

Witness Name: Victoria Prouse

Statement No: WITN5260002

Exhibits: None

Dated: 18/2/21

## **INFECTED BLOOD INQUIRY**

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### **SECOND WRITTEN STATEMENT OF VICTORIA PROUSE**

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I provide this my second statement to the Inquiry in response to two requests under Rule 9 of the Inquiry Rules 2006, dated 30 October 2020, and 27 January 2021. I previously provided a statement signed on 4 October 2020 in response to a Rule 9 request dated 24 April 2020.

I, Victoria Prouse, will say as follows: -

#### **Section 1: Introduction**

1. In this statement, I have done my best to assist the Inquiry in answering the 183 detailed questions in the Rule 9 request. However, many of the matters raised relate to events some years ago and I do not have a detailed recollection in respect of some matters. Also, since I am no longer employed by the charities and they have closed, I no longer have access to any of their documents apart from those which were attached to the Rule 9 Request. There might be documents available to the Inquiry which show that my recollection is incorrect.
2. I was appointed to the Role of Director of Operations at the Caxton Foundation and Macfarlane Trust (MFT) through an open recruitment process. The recruitment was being handled by the agency Prospect-us and I attended a preliminary interview at Prospect-us and conducted online tests before a second interview at Caxton Foundation/Macfarlane Trust.
3. I am asked whether I knew Jan Evans prior to taking up my appointment. I do not know a Jan Evans; I can confirm that I did not know any staff or Trustees of the

Macfarlane Trust or Caxton Foundation or any of the Alliance House Organisations (AHO) before applying for this role.

4. As Director of Operations for the organisations I managed the Welfare Officer and Support Services Officer (who I referred to collectively as the grant administrators in my previous statement), and through doing so oversaw the management of the grant programmes, both one off grants and regular payments (see further below). I also liaised with the two outsourced advice agencies who provided benefit and money management advice. On occasion I supported the work of MFET as needed.
5. To the best of my knowledge I do not recall being a member of any committees, working parties or groups at the Alliance House Organisations. As part of my role I was invited to attend the majority, but not all, of the MFT and Caxton Foundation board meetings during my time of employment, but I was not a member of the board of either organisation. I also attended meetings of the MFT Grants Committee and the Caxton Foundation National Welfare Committee (NWC) but I was not a member of either committee. My role was to present grant applications and provide information as requested. On occasion I would also take the minutes if the grant administrators could not attend.
6. I also attended the Caxton Foundation Partnership Group in a secretariat capacity, but again I was not a member of this group. I arranged the meeting dates and venues, compiled and circulated the agenda, with sign off from the Caxton Chair and CEO. I also wrote and circulated the minutes for the meetings to the attendees. I occasionally presented at the meetings, if relevant.
7. I do not recall all the details of my induction programme when joining the Macfarlane Trust and Caxton Foundation. However, I recall that there was an induction programme in place which included time spent with other employees to understand their roles and responsibilities, and time spent learning the processes and policies of the organisations. I received copies of key strategic and governance documents. I also spent time with user Trustees to provide me with an insight of the impact of living hepatitis C, HIV and also Haemophilia.
8. My role at MFT and the Caxton Foundation was split 50/50 between the organisations. I did not have allocated days at each organisations but rather was flexible to respond in a timely manner to work related to each organisation.

9. Other than my attendance at the committees/boards set out above I was not a member of any other groups, societies etc relevant to the Terms of Reference of the Inquiry. I have not been involved in or provided evidence to any other any other inquiries, investigations or criminal or civil litigation in relation to human immunodeficiency virus ("HIV") and/or hepatitis B virus ("HBV") and/or hepatitis C virus ("HCV") infections and/or variant Creutzfeldt-Jakob disease ("vCJD") in blood and/or blood products.

## **Section 2: Your role**

10. I do not recall specific priorities that I was asked to achieve when I started at the charities.
11. The majority of strategies for the organisations were in place when I joined. Policies and procedures likewise but in some cases these were tweaked or changed as needed. In my role, I would contribute to the development of policies or changes in processes and make recommendations to the Trustee board of the relevant organisation. Ultimately the strategies and policies adopted by MFT and the Caxton Foundation were decided by the Trustee boards. I am asked to provide details of the policies or changes of process I was responsible for amending at both MFT and the Caxton Foundation. I do not recall all the work that I was involved in during my time but an example would be the updating of the Office Guidelines described at paragraph 115 below. I would prepare papers for the Caxton Foundation National Welfare Committee (NWC) recommending changes. I was also involved with the design of the Caxton Foundation Regular Payments scheme processes. The policy had been set out prior to my arrival but the design of the application form, letters and guidance documents for staff was my responsibility, with sign off from the CEO and/or the board, where appropriate. I also contributed to the work and resultant paper to the board relating to increasing the income thresholds for the Caxton Foundation Regular Payments Scheme to 70% HBAI (see paragraph 109 below). I contributed to the process for the final grants scheme at MFT. I also contributed to the introduction and design of the new registration form to replace the previous two forms in use at the Caxton Foundation.
12. My role was to administer the grants programmes of both MFT and the Caxton Foundation, with support from the grant administrators. This involved (i) decision making in respect of more straightforward and lower value applications in accordance

with my delegated authority under the Office Guidelines; and (ii) presenting more complex and higher value applications to the MFT Grants Committee/Caxton Foundation NWC and providing those committees with the information they required to enable them to make decisions .

### **Section 3: The aims of CF and MFT**

13. The objectives of MFT and the Caxton Foundation were set out in their respective Trust Deeds, although I do not now recall the detail. It is my understanding that the both MFT and the Caxton Foundation were set up by the Government to provide charitable support the victims of contaminated blood, their families and dependants, in addition to the ex gratia payments provided by the two companies (Skipton Fund and MFET). Awareness of the five Alliance House Organisations (AHOs), the separate ways in which they worked and, in the case of the charities, their governing documents, formed part of the induction process.

14. As a charity MFT and Caxton Foundation were registered with and submitted annual reports and accounts to the Charity Commission. Communication with the Charity Commission was not within the remit of my role. In line with Charity regulations, the Organisations also undertook a yearly audit. The audit process was led by the CEO and Director of Finance and reported to the Trustee board. Part of the audit was to ensure grant making processes and policies had been adhered to and I provided input and documentation for this part of the audit. To the best of my knowledge for the period I worked for the charities they received a full audit and submitted all documentation to the Charity Commission on time. I had no concerns about the charities' compliance with Charity Commission requirements.

### **Section 4: The appointment of grant administrators and external advisors**

#### **Appointment of grant administrators**

15. As noted above, when I referred in my previous statement to the grant administrators I was referring collectively to the Caxton Foundation Welfare Officer and the MFT Support Services Officer.

16. The Caxton Foundation had one Welfare Officer; they worked full time solely for the Caxton Foundation and I do not recall them having responsibilities across the other

organisations when I was at the organisation. They predominately processed grant applications but also administered referrals to the external advisers we worked with and provided secretarial support for the NWC.

17. When I joined the Welfare Officer was in post. When they left the organisation I was involved in the recruitment of a temporary member of staff, through a recruitment agency, to administer the grants for the final few months the Foundation was in operation. During my tenure at the Caxton Foundation I was also involved in the recruitment of two temporary members of staff, recruited through an agency, to provide administrative support in processing the Regular Payment Scheme. I managed these temporary staff. I do not recall the exact job description and person specification for these roles.
18. There was one Support Services Officer for MFT; when I joined they were in post; I was not involved in their recruitment. The MFT Support Services Officer also provided administrative support for MFET (for example ensuring contact information was up to date and processing the Prescription Pre Payment card requests which were funded by MFET for registrants of the MFET). Following the transfer of staff to NHSBSA I was involved in the recruitment of a temporary member of staff, through an agency, to administer the final MFT grant programme. Again, I managed this temporary member of staff.
19. I did not manage any other staff, appointments or contractors during my tenure.

#### Relationships between administrators and senior management

20. I am not aware of any difficulties between myself and the Support Services Officer or Welfare Officer. I believe I had a good working relationship with members of my team and I am not aware of any complaints or grievances lodged against me. I am asked if there was an administrator I worked particularly closely with, I don't believe this to be the case. I managed my team and supported them as needed and as with any management this fluctuated depending on needs at the time.

#### Staffing costs

21. I was not involved with the calculation of staff salaries at MFT or the Caxton Foundation, yearly salary reviews were undertaken by the Caxton Foundation Trustees. During my time at MFT and the Caxton Foundation I am not aware of

salaries being performance related. It was not part of my remit to make recommendations to the MFT or Caxton Foundation Trustees regarding appropriate benchmarks and the level of salaries of staff in the organisations. I recall being involved in discussions with the CEO on the proposed remuneration for temporary staff recruited during my time in the organisations, these were based on the salaries of the permanent staff in similar roles, but I do not recall the details.

22. To the best of my recollection an additional payment was offered on the terms that that staff remained for the time period specified (to the end of the 2016/17 financial year). This was a decision taken by the Trustees of the AHO organisations in which I was not involved. The reasons are set out in the minutes of the documents attached to the Rule 9 [MacF000027\_089]. I am asked whether the offer of additional salary to encourage staff to stay till the end of the financial year (16/17) achieved its aim of getting staff to stay. To the best of my recollection all staff remained in post at the end of the year (16/17).

23. I do not recall any bonuses paid to staff of the Caxton Foundation or MFT.

#### Use of external advisers

24. Both the Caxton Foundation and MFT offered debt/money management and benefit advice to beneficiaries, free of charge. Debt and money management advice was provided by Pennysmart CIC<sup>1</sup> and benefit advice was provided by Neil Bateman. This service enabled the organisations to offer important advice and support to beneficiaries that they did not have the capability or resources to provide in-house. It guaranteed immediate support which might not have been available if beneficiaries had been signposted to other debt / benefit advice organisations. Both Pennysmart and Neil Bateman were working with MFT and the Caxton Foundation when I joined. I am therefore not aware of how they were selected or appointed. Both advice organisations invoiced the organisations monthly in arrears based on the number of beneficiaries they had worked with that month. Internal checks reconciled invoices against referrals before payment.

25. There was no 'criteria' for beneficiaries to meet to receive a referral for debt or benefit advice, any beneficiary registered with either charity could request a referral. To the best of my recollection there was a Service Level Agreement with Pennysmart CIC, I do not recall what contract was in place with Neil Bateman at the time.

