

Witness Name: Chris Pond  
Statement No.: WITN5265001  
Exhibits: WITN5265002 -  
WITN5265004  
Dated: 4 February 2021

## INFECTED BLOOD INQUIRY

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### WRITTEN STATEMENT OF CHRIS POND

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I provide this statement in response to a request under Rule 9 of the Inquiry Rules 2006 dated 4 November 2020.

I, Chris Pond, will say as follows: -

#### Section 1: Introduction

1. I am Christopher Richard Pond of GRO-C  
GRO-C. My date of birth is GRO-C 1952. I have done my best to answer the Inquiry's questions as well as I can based on my recollection and knowledge of events, and with reference to documents that the Inquiry has provided to me as well as some other documents which I have had access to. However, my recollection in relation to some matters is limited. Also, some of the questions relate to issues with which I was little involved whilst serving as Chair of CF. I have done my best to make clear where this is the case throughout this statement. There may be other documents available to the Inquiry which clarify matters or which show my recollection to be inaccurate.

#### My employment history

2. Most of my career has been spent in the voluntary sector, as CEO of two national charities and chair or trustee of many others (including most recently GambleAware, Family and ChildCare Trust, Money and Mental Health Policy Institute, The Money Charity and the Caxton Foundation).
3. I have held non-executive positions with HMRC and as chair of Capacitybuilders, a Home Office NDPB established to help charities and social enterprises improve their governance, financial management and treatment of staff and volunteers. My executive roles have included Director of Financial Capability and Head of Consumer Affairs at the Financial Services Authority, interim CEO of the Money Advice Service and as Partner and Head of UK Public Affairs with an international communications agency. I was also a Lecturer in Economics at the Civil Service College (now National School of Government).
4. Between 1997 and 2005, I served as Member of Parliament for Gravesham, the two latter years of which I was Parliamentary Under Secretary of State at the Department for Work and Pensions.
5. I am currently Chair of the Lending Standards Board, of the Equity Release Council Standards Board and of the Financial Inclusion Commission. I am an independent director of Cape Claims Services (a private sector asbestos compensation scheme) and of the Current Account Switch Service, part of Pay.UK. I am an adviser to Centaurus Communications.
6. I exhibit a copy of my CV to this statement (exhibit WITN5265002) which contains the dates of my previous appointments referred to above.

*My time at the Caxton Foundation (CF)*

7. I was Chair of CF from July 2015 until its dissolution and on occasions attended both the Audit Committee and the National Welfare Committee meetings (NWC) as an observer.

8. I was appointed as Chair of CF through open competition, initially through an approach from Veredus, a recruitment agency, in the Spring of 2015. I was then interviewed by a Trustee panel, chaired by the Deputy Chair, who proposed my appointment as Chair. The appointment was subject to approval by DH but, as I recall, I was in post for some time before such approval was formally given.
9. On appointment as Chair of CF, I was briefed comprehensively by the CEO and her senior management team and by other Trustees and was provided with an induction pack which included, amongst other documents, the APPG Inquiry Report of January 2015, the Trust Deed which established CF as a charity in March 2011 and the most recent Annual Financial Report of CF. These documents included information about CF's functions, aims and objectives.
10. As Chair of CF, I was responsible for the proper governance and strategic direction of the charity, for the supervision of the Chief Executive and for liaison with key stakeholders. I occasionally attended the Audit Committee and NWC meetings as an observer, to help me better understand the working of these committees.
11. In April 2016, I was appointed as Chair of the DH Infected Blood Reference Group (the Reference Group) after being asked to be Chair by DH. The Reference Group was made up of DH officials, beneficiary representatives, clinicians and independent members to explore ways in which the support for beneficiaries could be improved.
12. The Reference Group was intended to assist DH in exploring alternative and improved systems of support for beneficiaries. My particular responsibilities as Chair of the Reference Group included chairing meetings of the group and liaising with DH and the individual group members.
13. The amount of time I devoted to my role at CF varied from one period to another and expanded as discussions about the new arrangements for delivering

support progressed but, in retrospect, I would estimate the average time commitment as about half a day each week.

14. In addition to time spent attending and preparing for the board meetings, I met regularly with the CEO and the executive team, with ministers and officials and with other stakeholders, including beneficiaries.
15. Other than the Infected Blood Reference Group referred to above, I don't believe I was associated with any other bodies of relevance. However, during my time as an MP, I did campaign for a similar Public Inquiry (the Lord Justice Clarke Thames Safety Inquiry following the sinking of the Marchioness) and, as stated, I am an independent director of an asbestos compensation scheme. I imagine these were experiences which influenced my selection as a potential candidate for the CF role.
16. I have not been involved in 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: The set up of the Caxton Foundation**

17. The initial Trust Deed of CF states its Charitable objects as:

*5.1.1 to provide financial assistance and other benefits to meet any charitable need of:*

*a) individuals who have received blood, blood products or tissues from the national health service and in consequence have been infected with the hepatitis c virus; and*

*b) an individual who has been so infected by a person in 5.1.1(a); each of whom has received a stage 1 payment other than excluded persons (together called "primary beneficiaries"); and*

*c) the partners, parents, carers, children and dependants of primary beneficiaries and the partners, parents, carers, children and dependants of primary beneficiaries who have died; and*

*d) the partners, parents, carers, children and dependants of any other individuals who died before 29 august 2003 and whose estates have, for the reasons given in schedule 5, received a payment under the Skipton fund agreement (2); and*

*5.1.2 to assist the Macfarlane Trust and the Eileen Trust by providing them with accommodation, administrative services and support.*

As I have already mentioned, I was provided with a copy of the Trust Deed as part of my induction pack. I presume that the Inquiry has a copy of the Trust Deed (CAXT0000095\_006).

