anger which was apparent to those who spoke to them on the telephone.
- c. I have also been asked to explain my comment that there was "*Ongoing criticism of other people, sometimes behind their back*". I am afraid I cannot recall who I was referring to specifically, but at the time, I do remember there being a bit of a 'blame culture' and my frustration with this, was that there was no clear directive given to the team to eradicate it.
- d. When I referred to there being "*two standards*" within the office, what I believe I was referring to, was my perception that the management took a different view on employee treatment and the workload, than was taken with

regards to following work processes. The reference to “Jude” in my memo to Martin Harvey dated 12th August 2005 [AHOH0000051] was a reference to Jude Cohen, who at first was treated as if she could do no wrong, although this obviously changed later as I described above.

- e. When I stated that I had “...noticed that people don’t find out enough about the case before they go ahead and make a decision”, I think this was a reference to my perception that when Martin Harvey started his compassion would take over and his decision would be based on the moment, rather than being formed having followed our procedures and processes. At the time, the MFT had limited funding and some of the beneficiaries would be coming back every couple of days, whereas others would follow the process. It seemed to me that this meant that beneficiaries were not necessarily being treated consistently, which is why I was expressing my frustration at the situation.
- f. I have been asked to explain the following comment: “*For how long will I have to be coming back and people will keep receiving additional money, just because the review has not been done?*”. In order to explain this, it needs to be understood that we had some beneficiaries and widows that were receiving ‘additional payments’ based on their circumstances, which should have been reviewed regularly and presented to the trustees for re-consideration. The reason for this was that a beneficiary’s circumstances could change, and this was part of our due diligence process. However, what I recall, is that there were sometimes prolonged periods between these reviews, which could potentially cause the MFT to continue providing additional funding, where this was no longer needed, due to a change of circumstances.
- g. When I referred to “quick fixes” I believe this was a reference to decisions that were made quickly based on compassion, rather than by following our processes and procedures. If a grant was awarded on this basis, it risked creating a precedent and a potential conflict between beneficiaries, because the award of a grant to one beneficiary would create an expectation that

others in the same situation would also receive a grant, which when considered under our processes, was not always possible / appropriate. This is what I was referring to, when I described there being “*regret*” later on.

h. As to what Martin Harvey did to alleviate the concerns I had raised in this memorandum, the issues were resolved over the period of time. For example:

- i. The Office Guidelines were clarified and made public, which helped beneficiaries to better understand the grant process and the support that was available.
- ii. A “round robin” system was set up so that trustees could be asked to make an urgent decision (whilst non-urgent grant requests could be retained to be considered by the NSSC or the full Board of Trustees).
- iii. The paper-flow improved, with clear processes put in place concerning what needed to be done and when it should occur. A holding letter was also introduced, so that beneficiaries were informed regarding the progress of their application and when they could expect any payment. Prior to an application being submitted to the NSSC, checks were also introduced to verify any previous payments that had been made or any trust loans that may have been advanced;
- iv. The Trust improved its management of the expectations of beneficiaries, being clear about the timescales between a request, a decision and when any funds might be received; and
- v. In general terms, we standardised communication, streamlined processes and improved transparency.

Question 11

35. Referring to my comment at paragraph 66 of my first statement that *"Independent financial advice was available"*, I can confirm that this was initially available from Susan Daniels, who was an Independent Financial Adviser (IFA) that was able to provide financial and benefit advice to beneficiaries. Her services were paid for by the MFT and she later became an employee of the ET.

36. At some stage, I do not recall when, the arrangements changed so that a beneficiary could alternatively choose any other registered IFA. In those circumstances, the MFT would provide a grant for any expenditure incurred in obtaining this advice.

Question 12

37. I have been asked to clarify the common steps which the MFT would take before considering a secured loan on beneficiary property. I was not directly involved in this work, but as far as I was told and understood the arrangements, an IFA (usually Susan Daniels) would look into any other ways to consolidate a beneficiary's debts and if no other source of funding was available, Susan would support an application for a loan, although an individual's circumstances might result in a different process being followed. It is my understanding that the MFT trust deeds refers to 'relieving suffering' and this was considered to be applicable, if there were no other resources or forms of credit available.

Question 13

38. Following on from what I said in paragraph 74 of my first witness statement, I have been asked to explain how common it was for me to meet with beneficiaries, either in person or on the phone, regarding repayment agreements or any other matters.

39. I can confirm that I do not recall ever meeting a beneficiary in person to discuss a loan agreement. I would however discuss these agreements on the phone with them and would typically follow this up with a letter.

40. I have also been asked to explain the kinds of circumstances in which I would have face-to-face contact with beneficiaries. Over the course of my employment, I recall that I attended one of the Partnership Groups and assisted with one of the events, the 'Men only weekend'. Otherwise, I only met beneficiaries who were trustees and Andrew Evans who did web design and IT for the MFT.

Question 14

41. I have been asked to clarify with whom I shared my opinion that the charity should not give out loans. I can confirm that I shared this opinion in an email to Martin Harvey and Peter Stevens. Martin responded that my opinion was noted, as far as I remember. I was reminded that the governing body are the trustees and that we needed to follow and implement their decisions.

Question 15

42. Although not covered in my first statement, I have been asked to explain a comment that I made to the Inquiry during a telephone conversation on the 4 December 2020, concerning the suggestion that I had evidence of abuse of loans by beneficiaries.

43. I would like to clarify this comment, because what the staff of the MFT in fact had was a suspicion of misuse of the loans. For example, Martin Harvey told me that a beneficiary had asked for a loan for double glazing which was approved, and I later discovered from Martin Harvey that the same beneficiary had bought a car, while submitting an application to the NSSC for the double glazing. I should emphasise that I did not witness this, but was told of it by Martin Harvey, and I recognise that there could be a completely innocent explanation, with incomplete case information having been provided to me.

44. I also recall that Martin Harvey once told me that one of the beneficiaries from the forum had said that some of the beneficiaries had been discussing the possibility that their loans would one day be written-off. After this, we had an increase in loan

applications and it seemed to me that the suggestion that a loan might be written off was certainly something that a beneficiary might have understood would occur, based on a previous precedent (the Board of trustees writing off a loan). Again, however, I would emphasise that I never received this information from a beneficiary myself and my suspicion might have been coloured by receiving hearsay information from others that may not even have been correct.

45. Whilst there may have been these suspicions, so far as I am aware, no-one ever had any proof, and no other beneficiaries were adversely affected. We did, however, tighten up our processes by requesting receipts and proof of purchase for all grants and if receipts were not provided, a follow up letter was sent.

Statement of Truth

I believe that the facts stated in this witness statement are true.

Signed:

GRO-C

Dated: 10 February 2021