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<sup>1</sup> Community Interest Company

26. The availability of these advice services and a description of the support they could provide was set out on the organisation's websites and regular reminders included in newsletters sent to beneficiaries. In the case of Caxton Foundation, the welcome pack for new registrations outlined the support available and there was the option to request a referral on the registration form. In terms of the guidelines to which they worked, each agency worked to their own processes and policies and were guided by their own regulatory structures.
27. Beneficiaries could request this support and would receive a consent/referral form to sign and return, providing consent to pass their data to the relevant advisers. Without this consent, a referral could not have been made. To the best of my recollection the form also gave beneficiaries the option for information to be shared by the advisers with the charities, to support grant applications. This was optional, but my recollection is that the majority did provide this consent. The form would then be forwarded to the relevant adviser who would make contact with the beneficiary and provide advice in line with their own procedures and processes.
28. The debt advice and money management supported people in a variety of ways from budgeting tips through to advice around debt relief orders and bankruptcy, following industry standards. The benefit advice provided was responsive to the needs of the beneficiary and could vary from a benefit review to ensure they were claiming all the statutory support available to them or supporting beneficiaries through personal independence payment (PIP) assessments through to representing someone at a tribunal to appeal a benefit decision. During my time working at the AHOs, the DWP was transferring DLA recipients onto PIP. This was a worrying and uncertain time for beneficiaries in receipt of DLA and Neil Batemen supported a number of beneficiaries with this process. I recall that we received very positive feedback from beneficiaries who used these external advisers.
29. The Welfare Officer/Support Services Officer had day to day responsibility for making referrals and liaising with the external advisers, I had responsibility for engaging with them around monthly reporting, invoicing and ensuring ongoing working relationships.
30. Beneficiaries did not need to use the debt or benefit advisers that MFT and the Caxton Foundation worked with. In some cases, beneficiaries may already have had a debt plan with another debt agency or they may have sought advice from a

different charity for debt advice. If beneficiaries did not want to use these advisers they could use other charities or agencies for debt or benefit advice.

31. Grants generally were not conditional on advice from a benefit or debt adviser. However, if a beneficiary was applying for a grant towards debts or arrears then they would be asked to accept a referral to Pennysmart or demonstrate that they had received debt advice from another agency before a grant was considered. Asking beneficiaries to receive debt advice in these circumstances helped the charities ensure that their funds were being used in the best way to support the beneficiaries in the long term. It meant that grants would not provide a short term solution but would, based on professional debt advice, support a beneficiary in the best way to move forward and where possible, not return to financial difficulties. Any grants related to debt were considered by the NWC/MFT Grants Committee. I am asked whether there was written guidance on assessing which applicants requesting grants towards debts or arrears would need to accept a referral to Pennysmart. To the best of my recollection all beneficiaries who were requesting a grant from one of the charities to pay off all or some of their debts/arrears were expected to have obtained money management/debt advice before their application was considered. If they did not already have debt advice in place they were offered a referral to Pennysmart. It is possible that this was written into the Office/Grant Guidelines but I do not recall. To ensure that grants did not just address short term solutions, Trustees sometimes asked beneficiaries to be encouraged to continue to work with Pennysmart, after a grant had been issued, to ensure they continued to receive support with their budgeting or financial situation. I am also asked if a grant would be rescinded if a beneficiary did not continue to work with the debt advisor once the referral had begun. I cannot recall specific examples of grants being rescinded if a beneficiary did not continue to work with the advisor once the referral had begun.

32. I do not recall specific cases where clients worked with one of the external advisers and did not follow their advice. However, all grants were considered on a case by case basis and therefore in these cases Trustees would have reviewed the case based on all relevant information and made a suitable decision.

#### **Section 5: Structure of the AHOs**

33. The AHOs shared an office space. All staff were employed by the Caxton Foundation but certain members of staff worked across multiple organisations and some staff



worked only for one organisation. I was not involved with the decision to share premises but my understanding was that it was to minimise expenditure and be more efficient. The details of exactly how the resources were shared was not part of my remit.

34. Each organisation was independent and its data was independent and stored individually, staff only had access to documentation or files relevant to the organisation(s) they worked for to ensure confidentiality.
35. Any information sharing between the organisations took place only with the beneficiary's consent. For example to register with the Caxton Foundation a beneficiary needed to have received a payment from the Skipton Fund, therefore as part of the registration process beneficiaries were asked to give consent to confirm the payment with the Skipton Fund. Consent was obtained before any information was shared.
36. The decision to make the Caxton Foundation the employer for all five AHOs was taken before I joined the organisation, so I cannot comment on who took this decision or why.
37. The five AHOs were independent and had their own Trustee boards or Directors. To the best of my recollection the organisations had a good working relationship with one another during my time at MFT and the Caxton Foundation. I am not aware of the relationship of the organisations impacting on payments or appeals systems, each organisation was independent of each other and so did not have an impact on payment processes or appeals for other organisations.

#### **Section 6: Relationship with Government**

38. The Department of Health and Social Care (DHSC) provided funding for the Caxton Foundation and MFT. I am aware that there were a number of different contacts within DHSC at different levels who worked with the charities and these contacts changed over time.
39. The Trustees and the CEO took responsibility for relationship with the DHSC, this was not my remit so I do not have detailed knowledge of the working relationship and I had only occasional contact with DHSC. I do not recall their involvement or

influence of policies adopted by MFT or the Caxton Foundation. I am aware from my attendance at Caxton Foundation and MFT Board meetings that the charitable organisations made multiple requests for additional funds from DHSC which were not granted, but I was not party to those requests and I have no knowledge of the content of the requests or reason for their refusal. I am also aware that the Caxton Foundation made a request to the Devolved Administration in Northern Ireland for additional funds for the Caxton Foundation following the increase in beneficiary numbers in 2015 which were agreed as set out in minutes provided by the Inquiry: [CAXT0000094\_161].

40. In respect of DWP, monies received from MFT, the Caxton Foundation or any of the Alliance House Organisations was exempt from calculations when assessing benefits as specifically set out in the DWP regulations. This was set out in letters to beneficiaries when providing regular payments.
41. Information relating to how these payments should be treated by DWP was available on the organisation's websites along with a joint letter relating to this from, to the best of my recollection, the DWP Head of Fraud and a previous AHO CEO. Both MFT and the Caxton Foundation provided letters, on request, for beneficiaries setting out that funds should not be counted in benefit calculations and the relevant legislation which beneficiaries could submit with their benefit reviews. Occasionally beneficiaries would be asked by DWP to evidence the amount of money received from the AHOs and each organisation would provide information setting out the total income received which beneficiaries could send to DWP. In these cases beneficiaries were also offered access to the external benefit adviser for advice, if needed. The organisations did not make direct contact with DWP on individual cases as they did not have consent to do this I do not recall any communication between MFT/Caxton Foundation with DWP regarding policy during my time at the organisations.

#### **Section 7: Funding/finances of the MFT and the CF**

42. Budget management and setting did not fall within my remit at MFT or the Caxton Foundation. The only input I had to the process was providing data and analysis of likely expenditure. I am aware from my attendance at the MFT/Caxton Foundation board meetings that the board would sign off the annual budget. I do not have knowledge of DHSC's involvement in funding/budgets (if any). To the best of my knowledge, the DHSC provided a letter setting out the annual budget to MFT and the

Caxton Foundation each year. As noted above, I recall that the charities put forward cases for additional funding.

43. In relation to notification of funding by DHSC I do recall, in my time at the trust, that the letter informing the charities of their funding for the year was always received after 1 April (the start of the financial year). This presented many problems for running services after 1 April, without confirmation of funding. This particularly impacted on the Caxton Foundation in relation to its Regular Payment Scheme. Until DHSC confirmed funding, the Trustees could not approve the annual budgets and agree to make regular payments for that financial year. The payments were discretionary but nevertheless these delays created uncertainty and worry for the beneficiary community who may have become reliant on these regular payments. I am asked if I expressed concerns to DHSC that the delay in their notification letter concerning funding impacted beneficiaries. I did not express concern to DHSC about this issue since the relationship with DHSC was not my remit. The CEO and Trustees were aware of the impact on beneficiaries and it is possible that they raised these concerns with DHSC, but I am not aware whether they did so.

44. Caxton and MFT had basic contact information about its beneficiaries, demographic information and in the case of those who applied for financial support, financial information. This information was, in the case of the Caxton Foundation, gathered on registration forms and then grant application forms and regular payment forms. For MFT, information was gathered during the annual census for the regular payment scheme and grant application forms. In line with data protection regulations, information was only requested that was necessary for processing registrations and considering financial support.

45. Data shared with DHSC was anonymised. I did not attend the annual meetings with DHSC and I do not know what data, if any, was shared. I recall that anonymised data was requested by DHSC on occasion to enable them to respond to parliamentary questions.

46. I am not aware of any other sources of income to the Caxton Foundation during my tenure. I am aware that MFT had two large donations prior to my starting at the trust. One donation was for the advancement of beneficiaries' education and business. This was named the Wilson Fund. The other was a legacy from a widow of a Macfarlane Trust beneficiary. This was not a restricted fund but the Trustees chose

to designate it for use to make grants to widows/widowers/surviving civil partners to assist them to regain economic and social independence. This was called the Honeycombe Fund.

47. I was not at the trust when either donation was received so do not know the amount of the payment, this will be available in the annual accounts. The level of each fund declined during my tenure as grants were issued which met the criteria. In both cases decisions relating to how the funds were used were taken by Trustees prior to my arrival. I am aware that there was money from both these donations still available when I joined MFT and therefore these funds continued to be promoted to beneficiaries through newsletters/information updates. Beneficiaries could apply for grants using the same process that was used for other one off grants.

#### Financial Management/governance

48. As stated above, whilst I provided input into the budget setting process, budgets were not my remit and I do not recall details of the financial management process. Decisions relating to the reserves were taken by Trustees and again were not part of my remit. The organisations were very careful to ensure that operational costs were low for example the sharing of office space and equipment to reduce overheads. As set out above decisions, on staff salaries were taken by the Caxton Foundation board and I have no knowledge of how these were set.

#### Section 8: Identifying beneficiaries

49. I do not know how the majority of MFT beneficiaries were identified as this was done at the time the charity was set up. I recall one or maybe two potential beneficiaries approached MFT to apply for assistance whilst I was working there. To the best of my recollection they had been infected with HIV through their partner (an MFT beneficiary) and their partner had suggested they contact MFT.
50. As set out in the Caxton Foundation's governing document, to qualify as a beneficiary of the Caxton Foundation a person (or their spouse/partner, or parent (in the case of dependent children)) needed to have received a payment from the Skipton Fund. During my time at the Caxton Foundation, the Skipton Fund would inform its registrants of the existence of the Caxton Foundation so they could register. In August 2014 the Skipton Fund was asked by DHSC to conduct a look

back exercise in which it attempted to contact everyone who had received a Stage 1 payment with whom it was no longer in contact. As part of this exercise registrants were informed of the Caxton Foundation.

#### Section 9: Eligibility for payments

51. As set out above, the basic eligibility criteria for someone to be a beneficiary were set out in the Trust Deeds of MFT and the Caxton Foundation and to the best of my recollection these did not change during my tenure.