18. Under this Trust Deed, the Trustees were charged with distributing funds allocated by DH according to their discretion. In discharging this responsibility, the charity expressed its vision for 'everyone who has been affected by Hepatitis C derived from the NHS to be able to live a positive, fulfilling and independent life'.

19. CF's stated values were those of 'Respect, Fairness, Sound stewardship, Confidentiality, Caring and responsiveness, Empowerment and Engaging' (see the "Caxton Foundation Annual Financial Report for the Year ended 31 March 2014" which I exhibit to this statement – WITN5265003).

20. CF was a Registered Charity (Number 1142529), regulated by the Charity Commission.

21. My understanding is that CF was established by the Department of Health (DH).

22. The different Alliance House entities operated different schemes, guided by their own governance arrangements. I was not aware of discussions about the ways other organisations provided support to their beneficiary groups or

discussions about discrepancies between support for those infected with HIV and those infected with Hepatitis C nor about discrepancies in the schemes' treatment of those "infected" versus those "affected". The five organisations worked together constructively towards shared objectives.

### **Section 3: The Caxton Foundation**

#### **Appointment of Directors**

23. The appointment of each of the Directors of CF were formerly subject to approval by DH but the appointment process and the selection of directors, which I will also refer to as Trustees, was a matter for Trustees themselves. No appointments were made by the Haemophilia Society.
24. During my time as Chair there was one Trustee living with Hepatitis C. Bringing 'lived experience' to board membership has very real advantages, not least in helping the organisation to understand the complexity of the needs and preferences of the beneficiary community. I can think of no disadvantage associated with the appointment of people with lived experience who also have the skills to contribute to the effective governance of the charity.
25. Regarding the composition of the board, the Trust Deed specified that there should be no less than three Trustees but no upper limit was specified. Trustees were appointed by a Resolution of the Trustees, chosen to ensure that the charity had the appropriate skills mix to allow it to discharge its responsibilities under charity law. Once an approved candidate had been selected by the Trustees this was submitted to DH for approval. Unless approval was refused within 8 weeks, the appointment was confirmed. These procedures did not change during my term as Chair.
26. No new Trustees were appointed during my term of office as Chair but I assume that previous appointments, as in my case and that of the other Trustee appointed at the time, were subject to advertising and open competition. As

noted, I was approached by a recruitment agency so I cannot confirm whether the posts were also advertised.

27. I have no information as to whether there were applicants of sufficient quality at the time that I and the other Trustee were appointed.
28. Trustees were initially appointed for a period of three years and could be invited for a further term only with the agreement of three quarters of the Trustees (unless at least one year had elapsed since the end of their last term of appointment). During my time as Chair, three Trustees (myself included) had served for a single term or less by the time the charity ceased operations (1 November 2017, although the charity was not dissolved until later). Four were serving a second term at this point. While it was necessary to inform DH of these reappointments, ministerial approval was not deemed necessary.
29. Trustees were not remunerated. Reasonable expenses in discharge of their duties could be reimbursed. I regret that I cannot remember whether policies on these matters were written, or further details about their content.
30. The Trust Deed specified that only one Trustee of CF could also be a Trustee of Macfarlane Trust ("MFT") and only one Trustee of CF could also be a Trustee of the Eileen Trust, but no-one on the CF board was also a Trustee of MFT or the Eileen Trust during my time as Chair of CF. However, one CF Trustee served on the Skipton Board. There was a Joint Liaison Committee between MFT and CF. MFT and CF shared a CEO. I was not aware of any negative effects of these arrangements but my understanding was that each of the Alliance House organisations was careful to respect data protection requirements.

#### Structure of the Alliance House organisations

31. The Alliance House organisations shared office accommodation at Alliance House. Some staff were employed solely to work for one particular organisation, others were employed to undertake work for more than one. As

noted above, the CEO of CF also acted as CEO of MFT. As far as I am aware, no data was shared between the organisations without the beneficiary's consent and all data was stored in conformity with data protection requirements.

32. The provision of administrative support to the other Alliance House bodies was a responsibility built into CF's original Trust Deed in 2011. I understand that this is why CF acted as employer for all five Alliance House organisations. DH paid CF directly for the service delivery costs for all five Alliance House entities.

33. My recollection is that the relationship between the different Alliance House organisations was constructive and, on the whole, cordial.

34. The Inquiry has asked if there was an agreement between CF and Skipton Fund that support for bereaved spouses and partners may be handled by CF alone and if so, how that decision was reached. I understand, having reviewed the Trust Deed whilst drafting this witness statement, that this arrangement did exist and was established in the governing documents of the two organisations.

35. In terms of the working relationship between the directors of CF and the senior management, I did not experience any difficulties interacting with senior management. Indeed, I enjoyed a good working relationship with the CEO and her senior management team, who I found to be professional and dedicated. I believe my fellow directors enjoyed the same experience in relation to the executive team.

#### Relationship with Government

36. The Inquiry asks whether DH had any involvement with and/or gave any direction/guidance to CF. CF was established as independent from DH and from any other part of government. CF's budget was determined by DH, although the allocation of that budget was a matter for Trustees. DH did exercise scrutiny concerning other aspects of financial management, with an annual review of the organisation's accounts. CF was required to submit annual accounts to DH. In my recollection, DH did not seek to influence the



decisions of the NWC with respect to the policy for allocating grants, how the CF should discharge its responsibilities to the beneficiaries, the kinds of applications the CF should grant or the quantum of the grants/payments it should make. Appointments to the Board of CF were formally subject to DH approval.

37. There were occasions when CF considered the budget allocated by DH to be inadequate and challenged DH on these grounds. I understand that a business case for improved funding presented to DH before my time as Chair was rejected by DH. Funding was sometimes confirmed after the beginning of the year to which it related, making budgeting difficult for CF. We made our concerns known to officials about this.
38. CF were particularly critical of the decision by DH in March 2017 to revoke some changes to the level of support initially announced in July 2016. We stated publicly that the new support scheme, as then envisaged, would leave some beneficiaries substantially worse off.
39. When it came to establishing a new structure for the delivery of support to beneficiaries, CF were disappointed that the procurement exercise – to which they had hoped to contribute – was abruptly cancelled and the long-term delivery was instead transferred to the BSA. We expressed our view that BSA would not be able to provide the same level of expertise or service that CF had provided. Indeed, we felt it unlikely that BSA would operate according to the same values as those adopted by CF, especially with regard to respect, fairness, caring and responsiveness, engagement and empowerment of beneficiaries (see below). In response, NHS BSA, who were given responsibility for administering the schemes longer term, did agree to establish a London office, so as to access Alliance House staff and expertise for a transitional period.
40. As I understand it, CF were on occasions made aware of decisions by local DWP decision-makers withdrawing or reducing benefits from beneficiaries, unaware that CF support was to be disregarded. I understand that benefits

fraud investigations were sometimes triggered by local DWP staff being unaware of the benefits disregard which applies to the ex gratia payments. This was not a matter of DWP policy but of misunderstanding by local officials, which were resolved on the beneficiaries' behalf by CF's specialist benefit advisers. I don't recall whether DWP issued further guidance to local decision-makers.

41. The relationship between DH and CF was, in my experience, business-like and cordial. CF did not feel constrained in expressing concerns about DH policies or operations as these affected beneficiaries or the effective working of the Foundation itself, but the relationship was not confrontational.

42. My main strategic relationship was with Ailsa White, Deputy Director of Infectious Diseases and Environmental Hazards, and at later stages with Helen Shirley-Quirk, Director of Emergency Preparedness and Health Protection. Occasional meetings were also held with ministers. At a day-to-day level, the CF executive team and myself had more junior officials as points of contact.

43. The Inquiry asks whether the Government kept CF up to date with regards to future funding and asks, in particular, if there was clear communication regarding the £25 million additional funding that was announced by David Cameron in March 2015. I did not take over as Chair until July 2015 but my understanding is that CF were not consulted or informed as to when and how this additional funding should be spent.

#### **Section 4: Funding/finances of the Caxton Foundation**

44. DH provided CF with an annual allocation of funds, which included contributions from the three devolved nations. As noted above, the allocation was sometimes announced only shortly before, or even after, the beginning of the year to which it related, making budgeting difficult. The arrangements did not change during my time as Chair.

45. The decision as to how much to allocate to CF was a matter for Government and DHSC will be better placed to answer this question. CF had no input in the

process, although in my view better decisions would have been made if we had been given an opportunity to engage on the level of allocation in advance. On those occasions on which we challenged the allocation, these representations were not reflected in any change in allocation.

46. The Inquiry asks what information CF had about the beneficiary population and what was required to meet their needs, where this information came from and whether this information was provided to the Government. Staff of CF were in regular contact with beneficiaries and beneficiaries' needs were reflected in applications to the NWC. Beyond this I am afraid I do not have more information to offer the Inquiry.

47. The Inquiry has asked me to set out how much funding was provided at various times for CF. By referring to various Financial Statements from the CF (I exhibit two CF Annual Financial Reports to this statement – exhibits WITN5265003 and WITN5265004), I am able to report that during my term as Chair the DH allocation to CF was £2.2m (2015/16), £2.5m (2016/17) and £1.7m (pro-rata to 6 months) (2017/18). The year end for 2017/18 was set at Jan 31<sup>st</sup> 2018 prior to closure.

48. The Inquiry has asked if I consider that the funding provided to CF by the Government was adequate. I think that with additional funding, CF could have provided more and better support to beneficiaries. This is why we presented DH with bids for additional funding on various occasions, none of which were successful, except when addressed to the devolved administrations directly. Where the allocations related to each of the devolved nations appeared to be insufficient to allow us to meet the needs of the communities in each of those nations, we were sometimes able to obtain an adjustment from the devolved administration concerned.

49. The Inquiry has asked whether there were annual or other regular reviews between CF and DH. There were annual review meetings between CF and DH to discuss the accounts. The agenda for these was set by DH. The meetings were attended by DH officials and the CEO and Chair of CF. As the meetings

were to discuss the annual accounts, other members of the board who did not attend the annual review meetings would already have had sight of the annual accounts. They would have been aware of forthcoming meetings and would have been able to discuss any points they would like raised with DH. Minutes were taken, by DH, and were made available to attendees. The outcome of the meetings was shared with the board.