52. When I joined the Caxton Foundation I recall that to register for the Caxton Foundation applicants completed a two stage registration process which included a request for financial information, although I do not recall the details. A new process was introduced in September 2014 for beneficiaries to complete a one page (two sided) application form to register as a beneficiary. This requested basic contact information. More detailed financial and health information was only gathered if a beneficiary requested financial support (see Section 10 below).

53. To confirm eligibility as a beneficiary, as set out in the Governing Document, applicants were asked on the registration form for consent for the Caxton Foundation to confirm with the Skipton Fund that a Skipton Fund payment had been issued. Following confirmation from the Skipton Fund that the beneficiary or their spouse had received a payment, the applicant became a beneficiary. This did not involve the exercise of discretion by a member of staff or Trustee, either Skipton Fund payments had been received or they had not. Applicants did not have to provide medical evidence to register with the Caxton Foundation. Once registered as a beneficiary of the Caxton Foundation a beneficiary received communications from the charity, was eligible for support from the external advisers and could apply for financial support e.g. one off grants or the regular payment scheme. I address eligibility for grants in Section 10 below.

54. To the best of my recollection, information about the Caxton Foundation and the registration process was shared with Skipton Fund registrants by the Skipton Fund when they received a Skipton Fund payment. If a potential beneficiary contacted the Caxton Foundation directly they were sent a letter of introduction setting out more information about the charity along with the registration form to complete and freepost envelope for its return. To the best of my recollection information on how to

register, along with contact details, were on the Caxton Foundation website. I am not aware if DHSC were aware of the registration form and process for eligibility of the Caxton Foundation however they would have been aware of the eligibility criteria as it was set out in the Governing Document.

55. I am not aware of Caxton Foundation Trustees reviewing the eligibility criteria for the Caxton Foundation as it was set out in the Governing Document.

56. It is my understanding that potential beneficiaries of the Macfarlane Trust were identified and registered at the point of the charity's creation. I am not aware the procedural requirements at that time. I expect eligibility for MFT was set out in the Governing Document.

57. To the best of my recollection there were two or maybe three new applicants to the Macfarlane Trust during the time I worked for the charity. Decisions on whether someone was accepted as a beneficiary of the Macfarlane Trust (and eligibility for payments from MFET) were taken by DHSC. DHSC provided an application form for applicants to complete and these could be sent directly to DHSC or, if applicants preferred, via MFT. I am aware that medical information was sought as part of this process but do not know what medical evidence or burden of proof the DHSC required for these applications. I recall that it could take up to a year for the DHSC to review applications and respond with a decision despite ongoing chasing by MFT on behalf of the applicant. I do not know who took the decision at DHSC as to whether an applicant was eligible for MFT (or MFET).

58. Once registered with MFT, beneficiaries received communications from the charity, were eligible for support from the external advisers and could apply for financial support eg. one off grants or the regular payment scheme. I am not aware of MFT Trustees reviewing the eligibility criteria for the MFT as it was set out in the Governing Document.

59. The Caxton Foundation and MFT were independent charities set up by the Government twenty years apart to support two different groups of people. As noted above, eligibility for the Caxton Foundation was based on whether an applicant (or their spouse) had received a payment from the Skipton Fund. Decisions on eligibility for MFT (and MFET) were made by DHSC and I did not have detailed knowledge of the criteria or process. I do not have a view on whether the differences were justified. My role was to administer the payment schemes which had been established.

60. At MFT the majority of beneficiaries were registered before I joined the organisation. I therefore have no knowledge of whether any concerns were raised at the time about the eligibility requirements for MFT. As stated the only concerns I recall being raised in respect of the eligibility for MFT related to the delays in processing the small number of new applications (see 57 above).

61. I do not recall any concerns raised with me regarding the eligibility procedure or requirements for the Caxton Foundation. As stated above a new registration form was introduced to streamline the registration process and provide information about the organisation and what support it could provide.

62. I address the Caxton Regular Payment scheme and grant eligibility below in section 10.

#### **Section 10: Decisions on substantive applications**

##### **The process, criteria and policies, decisions on applications**

63. For clarity, I have grouped my responses to the questions in Section 10 of the Rule 9 request concerning the application process, guidelines, payments etc based on the types of services and grants offered by each organisation. Each service had different criteria or processes. I have responded to questions which do not fit into these areas at the end.

#### **The Macfarlane Trust**

##### **Regular Payments**

64. The Macfarlane Trust had two regular payment schemes, one for 'Primary Beneficiaries' (those beneficiaries with HIV) and one for widows/widowers/surviving civil partners of Primary Beneficiaries. MFT also had a scheme to pay widows/widowers/surviving civil partners the equivalent of the MFET payment that the Primary Beneficiary would have received for, I believe, six months, following the death of their spouse/civil partner. The MFET payments ceased on the death of an MFET registrant and these charitable equivalent payments provided a period of financial stability in the immediate period following the death of their spouse/civil partner. During this time beneficiaries were also offered benefits advice, if needed, to

ensure they were in receipt of all possible statutory support and were encouraged to apply, if relevant, for the MFT widow/widower/surviving civil partner scheme.

65. I do not know what framework was used to design the regular payment schemes, as both schemes were in place when I joined the Trust. The regular payment schemes involved an assessment of household income and the level of support was tiered, with more support for those with a lower household income. Beneficiaries were not eligible for regular payments if their income was higher than a specified figure (I think this was c£37,000 for Primary Beneficiaries but I do not recall the exact figure). When calculating household income there were certain benefits or income which was not included, for example disability related payments (DLA/AA/PIP) or the MFET payments (c£14k per annum). Other household income, including spousal or family income, was assessed to ensure there was a full picture of the finances of the household. The decision to include the Skipton Fund Stage 2 income when calculating income levels was taken by the Trustees before I joined MFT so I do not know the reasons for the decision to include this. I am asked to give my view on the MFT regular payment scheme thresholds. The MFT regular payment framework had been in place for a number of years when I joined the Trust. My role was to administer the regular payment schemes, the terms of which were decided by the Trustees. I did not express my personal views to the CEO or Trustees about the schemes and the income threshold that had been set, because I did not consider this part of my remit.
66. The income bands and the level of payments were reviewed annually by the Trustees. To the best of my recollection, the level of the regular payments was increased each year in line with the percentage increase of the MFET payment. The percentage increase of the MFET payments was set by the Government.
67. The MFT regular payments schemes had been in place for a number of years when I joined the trust and so I have no knowledge of how they were established or how feedback from the beneficiary group feed into the process when it was designed. However, during my time at the Trust, I recall that feedback received from beneficiaries was considered and changes were implemented if possible or relevant. We also took individual situations into account if possible.
68. In line with charitable practice there was an annual review of beneficiary's circumstances to establish any changes in circumstances which may impact their



regular payment amount. If a beneficiary informed the Trust of a change in circumstances during the year, for example a reduction in benefits or a drop in income, they would be reassessed and, if relevant, their MFT payments could be increased during the year.

69. As part of the annual review process, all beneficiaries were sent a form along with guidelines relating to the process including the income brackets for the financial year and a freepost envelope for its return. The Support Services Officer was available to provide guidance or advice to beneficiaries over the phone and by email if they needed support to complete the form or had queries (for example regarding the evidence needed). To apply for payments beneficiaries were asked to provide evidence of their income along with their completed form. All beneficiaries were encouraged to return the form. Those who did not want to apply for the payments or were over the income limit were asked to confirm contact details, but did not need to provide financial information. This ensured the trust had up to date contact details for all beneficiaries.
70. The Support Services Officer processed the MFT regular payment applications, checking payment levels, confirming income against evidence provided etc. Once the documentation had been received and assessed by the Support Services Officer, as Director of Operations I would check these calculations and sign off the payments to enable the Support Services Officer to arrange payment and communicate decisions to the beneficiaries. To the best of my recollection payments were made monthly or quarterly, at choice of the beneficiary.

#### Child Supplements

71. MFT provided Child Supplement payments for Primary Beneficiaries with children. This was an additional monthly amount, on top of the regular payment received by the parent as Primary Beneficiary. A Child Supplement payment was paid for each child, up to the age of 18 or up to the age of 21 if the child was in education. I do not recall the level of the Child Supplement payments. Children did not need to be in the household, if the Primary Beneficiary was co parenting. Child Supplement payments could also be made for adopted/step children for whom a Primary Beneficiary had parental responsibility. Child Supplement payments were paid to the surviving spouse/civil partner if a Primary Beneficiary had died. To qualify for these payments beneficiaries were asked to provide a birth certificate when a child was born. No further proof was requested until they reached 18 when evidence would be requested

that they were still in education. Child Supplement payments were agreed by staff based on evidence of a child for whom the Primary Beneficiary had responsibility (ie production of a birth certificate).

#### Winter fuel grants

72. To the best of my recollection a Winter Fuel Grant of £250 or £500 was made to 'Primary Beneficiaries' in receipt of MFT regular payments, ie those on lower incomes. The purposes of these payments was to provide additional financial support for heating due to the beneficiaries' health related needs for warmer properties. Trustees took the decision on payments during the year and once agreed, these payments were automatically made to those eligible. Beneficiaries were not required to apply for these payments.

73. In 2016 the Government introduced payments for winter fuel into the new payments introduced through MFET and the Skipton Fund. After this time Winter Fuel Grants were no longer provided by MFT, as provision was made through ex-gratia payments.

#### Lump Sum payments

74. I am not aware of any lump sum payments being made by MFT during my time at the organisations.

#### One off grants

75. The MFT provided one off grants to beneficiaries for specific purposes. There was a list of purposes it would not fund (eg private medical expenses) which was made available in both the application guidelines (issued to beneficiaries), on the website and in newsletters. With the exception of the list of excluded purposes, MFT would consider all other requests on a case by case basis if they met the objects of the charity.

76. The Trustees gave delegated authority for staff to make decisions on some categories of grant applications, through the Grant Guidelines (sometimes referred to by their previous name Office Guidelines). The Grant Guidelines was an internal document which identified specific evidence needed or benchmarked amounts for

some of the more commonly requested grants, to ensure consistency in the processing of applications. The Grant Guidelines allowed for more common requests and those of a lower value to be responded to in a timely manner. Beneficiaries did not need to wait until the next meeting of the Grants Committee for approval. Applications could be considered, approved and beneficiaries informed quickly, which led to a better beneficiary experience and more responsive process.

77. I do not recall which Office Guidelines were in place at the time I joined MFT. However the new Grant Guidelines were introduced, shortly after I joined MFT and therefore these, and any subsequent updated versions, would have been the document used during my time at the trust.