50. There were occasional ad hoc meetings between CF and officials and ministers, usually arranged by phone or email. CF could call for such meetings although most, as I recollect, were at the initiative of DH who normally set the agenda and minuted the meeting. Normally, I and the CEO would attend, although there were occasions when chairs of each of the Alliance House organisations were invited together. I would always report the outcome of such meetings to other members of the board, although I cannot recall whether minutes were made available to them.

51. I regret that, with the passage of time, I am unable to describe the details of any such meetings that took place or provide details of dates.

52. The only other source of income that CF had was a small amount of bank interest.

#### Financial management / governance

53. In answer to the Inquiry's question as to whether budgets or budget forecasts were made by CF prior to the start of the financial year, my recollection is that draft budgets were prepared but could not be confirmed until the DH allocation for that year was known. The bulk of CF expenditure was on grants, regular payments and winter fuel payments, leaving little room for anything else. My recollection is that we did not, therefore, undertake forecasts of beneficiary needs as these would not have influenced the size of the DH allocation.

54. While Skipton and MFET received adjustments to their funding to take account of the number of beneficiaries, CF and the other charities did not. Therefore,

an increase in applications on occasions meant that we were not able to confirm payments, for instance Winter Fuel Payments, until later than we would have liked, or had to stage the payments.

55. As stated in paragraph 48 above, I would have preferred for CF to have been better funded, as this would have allowed us to provide a better level of support. I have mentioned that we submitted bids for increased funding to DH on a number of occasions, none of which were approved.

56. The Inquiry has asked why DH did not allow the CF to accumulate reserves. Because CF was funded by annual allocations, it was an agreement with DH that it would not hold reserves but would work to an operating balance to ensure an appropriate level of cash flow. Any budget surplus in one year would be deducted from the following year's allocation. I think that, as a charity, this put CF in an anomalous position. The Charity Commission advises that Trustees establish and publish an appropriate reserves policy, but because no reserves could be held, CF would not have had a policy on reserve levels. Since there were no reserves, there was no impact on DH funding. Beneficiaries may reasonably have assumed that CF held reserves which it could draw on to address requests for increased support and this misunderstanding may have increased dissatisfaction amongst some when such requests could not be met.

57. I think that the fact CF was not allowed to accumulate reserves inhibited the charity's flexibility to meet unexpected spikes in demand or to anticipate future funding which would allow expenditure to be brought forward, as in the example of Winter Fuel Payments.

58. The Inquiry refers to minutes from a board meeting of the CF Partnership Group on 25 November 2015 which show that the group discussed that CF could not inform beneficiaries about whether they were making winter fuel payments at an earlier date due to budgetary reasons. As the CEO explained earlier in that meeting, CF had not been informed whether any of the £25 million announced by the Prime Minister would be allocated to CF for the purposes of paying Winter Fuel Payments. Without the ability to hold reserves, CF had to operate

within its known budget, as determined by DH, and could not commit to additional spending until any increased allocation was confirmed. It is for that reason that CF could not inform beneficiaries of whether they would be making winter fuel payments at an earlier date. I don't recall when beneficiaries were informed but I do remember that it was well into the winter months and I agree that this would have made household budgeting difficult. I would have preferred it if beneficiaries could be informed of what the position was earlier in the year, but this was out of CF's hands.

59. The Inquiry also refers to minutes from a board meeting held on 10 May 2017 and asks about winter fuel payments being incorporated into SF payments as part of a government reform. Regular annual payments of £3,500 for those eligible for Stage 1 lump sum payments, payable by Skipton, were introduced in 2016/17. Those entitled to Stage 2 payments were entitled to an annual payment of £15,500. Both annual amounts incorporated a £500 winter fuel payment as a standard payment, removing the need for people to apply for such payments from the discretionary schemes.

60. In terms of CF's operational costs and whether CF made any cuts so as to maximise the monies available for beneficiaries, I understand that the costs of administering support to all the five Alliance House organisations amounted to about 2% of programme spend. The organisations shared relatively small office accommodation and operated with a small staff. There was little scope to make further savings.

61. In terms of steps CF took to ensure that the salaries it paid its staff were proportionate and commensurate with the charitable sector, the terms and conditions of employment of CF staff had already been determined before I joined as Chair therefore I do not have specific knowledge of the steps that CF took when setting salaries. I am speculating but I imagine that, when DH established the organisation, it carried out a benchmarking exercise to determine the appropriate level of remuneration.

## **Section 5: Identifying beneficiaries for the Caxton Foundation**

62. It was for Skipton to determine eligibility for CF support, which was dependent on receipt of a Skipton stage 1 payment (see paragraph 65 below).
63. Regarding how potential beneficiaries of CF were identified, I understand that the Skipton look-back exercise in 2014, before my appointment to CF, increased the number of registrations with CF. The CF budget did not allow for expenditure on extensive advertising.
64. The Inquiry asks why beneficiary numbers were continuing to increase at a rate of 6% in October 2015. I regret that, with the passage of time, I am unable to provide an answer to this question. It may be that the Skipton look-back exercise referred to above, which generated an earlier spike in registrations, continued to have an impact, but that is purely speculation on my part.