78. Prior to my arrival at the Trust, the Trustees had taken the decision to implement a new Grants Committee to replace the National Support Services Committee (NSSC). The Grant Guidelines, grant application form and application guidelines (guidelines for beneficiaries) were designed prior to my arrival ready to present at the first board meeting I attended on 20 May 2014. I do not recall the detail but I expect I saw a final version of the documents and was involved in updating them further to Trustee feedback during the process. I was not part of the initial work to design and write them, which had been completed before my arrival. I therefore cannot comment on the process that was followed to produce these documents. I am asked how often the Grant Guidelines were updated and my involvement. I do not recall a precise timetable for updating. However changes came about in the course of reviewing cases. For example in [MACF0000155\_052] a discussion on a case related to university costs resulted in agreement to amend the Office Guidelines so more cases could be agreed through the office without waiting for the Grants Committee meeting. Likewise in [MACF0000022\_009] there is reference to a change in the office guidelines for respite breaks. I do not recall these specific examples but the general approach would have been that the Support Services Officer would have drafted the amendments agreed at the committee and I would have reviewed them along with the CEO. I am asked for my view on the new grant guidelines introduced in 2014. I do not recall disagreeing with the design of the application form or guidelines, they reflected processes used in grant making.

79. The Grant Guidelines document contained benchmarking of maximum grant levels for certain items along with expected evidence to guide the members of staff in exercising the authority delegated by the Trustees. Guidelines which outlined the

processes were sent to beneficiaries when they requested a grant and to the best of my recollection were sent to all beneficiaries when introduced in 2014. The medical Trustee on the Board was able to provide expert medical advice when the Guidelines were reviewed at the Board. On occasion the Grants Committee asked for the medical Trustee to provide input or context relating to medical requests at a policy level, for example what medical related treatment or equipment would be provided through the NHS or other statutory sources. I am asked for examples of when the MFT medical Trustee was asked for input in the grant making process. I do not recall these occasions however I note from the minutes of the Grants Committee and Board, provided by the Inquiry, an occasion when the Medical Trustee was asked for input into discussion on the number of applications relating to financial support for prosthetic limbs [MACF0000155]. They were also consulted on an application for a grant to fund a respite break [MACF0000170\_018] and asked for input into discussions on policy related to grants for dental implants [MACF0000022\_033]. I considered that sufficient medical input was available to inform MFT's policies. MFT had a medical Trustee on the Trustee Board who contributed to any policy discussions and was available for questions by staff if needed. The user Trustees also provided input to policy decisions from a perspective of lived experience with the health conditions, to provide a rounded view of the situation. The Trust was in constant communication with beneficiaries and noted and reviewed feedback provided related to the grant and regular payment policies. I am not aware of DHSC having input in the policies but as earlier stated liaison with DHSC was not in my remit.

80. To apply for a grant beneficiaries would complete an income and expenditure form outlining household finances. To the best of my recollection beneficiaries were not asked for proof of their income or expenditure for one off grants, this was taken on trust. If a beneficiary had applied for a grant within the last year, and therefore up to date financial information was held on record, the beneficiary would not be asked to provide their financial information again, but would need to outline the grant they were requesting in writing. Likewise if income information was already available to MFT from the annual census for the regular payments scheme, only expenditure information would be requested for a grant application. Beneficiaries were also required to provide quotes (usually two) for the work or item for which they were requesting financial support, in line with charitable grant making good practice. A grant could not be agreed without evidence of how much was being requested. If a beneficiary had difficulties completing a form or could not provide evidence the

Support Services Officer would work with them as part of the grant casework to support them through the process and understand the limitations preventing them from providing the documentation needed. It may be that a case could be considered with just one quote for example, if there was a good reason why it was not practicable for the applicant to obtain two quotes. Each request was considered on a case by case basis.

81. If the grant was specifically medically related, eg for a prosthetic leg or mobility equipment, beneficiaries were requested to provide a supporting letter from a medical practitioner to confirm the medical need and that the item was suitable and would provide the best medical support in the long term.
82. Grants were being made with charitable funds to beneficiaries who needed additional financial support. A breakdown of the full household income and expenditure, including partner's earnings, and common household expenditure helped to demonstrate whether a beneficiary had the resources to fund an item for themselves. This was part of the checks and balances in place to ensure charitable funds were spent appropriately to meet charitable need. Previous grants would also be considered as part of an audit process to understand if grants had already been granted for similar items. I am also asked to describe the income brackets for MFT one-off grants, who set them and where they were published. In relation to one-off grants there were no income brackets. As there were no 'income brackets' for one off grants, no one set them and they were not published or reviewed. If office staff noted that an applicant's disposable income suggested they may be able to meet the need themselves, the case was referred to the Grant Committee for consideration. Guidance for the process of applying for one-off grants was made available to beneficiaries on the MFT website and in a document sent out with the grant application form.
83. Grants which fell with the delegated authority of staff under the Grant Guidelines were processed by the Support Services Officer, and then presented to me or the CEO for approval. The Grant Guidelines set out the maximum amount of a grant each member of staff could approve. I do not recall the amounts at this time.
84. If a grant did not fall within the Grant Guidelines it would be presented to the Grants Committee for a decisions at its meetings. The Grants Committee met on average every 6 weeks. If a beneficiary's application was to be considered by the Grants Committee, they would be informed with the dates of the meetings. The Grants

Committee was a subcommittee of the Trustee Board and three members of the Trustee Board sat on the Grants Committee. Staff attended the Grants Committee to present cases and answer questions, however decisions were taken by the Trustees on the Grants Committee. Cases were anonymised and presented with a cover sheet detailing the grant request along with a list of other Grants and regular payments received by the beneficiaries, their income and expenditure information and any other information, including quotes or cover letters, which the beneficiary provided. I am asked for my view on the decision to consider the amount of money previously given to an individual when assessing their application. It is my experience in grant making that it is not unusual for the level of grant support previously provided to be part of the information reviewed and considered by those making decisions as part of the grant approval process. The Grants Committee would not generally refer to the Grants Guidelines as cases which went to the Grants Committee were those which fell outside of the Grant Guidelines, however I do recall that they made reference to them in relevant cases to ensure consistency of approach e.g. on levels of grant payments. After the Grants Committee, the Support Services Officer, or in their absence, myself, would prepare letters to beneficiaries setting out the decision of the Grants Committee.

85. Responses to criticism of the process varied depending on the criticism. If it was something that could be amended it would be (eg introducing auto populating forms with basic contact information before they were sent to reduce administrative work for beneficiaries) or if a larger procedural change it may have been considered by the Grants Committee.
86. All grants applications were considered on a case by case basis and not linked to the overall demand on the relevant fund. I do not recall how many applications were successful each year but I am aware that this information was shared with the Grants Committee at each meeting and then with the Board and so will be available to the Inquiry in meeting agendas/papers.
87. My understanding of charitable need is best explained by reference to the Charity Commission guidance on charitable purposes, which states: "Generally speaking, it is likely to be charitable to relieve either the poverty or the financial hardship of anyone who does not have the resources to provide themselves, either on a short or long-term basis, with the normal things of life which most people take for granted."<sup>2</sup>

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<sup>2</sup> <https://www.gov.uk/government/publications/charitable-purposes/charitable-purposes>

88. Grants applications would be considered by the Board as part of the appeals procedure (see section 11). Cases relating to the outstanding loans would be considered by the Board. The requests as part of the final grants scheme prior to closure were considered by the Board. To the best of my recollection, all other grant requests were delegated to the Grants Committee or delegated to members of staff under the Grant Guidelines.
89. In the case of an emergency, for example if a benefit was stopped and a beneficiary had no food or money for utilities, the CEO had delegated authority to provide emergency same day grants to ensure a beneficiary had money available to them in the short term. Beneficiaries were then referred to the benefits adviser (and if relevant a money management adviser) to support them in claiming or reinstating the benefits which were relevant. Grants applications which were urgent but could not be considered under the Office Guidelines would be considered by the Grants Committee by email or 'Round Robin'. Responses were usually received from Committee members promptly and beneficiaries informed within a few days of MFT receiving the grant request and relevant paperwork.
90. To release payment, after a grant had been agreed, beneficiaries would provide the receipt to demonstrate purchase of the item or invoice showing completion of the work and a payment would be released. Beneficiaries were also given the option of receiving vouchers for the relevant shop to purchase their items, if this was their preference.
91. At MFT during my time the Trustees and staff made a conscious effort to ensure that grants were as consistent as possible. The Grant Guidelines provided benchmarking for cases approved by staff. At the Grants Committee the Support Services Officer would provide, where possible, amounts agreed for comparable grants so that Trustees could see the context. The Grants Committee strived for consistency, although it must be noted that all grants were considered on a case by case basis and there were many factors to consider, so two grant applications which may have looked superficially similar might have been treated differently but still fairly.
92. Assessing levels of disposable income was part of the grant making process and as noted in [MACF0000022\_008] it was discussed between staff and Trustees. I do not recall that exact discussion at that committee but as part of the grant making process

there would be ongoing discussions and learning between staff and between staff and Trustees on cases. Staff did not decline applications for grants, if an application did not meet Grant Guidelines it would be presented to Grants Committee for decision. There was not specific written guidance but staff attended Committee meetings and were therefore in attendance for Trustee discussion on specific cases so staff would gain awareness of the approach taken by Trustees, for example, in the treatment of disposable income.

93. I do not recall the case referred to in [MACF0000170\_018] and do not recall the approach to contingency funds for large projects.
94. In relation to transcript with beneficiary [MACF0000171\_029]; other than the beneficiary mentioned in your questions, I do not recall other cases where it was suggested that beneficiaries disclose their HIV status to creditors. In this case I understand this was an integral part of the money management advice so that a reduction in the credit cards and loans could be negotiated. There was ongoing dialogue with both the beneficiary and Pennysmart in an attempt to progress this case. To the best of my recollection in this case other factors meant that it was agreed with beneficiary that they would work with other debt advisers of their choosing, which they did. The case was reviewed with the external advisers. I recall this was a very complex case with a number of elements but I cannot now recall the specific details clearly.
95. The retrospective grants policy was in place when I joined MFT but in my experience of the charitable grant making sector it is common for charities not to support grants for items that a beneficiary has already purchased at the point at which they approach the charity for support. To the best of my recollection the retrospective grants policy was on the website, and would be set out for someone if they sent in an application for a retrospective grant. Retrospective grants were considered if a beneficiary could demonstrate why they had to make the purchase immediately and could not contact MFT before making the purchase. Retrospective grant applications could not be approved by staff but went to the Grants Committee. I do not recall the policy changing in respect to one off retrospective grants during my tenure. However I recall the Trustees took the decision to allow retrospective grants as part of the final grants programme for property related expenses beneficiaries may have occurred in the period between the transfer of services to NHSBSA in November 2017 and the final grants programme opening in Jan 2018.