#### **Section 6: Eligibility for the Caxton Foundation**

65. The only criterion for being eligible for support by CF was receipt of a Skipton Stage 1 payment.
66. The eligibility criteria for each Alliance House organisation were a matter for Trustees of the respective organisations. As I was only involved with CF, I did not have specific knowledge of the eligibility requirements for the other Alliance House organisations and therefore I am unable to say whether there were discrepancies or differences in the eligibility requirements between the different Alliance House organisations.
67. A medical opinion was not required in order to determine eligibility for support from CF.
68. Regarding who set the procedural requirements an applicant needed to satisfy before being accepted as a beneficiary for the CF, I believe these were determined originally by DH.

69. The Inquiry has asked a number of questions in its Rule 9 Request about CF's procedural requirements for establishing eligibility and whether they changed over time. My role did not require detailed knowledge of the procedural requirements for establishing eligibility, matters which fell within the remit of the Skipton Fund. In my view, these questions should be addressed to the Skipton Fund.

70. I was not aware of dissatisfaction with either the substantive or the procedural eligibility requirements for the CF.

## **Section 7: Decisions on substantive applications within the Caxton Foundation**

### **The process**

71. The Inquiry is correct in its understanding that the CF NWC was the decision-making body with respect to grant applications for discretionary grants from beneficiaries until 1 November 2017. DH funding for grants to CF beneficiaries ended on 1 November 2017.

72. Staff employed by CF, rather than the NWC, could consider routine applications for relatively small amounts with minimal delay. Decisions were made by the welfare team (made up of staff trained and experienced in dealing with applications) within CF according to Office Guidelines.

73. The NWC was formed before my appointment and therefore I was not involved in decisions about the composition of the NWC or who was chosen to sit on it. I do not recall there being changes in the composition of the NWC during my time as Chair. There were no requirements for those sitting on the NWC to have a medical background as the NWC was not considering beneficiaries' medical needs or medical support that they may have required. However, there was one Trustee on the board who had a medical background and, where medical advice was required, the NWC would seek their guidance.



74. The NWC met six times each year to consider applications. Applications were determined by the NWC according to charitable need. Decisions were made by consensus and I do not recall votes being called in the meetings I attended. The NWC reported to the main board of Trustees of CF.
75. I attended meetings of the NWC occasionally, as an observer, but I cannot recall how many meetings I attended. I felt it important that, while I should understand the needs and circumstances of beneficiaries by listening in occasionally to the discussions, I should not interfere with the Committee or its decisions.
76. Decisions on individual applications were made at board level only where they went to a second stage appeal or if they were extremely complex cases and had been referred to the board by the NWC. The Inquiry has asked which, if any, decisions required my approval as Chair of CF. Decision making was the responsibility of the board collectively, however, not of the Chair alone. Decisions would be reached by agreement, if necessary by a majority vote with a casting vote for the Chair. I do not recall occasions when I needed to exercise a casting vote.
77. The CF had written policies for the determination of applications. The NWC developed these policies, subject to board approval, and these were published on CF's website. As I have mentioned earlier in this witness statement, one of the Trustees on the board was medically qualified. Whilst CF did not seek external expert advice to inform the policies, the Trustee who was medically qualified had input on the policies.
78. The views of the beneficiary community were taken into account when setting the policies through Partnership meetings and other engagement with beneficiaries. Beneficiaries had opportunities to make their views known, but ultimately it was for the Trustees to determine the policies and criteria.
79. The Inquiry has asked me to describe the policies. I regret that, with the passage of time, I am unable to describe these with any accuracy. As Chair it was not appropriate for me to be intimately involved in the grant-making process. The policies were intended to ensure fair and consistent decisions based on charitable criteria.

80. The Inquiry has asked me about the procedural requirements an applicant had to satisfy when making an application for a grant. It was not within my role as Chair to process grant applications. As such, I do not have specific knowledge of the processes involved and procedural requirements that beneficiaries had to satisfy when making applications for grants. Whilst I want to be as helpful as possible to the Inquiry, I am unable to provide specific details in relation to the procedural requirements for grant applications.
81. The Inquiry asks about the proportion of applications that were granted or refused. Information about this was made available to the board but the numbers varied over time. I am not in a position to provide the Inquiry with a reliable answer, given the passage of time. I understand that reasons for refusing an application were provided to unsuccessful applicants.
82. There was a procedure in place to consider applications made on an urgent basis. Where there was urgency to consider an application between NWC meetings, this could be dealt with by e-mail between members of the NWC. This is what CF called the 'round robin'. The level of consideration given in respect of decisions made under this procedure differed in no way from decisions about applications considered at face-to-face meetings of NWC, except that it was done by email given the urgency. I don't know whether there was a written policy for round robins, but the decision whether to invoke this approach would have been the responsibility of the chair of the NWC.
83. The Inquiry has asked about the process of handling emergency grant requests including about the policies that were in place, what was considered an 'emergency', how long it took for emergency grant requests to be processed and whether there was a concern during my tenure that having an emergency procedure would lead to it being abused by beneficiaries. Again, as processing grant applications (including emergency grant requests) was not within my role, I am unable to provide the Inquiry with specific details in order to answer these questions. However, I understand that a decision could be made in respect of emergency grant requests within 24 hours of CF receiving a completed application.

I do not recall any concerns that the emergency procedure might be abused by beneficiaries. I did not have specific knowledge of whether beneficiaries were aware of the guidelines/policies as it was not my role to be involved in dealing with emergency grant requests, and I regret that I do not know what percentage of emergency grant requests were accepted and declined.

84. The Inquiry makes reference to debt counsellors and benefits advisors such as Jayne Bellis and Neil Bateman who were engaged by CF. Their engagement preceded my appointment as Chair therefore I do not have specific knowledge as to the selection and appointment process for these individuals or the terms on which they were engaged, as I was not involved in any decisions relating to that.

85. All beneficiaries registered with CF were able to access free specialist advice on money management and benefits. These services were provided by independent specialists who had been working with the charities for a number of years building a wealth of detailed knowledge about the unique issues affecting those infected with HIV and Hepatitis C. I regret that I am not well-equipped to describe what would happen when a beneficiary was referred to a debt counsellor or money management advisor, as my role did not require me to be involved in these matters on a day-to-day basis. I do not have specific knowledge of the provisions about confidentiality of the information the beneficiary provided to the advisors or whether CF expected to be provided with the information that the beneficiary provided to the advisor. The Inquiry has referred me to a letter from the Contaminated Blood Campaign to the Charity Commission. I don't recall being previously aware of this letter, which was dated more than two years prior to my appointment as Chair. However, I understand that beneficiary consent was required before any information was provided about the beneficiary to the advisors during my time as Chair, which suggests that, if there was previously the alleged breach of confidentiality, it had been addressed by the time I took over as Chair.

86. The Inquiry has asked whether the provision of assistance to a beneficiary was contingent on them accepting advice from external advisors and what would happen if a beneficiary refused to engage with them. I do not know the answers to these questions given that my role did not require me to be intimately involved

in such matters. I understand that these were matters to be considered by the NWC.

87. In terms of practical support or assistance that was given to applicants to help them in making applications, I understand that CF staff spent considerable time supporting, listening to and advising beneficiaries, although I was not directly involved in this as Chair and cannot specify the range of support given. The Inquiry asks me to set out the number of beneficiaries/applicants assisted by the CF during my tenure. I regret that I do not have that information to hand and those are not figures that I can provide from memory.

*Financial assistance provided by the Caxton Foundation*

88. Approximately a fifth of CF primary beneficiaries received some form of regular financial support. The Regular Payments Scheme was developed in 2014/15 (before my period of tenure began) to give additional support to those on the lowest incomes. Following rejection by the DH in 2013 of a business-case to set up such a scheme, I understand that CF set up a limited scheme from within its existing financial allocation.

89. Annual lump sum Winter Fuel Payments were made to beneficiaries each year, the level of which was determined by the amount available in the CF budget each year. From 2016/17 responsibility for these payments was transferred to Skipton (see above).

90. Payments or grants in relation to specific expenses or items were quite varied but examples cited in the CF annual financial reports included:

- Financial support for people who were undergoing treatment for Hepatitis - C to cover loss of earnings and additional costs, such as travel, so that people were not deterred from opting for treatment
- Payments for respite breaks
- Payments to assist with health and mobility-related repairs and adaptations to homes

- Financial support to help with debt and money management problems
- Financial assistance with the purchase of essential household items
- Financial support for vehicle maintenance costs
- Financial support to enable people to undergo re-training.

The Inquiry asks how these payments were assessed/quantified. These decisions were made by the NWC on a case by case basis.

91. Applications for grants were always assessed on their individual merits and were not dependent on the number of other applications made per year. I cannot recall what percentage of applications were successful each year.

92. The Inquiry has asked whether CF considered the amount of money previously given to an applicant from the CF, other Alliance House organisations and/or income from benefits when determining applications. Each application was assessed according to charitable need (see below). As far as I am aware, an applicant would not be disqualified from applying for a grant if they had previously received support from CF or other Alliance House organisations nor because they had received income from benefits. However, I assume that income and resources – from whichever source – would have been taken into account in assessing charitable need.

93. Applications were assessed on the basis of charitable need on a case-by-case basis. As such, income of beneficiaries would be considered. I do not recall specific details of income brackets that were applied. It was not my role to apply the income brackets as I was not heavily involved in assessing applications therefore it is not something I would distinctly remember. I do not recall whether any income brackets were published or kept under review. I believe that CF did its very best to assess applications consistently and fairly.

#### CF payments

94. In its Rule 9 Request, the Inquiry has asked a number of questions under this sub-heading which cover the same matters which the Inquiry has asked about in earlier

sections of its Rule 9 Request. To avoid duplication, I will not repeat my answers but I will cover any new issues the Inquiry raises under this sub-heading here.

95. The Inquiry has asked who set the level of payments to beneficiaries and how the level of payments were set. The board decided the level of Winter Fuel and Regular Payments, based on the funds available and the other demands on its budget.

96. The Inquiry has asked for my view on the assessment of a poverty threshold when making regular payments to beneficiaries. I assume that the Inquiry is asking for my views in relation to the regular payments scheme which was initially available to those living on incomes of less than 70% median income. This is a threshold somewhat higher than the official definition of relative poverty, set at 60% of the median, but given the additional costs of living with a disability, I do not think it is generous. As someone with a history of concern about poverty and inequality, I would have liked to have seen a higher threshold but this had to be funded within CF's annual allocation and it was the best that CF could do in the circumstances.

97. The Inquiry has asked me to explain the process followed when amending the Office Guidelines. I regret that I do not feel well-equipped to answer this question as I was not directly involved, this being a matter for the NWC.