96. I do not believe that there were inequalities in the way in which the Trust disbursed payments, during the period I worked for MFT. As set out above there were policies and processes in place to ensure consistency where possible. However, grant making is subjective as the whole situation of a beneficiary is considered when making grants so two beneficiaries asking for the same item may receive a different decision depending on their situation.

97. I am asked my view on the reason grants were underspent in the first three quarters of 2014. I do not recall, however I note the possible reasons are noted in the minutes of 27 April 2015 [MACF0000022\_057]. I am asked my view on the reason for underspend on grants in 2016/17. I do not recall, however I note in [MACF0000027] it is stated that in November and December of 2016 additional ex-gratia payments had been made through MFET and the Skipton Fund to beneficiaries of the Macfarlane Trust.

#### Non-Financial support

98. As set out in Section 4 above MFT and the Caxton Foundation provided benefits and money management advice to beneficiaries. Information about this support was made available on the organisation's websites, in regular communications sent to beneficiaries and, in the case of the Caxton Foundation, in communication with new applicants. The Caxton Foundation and MFT predominantly provided financial support but where possible signposting was made to other charitable organisations who may be able to support clients. The MFT Support Services Officer would also, when appropriate, provide ongoing casework (including referrals to local face to face support agencies or social services) for beneficiaries who needed additional support. I am not aware of any non financial support provided by Skipton Fund and MFET.

#### Loans

99. MFT did not make any loans to beneficiaries in the time I worked for the Trust. I have no knowledge of the types of loans provided prior to my time at the Trust or the criteria for considering loans to beneficiaries or the Trustee Board's decision to issue them. I am not aware of the policy on loans changing whilst I was working for MFT.

100. In relation to [MACF0000043\_315] I have no recollection of this case and therefore cannot recall why MFT covered the bond for this beneficiary to enable them to move properties. The beneficiary would not have been provided a loan as the Trust did not make loans at that time. I recall rental bonds were provided to beneficiaries on occasion if requested. I do not recall the details.

101. I am asked to comment on whether MFT's loan policy fitted in with its charitable purpose. As stated above, the decisions to provide loans were made before I joined the Trust and I have no knowledge of the reasons for those decisions. Sometime before I joined MFT, a decision had been taken to cease offering loans. I understand from discussions concerning loans during my time at MFT that loans were made so that beneficiaries who needed significant financial assistance, above the level at which the Trustees considered that a grant would be appropriate, could be supported. Providing the support in the form of a loan meant that those funds could be returned to the charity so they could continue to be used to support the wider beneficiary community. I am asked for my view on the decision of the MFT to provide loans to beneficiaries and, if I disagreed, whether I raised concerns. As noted above, my role was to implement and administer the policies set by the Trustees. It is difficult to take a view on a policy when I was not party to or aware of all the decisions and processes leading to the policy. I am aware from my experience of other grant making charities that it is not unusual for grant making charities to offer loans as a way to support their beneficiaries with the funds ultimately being returned to support more beneficiaries. Since the policy was no longer in place when I was in post it would not have been relevant for me to share my views positive or negative about the historic policy.

102. I am aware that legal advice was sought in relation to the loans but I was not directly involved with this and I am not aware of the details. The Board's policy of not transferring loans to new properties was in place when I joined the organisation, and I therefore have no knowledge of the reasons for its introduction. To the best of my knowledge, it was applied consistently during the time I was at the Trust

103. In relation to [MACF0000044\_005] as stated above the policy not to transfer loans to new properties was in place before I joined MFT. The decision to withdraw the policy that loans would be secured against property was taken before I joined the Trust. I was not party to this decision and have no knowledge of the reasons. The policy decision related to future secured loans being agreed, existing secured loans

remained in place until such time as they were repaid. The question of providing support to beneficiaries who had received secured loans previously did not arise in those circumstances. I am asked for my view on the decision of the MFT to provide secured loans to beneficiaries and, if I disagreed, whether I raised concerns. Again it was my role to implement and administer the policies set by the Trustees, and in any event it is difficult to take a view on a policy when I was not party to or aware of all the decisions and processes leading to the policy. As noted above it is not unusual for grant making charities to offer loans as a way to support their beneficiaries. Since the policy was no longer in place when I was in post it would not have been relevant for me to share my views positive or negative about the historic policy.

104. To the best of my recollection, the removal of legal charges from a property were prompted by the repayment of the loan, such that there was no longer a loan to be secured by a charge. In relation to the case referenced at [MACF0000043\_173], it was my role to liaise with the Trust's solicitor to prepare the relevant paperwork to remove the charge and obtain Trustee signatures on relevant forms. I also liaised with the beneficiary to update them on progress and any actions they needed to take.

105. I note the statement made by Clair Walton in the third exhibit of her witness statement. I do not recall the exact chain of emails or the action I took on receiving these emails. However, I do not believe that not forwarding to all Trustees was a 'highly irregular' action. Within MFT there was a chain of reporting and it would not have been my practice to automatically forward emails to members of the Trustee board, rather I would refer requests through the CEO or Chair of Trustees to decide on further action and whether it needed to be disseminated more widely.

106. MFT had a policy that it could make an advance payment of its charitable regular payments for items that were outside the scope of the grants policy and for which a grant could not be agreed. This was to support beneficiaries with cash flow if they needed an item (for which a grant could not be approved) but did not have the money available and could not wait to make the purchase. An advance of their regular payment was released and repayments taken from the monthly regular payments. To the best of my recollection the advance policy formed part of the Grant Guidelines. I do not recall the detail, other than that an advance could not be for a sum larger than two years of regular payments. Requests for advances were considered by the Grants Committee or for smaller amounts by staff under the Grant Guidelines, in which case these would be considered by myself or the CEO. Beneficiaries could

request an advance or an advance was suggested by the Grants Committee if a grant was not suitable or could not cover the full costs of the request. All advances were with the agreement of the beneficiary and only released once they had confirmed their agreement for repayment to be taken from their regular payments.

### The Caxton Foundation

#### Winter Fuel Grants

107. The Caxton Foundation provided a £500 winter fuel grant for beneficiaries of the Foundation. The payment was introduced before I joined so I have no knowledge of why the Trustees decided to introduce this as non-means tested benefit. In 2016 the Government introduced payments for winter fuel into the new payments introduced through MFET and the Skipton Fund. After this time Winter Fuel Grants were only provided to widows/widowers/surviving civil partners, as provision was made through ex-gratia payments for Primary Beneficiaries.

#### Regular Payment Scheme

108. The Trustees of the Caxton Foundation agreed to introduce a Regular Payment Scheme, to provide additional support to its beneficiaries on a low income, prior to my arrival at the Caxton Foundation in 2014. I understand from attendance at Board meetings that the Trustees wanted to ensure the scheme was based on an externally recognised measure of low income. Trustees had agreed to use the Households Below Average Income (HBAI) framework. This decision was taken before I joined so I cannot comment on how they selected this framework or decided on the initial criteria as being 60% median income. I am asked for my view on the Caxton Foundation regular payment scheme and the threshold set by the Trustees prior to my arrival at the Caxton Foundation. Although the design of the scheme was a matter for the Trustees, I was aware that the framework which was used (HBAI) is also used by other charitable organisations to assess criteria for their grant schemes. Caxton Foundation worked to ensure that the scheme was fair in its approach within that framework, reviewing and updating it as needed.

109. In November 2014 we wrote to all beneficiaries to inform them of the new scheme along with application form and invited them to apply to the scheme. After receiving

and processing applications it became evident that less beneficiaries had income under 60% HBAI than analysis based on historic data had suggested. Full details of the reasons for this and why an increase in the level of household income below which people would be eligible for a payment to 70% is set out in [CAXT000076\_010]. The amount received varied depending on the number of people in the household, this was set by the Trustees. Beneficiaries who had not already applied were then invited to apply for the payment at the new criteria level. I am asked why, in my view did so many people change income bracket in the last census with reference to [CAXT0000007\_028]. Document [CAXT0000007\_028] relates to the first year of the Caxton Regular Payment Scheme (2014/15) and the decision to increase the income brackets under which beneficiaries could apply for payments. Since the threshold was increased, more beneficiaries fell into the income bracket which made them eligible for regular payments.

110. To apply for a regular payment, beneficiaries completed an application form and provided evidence of their income. The assessment was completed by a temporary member of staff recruited to assist with this process due to the additional workload. I checked applications against our internal process document to confirm eligibility. To the best of my recollection the criteria was consistently applied. There was no Committee for determining applications for regular payments because this was an administrative process of determining whether the eligibility requirements has been met and did not involve an exercise of discretion. In the first year (2014/15) payments were made in March and backdated for the full year, subsequently they were paid monthly (with the exception of international beneficiaries who were given the choice to receive payments quarterly). The income brackets for each category of support were increased each year in line with the HBAI which is published on an annual basis.

#### One off grants

111. The Caxton Foundation provided one off grants to beneficiaries. There was a list of purposes it would not fund (eg pet related costs) which was made available on the website, sent to beneficiaries on request on when they first registered and was summarised in newsletters/information updates. With the exception of the list of purposes for which grants were not available Caxton would consider all other requests on a case by case basis if they met the objects of the charity.

112. The Caxton Foundation Trustees gave delegated authority for specific grants, those more commonly requested, to be approved by staff under the Office Guidelines. The Office Guidelines was an internal document which identified specific evidence needed and maximum grant limits for some of the more common grants. The Office Guidelines allowed for more common grant requests to be responded to in a timely manner, and with consistency. Beneficiaries did not need to wait until the next NWC for approval. Grants could be considered, approved and beneficiaries informed within a few days which led to a better beneficiary experience and more responsive process.
113. The Office Guidelines were reviewed and updated on an ongoing basis. There was not a specific time frame, although to the best of my recollection the board did see it annually; it was updated when there was a need. Each change is referenced in the minutes of the NWC to which the Inquiry has access. Reviews would ensure that the benchmarking was still reflective of average costs for items (based on average high street costs and the Minimum Income Standard research). The Office Guidelines were also updated to add grants which had become more common. For example, I recall that financial support linked to a new baby was added to the Office Guidelines following conversations and requests from beneficiaries relating to this cost.
114. The Office Guidelines did not include a definitive list of what could be considered. All applications for grants were considered on a case by case basis in line with the Caxton Foundation's charitable objects. I do not recall the Office Guidelines which were in use when I joined the Caxton Foundation. The 2014 Guidelines you refer to [CAXT0000103\_005] state they were updated in August 2014, it is therefore unlikely these were the ones used when I joined earlier in 2014 but will have been in place from August 2014 onwards until they were updated.
115. Any changes to the Office Guidelines were either instigated by the NWC and ratified at the next meeting or presented by staff in a paper to the NWC along with research to support the change. Such proposals were considered by the NWC and if agreed, the new changes would be adopted. During my time at the Caxton Foundation I recall writing these papers for the board, some may have been written and presented by other staff. I do not recall the medical trustees having direct input into this process during my time in the organisation although it is possible they were consulted on medical related queries. I am not aware of DHSC inputting into the

office guidelines but my contact with officials at DHSC was limited so I am not aware if these were shared with them. Beneficiaries did not directly input into the office guidelines, with the exception of the user Trustees. However we were in continuous contact with beneficiaries applying for grants and so feedback from conversations or requests did influence changes.

116. The minutes of the NWC on 1 June 2015 refer to changes to the Office Guidelines. To the best of my recollection I prepared the paper outlining proposed changes to the Office Guidelines. I expect I would have sought input from the CEO and Welfare Officer when preparing the paper although I do not have a specific recollection of doing so. To the best of my recollection the paper would have been necessary to update the Office Guidelines to reflect changes in grant requests and enable more grants to be considered by staff and therefore provide a speedier response to beneficiaries. I recall that the addition of car purchase into Office Guidelines was as a result of an increase in car-related grant requests considered by the NWC. It was agreed by the NWC that these could be added to the Office Guidelines to allow a more speedy process for beneficiaries for a grant which was more common and for which there was an agreed benchmark and clear criteria to apply. I do not recall the background of the other changes mentioned in the minutes, it is likely these are set out in the paper which is part of the agenda.

117. To apply for a grant beneficiaries would need complete an income and expenditure form outlining household finances. To the best of my recollection beneficiaries were not asked for proof of their income for one off grants, this was taken on trust. If a beneficiary had applied for a grant within the last year, and therefore up to date financial information was held on record and there had been no significant change of circumstances, the beneficiary would not be asked to provide their financial information again, but would just need to outline the grant they were requesting in writing. Financial information on the household was requested as part of the grant making process to provide a picture of the financial situation and help determine charitable need.

118. In line with charitable grant making practice beneficiaries would also need to provide quotes for the item they were requesting. If the grant was specifically medically related, e.g. an electric powered scooter or rise and recline chair, beneficiaries were requested to provide a supporting letter from a medical practitioner to confirm the medical need and that the item was suitable and would

provide the best medical support and benefit in the long term. If a beneficiary had difficulties completing a form or there was missing information, the Welfare Officer would work with them to understand what support was needed to provide the information and may complete a form with them over the phone. Quotes and information was accepted by post or by email, depending on the preferences of the beneficiary. If a beneficiary could not provide two quotes, the application would still be considered, by the NWC.

119. Grants which fell within the delegated authority under the Office Guidelines were processed by the Welfare Officer, and then presented to me or the CEO for approval. Approval limits were set out in the Office Guidelines. Standing Financial Instructions also existed which set out the maximum grant amounts which could be agreed by different roles. I was responsible for training new staff, using internal procedures on the processes and for ongoing training of the office staff as part of my management responsibilities.

120. If a grant did not fall within the Office Guidelines, if it was retrospective or the beneficiary could only provide one quote, it would be presented to the NWC at its meetings every 6 or so weeks. The NWC was a sub-committee of the Trustee board and Trustees sat on the Committee and made decisions relating to the grants. The NWC was in existence when I joined the Caxton Foundation so I cannot comment on how it was formed or how the participants were selected. I attended the NWC along with the CEO and Welfare Officer to present applications, record decisions and present policy proposals, e.g. revision of the Office Guidelines. The decisions on grants were taken by the Committee. The NWC did refer to Office Guidelines when determining applications if relevant, for example to ensure consistency of the amount of a grant awarded. The NWC was presented with anonymised information on each case including documentation and quotes provided by the beneficiary, their income and expenditure and a summary of previous grants awarded by the Caxton Foundation since its inception to ensure there was no duplication and that funds were allocated fairly. Individual one off grant applications were considered on their own merit and irrespective of the overall demand on the charity's funds. If a beneficiary's case was to be considered by the NWC the beneficiary would be informed and provided with the dates of the meetings. Grant applications were not routinely considered at the Board meeting, unless they were at the final stage of appeal.



121. In the case of an emergency, for example if a benefit was stopped and a beneficiary had no food or money for utilities, the CEO has delegated authority to provide emergency same day grants to ensure a beneficiary had money available to them in the very short term. Beneficiaries were then referred to the benefits adviser (and if relevant a money management adviser) to support them in claiming or reinstating the benefits.

122. If a beneficiary had an urgent request for a grant that could not be agreed through the Office Guidelines the case could be presented to the NWC by email or 'Round Robin'. An example of this would be if a beneficiary's benefits had been stopped and they were working with the external benefits adviser to get them reinstated or to apply for a new benefit, the benefits adviser would recommend a grant to replace the benefits whilst they were under review. In those circumstances, the application could not wait 6 weeks until the next NWC meeting but also could not be approved by staff under the Office Guidelines. The case would be prepared with supporting evidence and emailed to the NWC members to make a decision outside of the scheduled meeting. To the best of my recollection responses would usually be turned round and beneficiaries informed within a day or two of the case being sent. This enabled us to be as responsive as possible to beneficiaries' needs and respond to urgent requests.

123. After a grant was approved beneficiaries had the option to request the payment directly into their account or to be made to the company/organisation directly. For funds to be released directly clients were asked to sign a document to confirm the money would be used as intended. This was introduced before I joined the charity, but I understood it to be part of the risk and fraud management processes in place. Payments were made on a daily basis so payments could be made quickly. Beneficiaries were also given the option of receiving vouchers for the relevant shop to purchase their items, if this was their preference. As part of the risk management process and in line with auditing requirements, beneficiaries were asked to provide receipts for the item purchased, following payment.

124. During my time at The Caxton Foundation we made considerable efforts to ensure that decisions in respect of grant applications were as consistent as possible. The Office Guidelines provided benchmarking and identified key evidence to be considered in respect of common grant requests. At NWC meetings, the Welfare Officer would provide, where possible, amounts agreed for comparable grants to other beneficiaries to help with consistent decision making. The NWC strived for

consistency, although it must be noted that all grants were considered on a case by case basis and there are many factors to consider so two grant applications which may have looked superficially similar might be treated differently but still fairly. I do not recall the details of the cases you refer to in [CAXT0000094\_084] and [CAXT0000052\_001] but refer you to my above comment. With regard to [CAXT0000059\_003] I believe the comment relating to a beneficiary only receiving grants 'specifically related to his health and Hepatitis C' was relevant to that specific beneficiary.

125. Throughout my time at the two organisations we received feedback from beneficiaries regarding processes and policies. These came through beneficiary wide communications (e.g. the Caxton Foundation communication survey sent in 2014) or individual discussions with beneficiaries. We would take that feedback and adapt processes if possible and try to explain to beneficiaries when changes were not possible. An example of this was the new Caxton Regular Payment scheme set up in 2014. The scheme was designed to address all situations but as with any new scheme there were situations that were not covered. After sharing with beneficiaries, we received feedback on individual circumstances and questions on how particular beneficiaries fitted into the eligibility criteria, e.g. if their children were doing an apprenticeship. We looked at these on a case by cases basis and then updated our policy to reflect these unforeseen scenarios to ensure consistency for future applications.

126. To the best of my knowledge no Lump Sum payments were made by the Caxton Foundation.

127. I am asked to explain what support was given to beneficiaries to bring appeals to the benefits tribunal. If a beneficiary of either organisation needed benefit advice they could request a referral to the external benefit adviser. (See more detail in 24-31 above). If the case progressed through the benefit application process to Tribunal, the benefit adviser would represent the beneficiary at Tribunal, preparing papers, collating and submitting evidence and representing the beneficiary at the hearing. The costs for this work were covered by MFT or the Caxton Foundation. The availability of benefit advice was publicised to beneficiaries and they could request a referral if they needed advice or had benefit questions and a referral would be made.

128. The retrospective grants policy was in place when I joined the Caxton Foundation but in my experience of the charitable grant making sector it is common for charities not to support grants for items that a beneficiary has already purchased. To the best of my recollection the retrospective grants policy was on the website, on information sheets shared with beneficiaries when they registered with the charity and would be set out for someone if they made an application for a retrospective grant. So far as I recall, the Foundation's policy on the retrospective grants was broadly that a retrospective grant would be considered if a beneficiary could demonstrate why they had to make the purchase immediately and were not able to contact the charity before making the purchase (eg for car repairs to get a broken down vehicle home). These cases would be considered by the NWC.

129. To the best of my recollection, the first application that a beneficiary made for a retrospective grant would usually be agreed (if it met the criteria for support) and then the retrospective grants policy would be explained so that the beneficiary was aware of it when making future applications.

This approach ensured that beneficiaries who may not have been aware of the policy or were new to the Foundation were not disadvantaged. I do not recall the policy changing during my time at the Caxton Foundation. I note in [CAXT000039\_033] that the procedure was amended so that the office could agree a first retrospective grant.

130. As stated earlier charitable need can be attributed to a person's ability to fund something from their own resources. If something has already been purchased and paid for before requesting assistance from a discretionary fund, this tends to demonstrate that the beneficiary was able to fund the expenditure from their own resources. This was not the case in every situation, which is why each case was considered on a case by case basis to allow full consideration of a beneficiary's circumstances. I do not recall a specific policy when a beneficiary had made a purchase with a credit card.

131. In relation to [CAXT000094\_109] I do not recall what my view was at the time of this discussion.

132. Grant applications to cover beneficiaries' debts were presented to the NWC. It is my understanding from attending NWC meetings that Trustees did not consider debts to friends and families as being 'less important to be cleared'. However, they found it difficult to agree grants for debt to friends and family as debts to friends and

families could not be evidenced in the same way as debts to registered lenders could be, which raised audit and risk issues.

133. Grants to cover respite breaks were available for beneficiaries and their carers/family. Respite breaks could cover beneficiaries taking a break to convalesce after a period of ill health or following Hepatitis C treatment or for a family member who was caring for a beneficiary to have a break by providing professional carers for a period. The Trustees reviewed the policy on this in 2017 to clarify the criteria. To the best of my recollection, the Trustees agreed that it was difficult to agree requests many months in advance for a break as the beneficiary may not know if they would be well enough, following treatment, to take the break. Trustees agreed grants for this purpose should be requested within three months of when they wished to take the break and locations that involved long haul flights would not be considered. As with all grants, applications were considered on a case by case basis so there may have been exceptions to this. When these clarifications were agreed by the NWC, guidance on the website was updated to reflect the revised policy and it was highlighted to beneficiaries who applied outside of the timeframe. These beneficiaries were invited to apply later, which to the best of my knowledge many did and received a grant. I am asked for my views on the respite policy. As stated above, policies were a matter for the Trustees.
134. To the best of my knowledge, Caxton Foundation did not make any loans to beneficiaries.
135. When I joined the Caxton Foundation the Trustees and senior staff had identified that turnaround times for grant applications could be improved. It is my understanding that prior to my arrival, they had worked on this with the Welfare Officer and made improvements to the turnaround time for grants. I do not recall the exact turnaround times, and note that this varied each time it was reported as it was an average for a period of time. However I note from the documentation provided by the inquiry [CAXT0000111\_057] that in August 2015 they were 2 days for grants approved under the Office Guidelines and 11 days for applications which were considered by the NWC. The turnaround times continued to be monitored to ensure an efficient service was provided. The average response times were noted on the website for beneficiaries' information and to manage expectations in relation to grant application response times.