98. The Inquiry also asks me to explain and provide details about CF's retrospective grants policy. As it was not part of my role to process grants applications, I was not familiar with the retrospective grants policy and I am unable to provide specific details about this to the Inquiry.

#### Loans policy and debt support

99. CF did not provide loans. Beneficiaries were referred where appropriate to money management/debt counsellors. The Inquiry has asked whether CF received loan requests from beneficiaries and whether CF ever reconsidered whether loans should be issued to beneficiaries. I believe that one of the other Alliance House organisations provided loans, but I do not recall CF being required to make a decision to change its policy during my time as Chair. Given that CF had to operate

within an annual allocation, it would not have been possible to make loans whose repayment fell outside the annual budget period.

100. The Inquiry has asked me to describe how the NWC decided the general approach to debt relief. I do not have specific knowledge in relation to this. I was not a NWC member and, as I have said in paragraph 7 of this statement, I only attended the NWC meetings on occasion as an observer.

#### Non-financial support

101. As noted above, I understand that CF staff spent considerable time supporting, listening to and advising beneficiaries. However, providing direct support to beneficiaries did not fall within my role and as a result I am unable to provide specific details of the non-financial support that staff provided.

#### Section 8: Complaints and appeals

102. There was an appeal procedure for the CF. Appeals were referred initially for consideration by the NWC and if the appeal went to a second stage, it would be considered by the board. I believe that any decision on an application could be appealed, but I was not close enough to the process to answer with certainty.
103. There was not a right to give evidence or make representations in respect of an appeal in person. Each appeal would have been considered on its merits. Members of the NWC were not part of the board appeal process. However, as I understand it, the first stage was asking the NWC to reconsider its decision so it was possible that a member of the NWC could have considered the appeal and that they could also have been involved in making the original decision in respect of that application.
104. I believe that written reasons for the outcome of an appeal were provided to beneficiaries. I do not recall if there were time limits for bringing an appeal or what

they were but I know that no fees were involved. I cannot recall how common it was for decisions to be appealed.

105. There was also a complaints process but I do not recall the details. Nor do I recall any complaints being made during my term of office. I believe that information about the appeal and complaints procedure was available to beneficiaries on CF's website

### **Section 9: Engagement with the beneficiary community**

106. The staff of CF, many of whom had been in post for several years, were in regular contact with beneficiaries, providing them with support and advice. I am told that many beneficiaries valued the fact that there were a small team of people they could talk to confidentially and who understood their needs. I was pleased to see the results of the APPG survey (conducted before I joined CF) which showed that a majority of respondents described Alliance House staff as 'helpful', 'kind', 'supportive' and 'respectful'. I assume the Inquiry has access to the APPG report. In addition, CF communicated directly with beneficiaries to inform them of significant developments of relevance. Beneficiary representatives were also part of the DH Reference Group which I chaired, together with the Partnership Group.
107. CF established a Partnership Group. The purpose of the Partnership Group meetings was to allow beneficiaries to hear about developments in policy and practice, to offer suggestions as to how things might be done better and to express any concerns. Meetings of the Partnership Group were scheduled annually but, as I recall, a meeting planned for 2016 was postponed because of the uncertainty of the future structure of support. I believe CF set the agenda for Partnership Group meetings, but the meetings were relatively informal and were intended to allow beneficiaries to raise any issues they considered important. The minutes of the November 2015 meeting record that CF Trustees and staff, together with representatives from the beneficiary community attended. I believe other representatives from that community were welcome to attend either the Partnership Group or bilateral meetings with CF. As I recall, the meetings were



constructive, helping CF to understand some of the ways in which communication could be improved (newsletters, website etc). Organising the meetings did impose additional burdens on an already overstretched staff team and I recall discussions about the difficulty of encouraging individual Trustees, as distinct from the representative bodies, to attend.

108. The Inquiry has asked about the relationship between the senior management/board of CF and the beneficiary community. I understand that there had historically been tensions between CF and certain individuals within the organisations representing the beneficiary community, but this was before my time at CF and I don't have any details. During my time at CF, relationships appeared cordial and constructive between CF senior management and those bodies.

109. The Inquiry has referred to minutes of a Partnership Group meeting dated 25 November 2016 which record that I stated that CF's role and remit differed to those of the campaigning organisations and has asked me to explain how it differed, and why I took the view that CF was not a campaigning organisation. CF was established to administer support to eligible beneficiaries. In fulfilling that role, the charity could legitimately promote the case with government for greater resources to allow it to meet its charitable objectives, but it was not an advocacy or lobby group on behalf of beneficiaries in the same way as the Haemophilia Society, for instance. The Inquiry will be aware that the Charity Commission, as a regulator, has become increasingly diligent in holding charities to account when they are judged to have crossed this line.

#### **Section 10: Relationships with other organisations**

110. The Inquiry has asked what involvement or interactions CF had with the Haemophilia Society. The Haemophilia Society, together with the Hepatitis C Trust, were represented on the DH Infected Blood Reference Group which I chaired and made a constructive contribution to the group's discussions. This was the main point of contact I had with the Haemophilia Society during my term in office. I was not aware of any difficulties in the working relationship between CF and the

Haemophilia Society during my time with CF. No Trustees of CF were also Trustees of the Haemophilia Society.

111. The Inquiry has asked about UK Haemophilia Centre Directors Organisation. However, I cannot recall any interactions with this organisation, although they may have taken place.