136. In my view the majority of grant applications were responded to in a timely manner, the Welfare officer worked hard to ensure applications were dealt with quickly as demonstrated by the statistics recorded in board papers. The only exceptions were due to high workloads or annual leave, which could make the response times longer particularly as there was only one Welfare Officer so providing cover during leave or busy periods was not straight forward. I do not recall the details of the case you make reference to [CAXT0000140\_144] so cannot comment on specifics.

137. I do not recall what percentage of applications were successful per year but to the best of my knowledge this was outlined in the NWC agenda and in the Board management information pack which the Inquiry will have access to.

138. The Caxton Foundation did not limit grants to items related to a beneficiary's hepatitis C. The email dated 19 October 2016 [CAXT0000133\_030] related to a specific beneficiary. This was a complex case, the Charity had supported the beneficiary in a variety of ways and at this time the Trustees had taken the decision that any future support would be for items specifically related to their health and hepatitis C.

139. As set out above when describing the grant making process, income and expenditure and disposable income were considered as part of the process of determining charitable need. The Caxton Foundation did not have an income limit over which beneficiaries could not apply for one off grants, but rather considered each request on a case by case basis. For example if a beneficiary with a higher income requested support for a low cost item it may have been difficult for the Trustees to determine charitable need. However that same beneficiary may not have been able to afford unexpected house repairs costing several thousand pounds which would have an impact on their health and a grant in those circumstances may have been considered appropriate to meet a charitable need. For the same reason there was not an upper savings limit, but savings were taken into account along with the amount of the grant being requested.

#### Non-financial support

140. As stated above (24-31) the Caxton Foundation paid for benefits advice and money management advice/debt advice for beneficiaries. This was made known to

beneficiaries through the website, registration documentation and newsletters. Caxton also provided links to potentially useful external organisations on their website and if relevant when communicating with beneficiaries the team would signpost to external advice agencies or other charities who may be able to provide specific expert advice in particular areas (e.g. housing).

141. The Caxton Foundation was set up as a grant making organisation. In my view the team were very kind, caring and thoughtful in their approach with beneficiaries and would spend time providing a 'listening ear' to beneficiaries and signposting and supporting them in obtaining local statutory support from the NHS or social services if relevant. Despite this, staff members were not trained counsellors. Grants were available for counselling which many beneficiaries took advantage of. I was aware that the charity the Hepatitis C Trust, did have this kind of support available for beneficiaries specifically funded by the Government for victims of contaminated blood. Therefore in the case referred to at [CAXT0000133\_154] it was felt that the Hepatitis C Trust would be better placed to provide this support to this client whilst there was no one at the Caxton Foundation trained to provide this support or advice regarding the Mental Health crisis team.

#### The Payments

142. Questions relating to the regular payment schemes and grants are answered above.
143. I am asked about why the Caxton Foundation had to reduce its support to beneficiaries in 2014. I presume this is related to the initial reduction in winter fuel payments which was increased later in the financial year. In 2014 the Caxton Foundation experienced an increase in registrations as a result of work by the Skipton Fund, at request of DHSC, to contact all with everyone who had received a Skipton Stage 1 payment but with whom contact had subsequently been lost. The increase in new registrants impacted the Caxton Foundation budget. Full information regarding the cause, decision making process and Government communication is outlined in [CAXT0000110\_166].
144. I am asked to comment on the minutes of the Trustee Board meeting on 15 December 2014 [CAXT0000076\_010] in respect of the increase and beneficiary numbers and whether this was communicated to DHSC. As stated above, liaison with DHSC regarding funding was not part of my remit and I am not aware what action

was taken following this meeting to communicate with DHSC. However, I note that information relating to the requests for funding from DHSC is set out in documents provided by the Inquiry: [CAXT0000110\_166] and [CAXT0000111\_038]

145. I am asked to comment on NWCs decision to add criteria to the newly introduced baby grants. I do not recall the reasons for waiting until week 30 of the pregnancy before financial support could be agreed.

#### Section 11: Complaints and appeals

146. Criticisms of MFT and the Caxton Foundation were listened to, investigated if appropriate and responded to. If relevant, processes or procedures were reviewed in light of feedback received. Where possible we talked to beneficiaries, explained the process or procedures that were in place and helped them to understand the charitable framework in which we had to work as registered charities.

147. During the time I worked for the Caxton Foundation it supported spouses and dependents of Primary Beneficiaries through its grant making and non-financial support.

#### Financial advisers

148. As set out above (24-31) MFT and the Caxton Foundation provided debt and money management advice through a third party. The advisers who worked with beneficiaries of the MFT and Caxton Foundation worked to their own industry standards and regulatory framework. I am aware that their cases were subject to review as part of their own internal quality control process. MFT and the Caxton Foundation were not qualified to review their advice and determine whether it was correct, and did not do so. Debt action plans were drawn up in communication with the beneficiary seeking advice, and there was an on-going dialogue between the debt adviser and their client to explore the best options for their personal situation. Beneficiaries could discuss their case and agree a strategy with the debt advisers. It is possible that sometimes they disagreed with and did not follow advice provided, which was their choice. Beneficiaries were free to use other debt advice agencies if they preferred.

149. I recall there were very few complaints regarding the external advice agencies which the charities worked with. The organisations also received positive feedback in relation to the advice provided by the external agencies. In line with standard complaints procedures we would investigate the complaint by talking to both the adviser and the beneficiary to understand the situation and the response would depend on the individual circumstances of the case. To the best of my recollection the external advisors had their own complaints procedure which they followed if complaints were received. I do not recall the details of the complaint concerning Neil Bateman referenced at [MACF0000022\_109] and [MACF0000022\_112]

#### The Macfarlane Trust

150. The Appeal process as set out in [MACF0000171\_049] states that "If you are not happy with the decision taken regarding any grant applications you have submitted you can appeal the decision. Appeals must be made in writing within three weeks of the decision date. If new evidence is presented the appeal will be reviewed at the next Grants Committee, if you are unhappy with the decision but have no new evidence to present the case will be reviewed by the full board at their next scheduled meeting". This was also, to the best of my recollection set out on the MFT website and would be explained to any beneficiaries who contacted the Trust disagreeing with the decision on a grant application. Beneficiaries could put the appeal in writing, if for some reason this was not possible, the Support Services Officer would note the details of the phone conversation and the beneficiary's evidence for appeal.

151. To the best of my recollection the original case papers were presented along with the appeal letter/email and any additional supporting evidence provided. All grant applications were considered on paper rather than in person and the same applied for appeals, there was no right to give evidence in person. To the best of my recollection if a beneficiary was unhappy with the Grants Committee's decision on the appeal, they could make a second appeal, with further information, which would be taken to the Board for consideration. A letter would be sent to the beneficiary setting out the appeal decision by the Grants Committee (and if further appealed, the decision of the Board). There were no fees for appealing a grant decision. I am asked to set out the criteria for members of the appeal panels and whether the original decision maker was present. Where the Grants Committee reviewed appeals (i.e. where new evidence was provided), the original decision makers were not precluded



from participating, so depending on attendance at the particular Grants Committee meeting, it was possible that the original decision makers reviewed appeals. To the best of my recollection, where appeals were considered by the Board, Grants Committee members presented their decision on cases but did not participate in the Board's decision making on the appeal.

152. I do not recall the number of appeals or how many were over turned. This data was presented to the Grants Committee and will be available in the minutes/agendas available to the Inquiry. To the best of my recollection the appeal procedure was set out on the MFT website and in the grant guidelines issued to beneficiaries.

#### The Caxton Foundation

153. The Caxton Foundation appeal process was set out on its website and explained to any beneficiaries who contacted the charity wanting a grant decision reviewed. Beneficiaries could put the appeal in writing, if for some reason this was not possible, the Welfare Officer would note the phone conversation which would be presented as the appeal. To the best of my recollection beneficiaries had a three month period from the grant decision to appeal the grant decision and three months from the appeal decision to make a second further appeal. To make an appeal beneficiaries had to have new evidence or information to present with their case. I am asked for my view on the requirement for a beneficiary to have new evidence or information to present with their case if they wanted to make an appeal against a grant decision. I was not involved in designing the appeals process, which was a matter for the Board. I do not have a particular view on the requirement.

154. Appeals against grant decisions were considered by the NWC. Staff did not make decisions to refuse grant applications (if grants did not meet the office guidelines for approval they went to NWC for a decision), therefore appeals were against grant decisions made by NWC or if a beneficiary wanted to appeal the maximum amount permitted within the office grant, and were considered, along with new information, by NWC. To the best of my recollection, the original case papers were presented along with the appeal letter/email and any additional supporting evidence provided. All grant applications were considered on paper rather than in person and the same applied for appeals, there was no right to give evidence in person. If a beneficiary was unhappy with the NWC's decision on the appeal, the appeal could be taken to the Board for consideration. The same process applied in that the case was

presented anonymously along with the appeal letter/email and any additional supporting evidence from the beneficiary. As set out in [CAXTF0000111\_08] NWC members "will be able to speak during the appeal discussion but will not have a vote". Beneficiaries would be sent a letter setting out reasoning, following an appeal by the NWC (and if further appealed, the Board). There were no fees for bringing an appeal against a grant decision.

155. I do not recall the number of appeals, or how many were overturned. This information was presented to the NWC and Board and will be in agendas available to the Inquiry. I note that in the Board minutes provided for 13 May 2015 [CAXT0000111\_038] it is stated that just under 700 grants were processed in the financial year 2014/15 and there were "only 10 appeals from 8 beneficiaries".

156. If an application did not meet the criteria to be decided by staff under the delegated authority in the Office Guidelines, then the case would be presented to the NWC for consideration (staff did not make decisions to refuse applications). Therefore appeals (as set out above) would be against decisions made by the NWC rather than by staff.

157. To the best of my recollection the appeal procedure was set out on the Caxton Foundation website and would be sent to beneficiaries on request or if they were unhappy with a decision regarding a grant.

## **Section 12: Engagement with the beneficiary community**

159. I understood that the form I signed [CAXT0000095\_092] would prevent correspondence which identified me by name from being released in response to a subject access request. I took the view that I would prefer my own personal data to be protected.

158. When I joined Caxton I was tasked with contacting all beneficiaries with a survey on how the organisation could best communicate with them and keep them updated on changes. This was sent to all beneficiaries and had the positive impact of reengaging with some beneficiaries who subsequently came forward to apply for grants. To the best of my recollection there was a high response rate, and it was encouraging to see positive engagement with the organisation. The survey looked at means of communication and information to be communicated. As a result of the

survey, Caxton introduced a bi-annual information update/newsletter which included information relating to changes in benefits, Caxton services and other organisations of interest which had been identified by beneficiaries. Information on the website was also updated and communications moved to email for those beneficiaries who requested it. This proved a useful exercise in understanding the communication needs of the beneficiary group and helping to guide future information updates and website content to better reflect their preferences.

159. Throughout my time at the organisations I would say that MFT and the Caxton Foundation had a lot of regular ongoing communication with beneficiaries, through annual census documents, regular information updates/newsletters and through speaking with and encouraging communication with beneficiaries over the phone. We spoke with beneficiaries regularly and used the information and feedback from those conversations and discussions to amend and update policies as relevant.

160. Both organisations had regular communication with beneficiaries and in the case of MFT the annual census would highlight anyone with whom contact had been lost. In the case of a census form not being returned or if post was returned undelivered the team would follow up with beneficiaries by phone and email to reconnect.

161. When I joined MFT the Trustees had decided not to hold partnership group meetings and I have no knowledge of meetings held prior to my arrival.

162. When I joined Caxton Foundation there was a regular partnership group set up which was a meeting between Trustees, Senior Staff, representatives from other charities and representatives from the various campaign groups who were also beneficiaries of either MFT or the Caxton Foundation. In my role I was asked by the CEO to lead a revision of the Partnership group so that members of the group were representative of all sectors of the beneficiary community (e.g. carers, widows, infected beneficiaries and location). We wrote to all beneficiaries to inform them of the changes to the group and to invite them to complete a short form to put themselves forward as a member of the group. The meetings took place, I believe, six monthly and to the best of my recollection, the agenda was set by the Chair of the Caxton Foundation with input from myself and the CEO. I organised the meetings, liaising with attendees on dates and location and took the minutes. The meetings were an opportunity for the Caxton Foundation to share current processes and future plans. I do not recall problems encountered in the running of the group. The group

was a useful opportunity to gain feedback from beneficiaries and fed into planning processes. The partnership group was put on hold at the time when the Government announced the likely closure of the Caxton Foundation. To the best of my knowledge this was the only group set up to promote engagement with the beneficiary community during the time I was at the Caxton Foundation and MFT.

163. The question on winter fuel payments is covered above (108)

### **Section 13: Relationships with other organisations**

164. During my time at the Caxton Foundation and MFT I recall that the organisations had intermittent interactions with The Haemophilia Society. The CEO of the Haemophilia Society attended the Caxton Foundation Partnership group and I am aware that she also met with the CEO and Chair of MFT. To the best of my recollection, the Haemophilia Society would signpost clients to MFT or Caxton Foundation for benefits advice and we signposted beneficiaries to the Haemophilia Society for their services. The Haemophilia Society details were on the Caxton Foundation and MFT websites along with details of other useful charities and links. I am not aware of the relationship with the Haemophilia Society having an impact on the running of the AHOs.

165. With regard to the letter from Ms Carroll to Jane Ellison MP, as stated above I had limited contact with Ms Carroll (I met her one at a Partnership group meeting) or the Trustees of the Haemophilia Society and I was unaware of their views of the AHOs prior to the letter being sent. I understand that the letter was subsequently withdrawn. I do not agree that the AHOs were not fit for purpose at that time. As set out above the organisations were managed in line with charitable and grant making best practice and worked to provide support to beneficiaries within their charitable framework.

166. Both MFT and the Caxton Foundations had medical practitioners on their Trustee boards. They did not have any direct involvement in decisions relating to individual grants unless those were grants being reviewed by the Board. Along with other Trustees they signed off on policies at Board meetings. Occasionally they may be asked to provide context or background information relating to a medical condition or processes within the NHS to help when preparing grant papers. I do not recall any specific examples.

167. I do not recall any involvement or interactions between MFT, the Caxton Foundation and the UK Haemophilia Centre Directors Organisation or any difficulties in that regard. I do recall there were social workers or specialist nurses who, working with clients, would make regular applications for grants on their behalf, particularly from Haemophilia Centres, but I cannot recall specific names. When considering grants which were medically related (e.g. adaptations to property or medical equipment) in line with good practice in grant making, beneficiaries were asked to provide a supporting letter from a medical practitioner as part of the grant application and this would be considered as part of the decision making process.

168. To the best of my recollection MFT would signpost clients to THT for their services and this may have been reciprocated. I believe THT details were on the MFT and Caxton Foundation websites along with other useful charities and links.

#### **Section 14: Reform of the AHOs**

169. I recall that the DHSC held multiple consultations regarding support to victims of contaminated blood. Copies of the consultations were sent to beneficiaries and registrants by the AHOs on behalf of the Government. We were aware of the consultations and sought to understand the implications and response process so we could explain and, where possible, reassure beneficiaries who would call us to find out more. I am aware that the AHO organisations collectively responded to the consultations to highlight where it believed beneficiaries would be less well off as a result of the changes proposed. Whilst I was aware of the joint responses I was not directly involved in drafting them. I did not respond to any consultations (including one sent in January 2016) individually or otherwise raise any objections personally to the changes proposed, a collective response was sent on behalf of the AHOs.

170. The changes made to the AHOs as a result of the Archer Inquiry took place prior to my work at MFT/the Caxton Foundation. I do not recall having a particular view on the changes.

171. I cannot recall the contents of the APPG Inquiry Report or my response to it when it came out.

172. I was not a member of the DH reference group.

173. I cannot comment on how the transfers to the new devolved schemes impacted on the grants available as I do not know what grants are available under the new schemes.

174. MFT and the Caxton Foundation sought legal advice regarding the transfer of information. In response to this the organisations sought consent from beneficiaries to share minimal data with the new schemes. We wrote to beneficiaries setting out the process and asking for consent to transfer basic data to the new schemes in the relevant devolved administrations and England. Once consent had been received basic information, in line with data protection principles, was collated and securely transferred to the new administrators. I do not recall any issues with the data transfer, some beneficiaries opted for specific data to be transferred and we honoured their requests.

175. The transfer of employment to BSA was optional, in line with TUPE rules. As someone whose career was in the charitable sector I preferred to seek an alternative role in the sector rather than transfer to the Civil Service.

#### **Section 15: Closure of the MFT and CF**

176. The AHOs were approached at various times by the DHSC, their equivalent in the devolved administrations, the APPG for Haemophilia and Contaminated blood and, I believe, the MP Alistair Burt to send out letters on their behalf to registrants of Skipton Fund and MFET and beneficiaries of the Caxton Foundation, MFT and Eileen Trust. I understood that this was because DHSC and others did not have a comprehensive list of all the victims of contaminated blood, which was held by the five independent Alliance House organisations. Clearly for data protection reasons this data could not be shared with DHSC or other organisations. I cannot recall if a letter relating to the Public Inquiry was sent, but it is likely that it was as I do not recall one of the requests being declined. In all cases where information was sent out on behalf of other organisations I recall it being a requirement for a paragraph to be included in the letter stating that the letter had been forwarded to the AHOs to add the address and forward on, and that no data had been shared with the sender of the letter.

177. I believe that the time limited grants programme run by MFT in 2018 was a focused way to support clients with higher value grants for maintenance to their

properties and to purchase specialist equipment. I recall that the Board considered options for the focus of the grant scheme. Specialist equipment, health and mobility related repairs and improvements to property were selected by the Trustees as they were some of the more common and high value requests received by the Trust over preceding years, demonstrating a need within the beneficiary community. In relation to the other options set out in the paper [MACF0000027\_157], the Board did not consider that it was possible to disburse the funds equally between to the beneficiary population as there was a need to assess charitable need, given the charitable nature of the organisation. I am not aware of whether the DHSC were supportive of the time limited grants programme. I am not aware that the time limited grants programme impacted on the closure of the trust.

178. We wrote to all beneficiaries outlining the grants programme, enclosing an application form, guidelines for completing the form and encouraging them to contact the Trust for further information if needed. Myself and the Grants Administrator worked with a number of beneficiaries who had questions regarding the form, in some cases assisted them by completing the form over the phones.

179. I do not recall the exact amount transferred to THT, this will be available in the final accounts which were shared with the Inquiry in February 2019. The decision to transfer funds to THT was taken by the Trustees and the reasons are set out in the documents available to the Inquiry. The MFT beneficiaries were not consulted as a group, although user trustees were part of the decision making process. I do not know if DHSC were consulted regarding the decision.

180. To the best of my recollection all MFT loan holders were written to regarding the transfer to THT. As noted in [MACF0000028\_056] the transfer of beneficiary personal data to support MFTs assignment of outstanding loans to THT would be covered under merger/takeover provisions in the General Data Protection Regulation (GDPR). As noted in [MACF0000028\_056] it was agreed not to transfer other beneficiary data to THT.

181. To the best of my knowledge the contents of the servers were stored in their entirety on the encrypted hard drive. Following receipt of confirmation by the Public Inquiry that electronic documents should be stored I was asked to arrange the transfer of all information on the servers to the encrypted hard drive, which I did. I did not delete any emails from the servers before arranging for the server data to be moved. I did not delete any emails from the hard drive.

182. MFT and the Caxton Foundation operated a paper based filing system and there was no systematic electronic filing system. E-mails relating to beneficiaries were printed and placed on the hard copy file relating to that beneficiary, non-beneficiary related emails were printed and filed in relevant files. Depending on individuals working practices emails may have been deleted as they were printed and placed on hard copy. I believe there was a policy to close IT accounts when a member of staff left the organisation. Therefore at the point of transferring the contents of the server to the encrypted hard drive, the e-mail accounts on the server would not have contained all of the e-mails ever sent and received by every staff member.

#### **Section 16: Other**

183. As charities MFT and the Caxton Foundation were set up to provide additional charitable support to those in most need in addition to the ex gratia payments issued by the government and in this design they met that objective. I consider that the organisations were well run during my time working at MFT and the Caxton Foundation. To the extent that there were difficulties these have been addressed above. In my experience negative feedback was often linked to the fact the Government had set up charities who had to work within charitable frameworks. Whilst working at the organisations the team processed thousands of grants and regular payments totalling millions of pounds of support, they received plenty of thank you letters, emails and phone calls from beneficiaries appreciating the support provided and the way in which it was done.

#### **Statement of Truth**

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

Signed \_\_\_\_\_

GRO-C

Dated \_\_\_\_\_

18/2/21