112. The Inquiry has also asked me to list any particular clinicians I was in regular contact with during my time with CF. One of the CF Trustees was a clinician (I mentioned earlier that one of the Trustee had a medical background – I am referring to that same Trustee here). Other clinicians participated in the DH Reference Group referred to above, but I cannot say that my contact with them outside the meetings was regular.

#### **Section 11: Reform of the Caxton Foundation**

113. The Inquiry has asked me to provide details of any CF consultation or reform process that I was involved in. During 2016 I was asked by DH to Chair an Infected Blood Reference Group, an advisory Panel of relevant subject matter experts and other key interested individuals. The purpose of the Reference Group was to provide expert advice and insight and in particular to support and advise the Transition Board on developing the decisions following the outcomes of the DH consultation on the reform of support.

114. The Reference Group was also intended as a forum for key stakeholders and the affected community to help DH to understand the priorities for delivering reforms and the impact any decisions made would have on those communities. Amongst other reforms, the Reference Group advised DH on the development of a voluntary 'special appeals mechanism' for those at hepatitis C stage 1 to be awarded a higher level of annual payment, equivalent to the HIV/stage 2 annual payments, if the infection or their treatment seriously affected their ability to carry out day-to-day activities.

115. Membership of the Panel, which was determined by DH, included some Trustees of the Alliance House organisations, clinicians, representatives of the beneficiary community, DH officials and independent members.
116. The Inquiry has asked if I had any concerns, or if CF had any concerns, about the 2016/2017 reforms. As noted below, CF initially welcomed the changes which the DH in England had announced in July 2016, many of which were considered positive for CF's beneficiary community overall because of the additional support they would receive via the Skipton Fund. However, in March 2017, DH launched a further consultation, which included the intention to reduce some of the payments only announced in July 2016. CF and the other Alliance House organisations considered that ultimately, the new support scheme would leave some beneficiaries considerably worse off financially, and we said so publicly. CF made its concerns about the proposed changes clear to the Government. Following the launch of the consultation, CF and the other four organisations submitted a joint response to the proposals, highlighting the many ways in which the proposals would disadvantage beneficiaries if they were implemented (CAXT0000094\_121).
117. I was also supportive of the principle behind the DH announcement that it intended to move towards a single scheme administrator, instead of the five existing Alliance House organisations. DH announced that it would be using a public procurement exercise to appoint the new administrator, and CF and the other four Alliance House organisations had intended to submit a joint bid when the Invitation to Tender was published. However, again in March 2017 I believe, the government unexpectedly announced that the procurement process would not take place and that the NHS Business Services Authority (BSA) would take on the role of the new scheme administrator during 2017/18.
118. CF and the other Alliance House organisations were surprised and disappointed at this decision, and in particular at having been given no opportunity to submit proposals to continue to administer support for those infected with Hepatitis C and HIV, given their combined experience.

119. In addition, the consultation document proposed to remove all discretionary support for primary beneficiaries, apart from a limited amount of support for travel and accommodation costs related to ill health. This would mean the loss of the specialist money management and benefits advice services, which had enabled many beneficiaries to address financial difficulties, most often caused by ill health, and to navigate the benefits system and access the benefits to which they are entitled.
120. When the NHS Business Service Authority (BSA) took on the role of scheme administrator for the new single scheme, the Alliance House organisations raised concerns regarding the ability of the BSA to offer the level of individual support to beneficiaries that the schemes had been providing. CF expressed concerns that, as BSA was based in Newcastle, it was highly likely that the expertise of CF and the other Alliance House staff would be lost, as subsequently proved to be the case. CF was concerned that BSA would not be able to provide the level of individual support to beneficiaries that the existing schemes had been providing for many years. The Alliance House team was made up of very knowledgeable and dedicated staff, some of whom had been with the Alliance House organisations for many years and who were seen as the first point of contact for many beneficiaries whenever they needed support. Having access to a small team of people who understood both the background and, often, individual case histories, was seen as invaluable by many beneficiaries. CF believed that it would be detrimental to beneficiaries for any new system of support not to include a confidential support service, or to lose the expertise contained within the staff team.
121. Regarding what beneficiaries were told in relation to the new scheme being administered by the BSA, as I recall, CF sent a letter from DH to all registered beneficiaries outlining the changes.
122. The Inquiry has referred to a meeting of the board of directors of CF held on 10 May 2017, where it was noted that the chairs of the Alliance House organisations were attending meetings with the BSA. The Inquiry has asked what the purpose of those meetings was and what sort of things were discussed. As I recall, the aim of the meetings was to discuss the transition from the Alliance House organisations

to the NHS-BSA as the new scheme administrator. The meetings were constructive and I recall that BSA expressed a willingness to listen carefully to the advice and concerns of the Alliance House organisations.

123. The Inquiry has asked what reasons were given by DH for refusing the proposal set out in the letter of 3 April 2017 to Lord O'Shaughnessy to transfer oversight of the schemes to the BSA while keeping 'the dedicated team of professionals at Alliance House'. As I recall, the DH minister expressed his concern over making the transition as smooth as possible and retaining the workforce and its geographical location in London. I believe BSA also agreed to establish an office in London, albeit not at Alliance House. It subsequently appeared to be the case that the intention was to retain a London office only for long enough to transfer knowledge and understanding from the Alliance House based staff to the new administrative teams.

124. The Inquiry has asked if, in my opinion, the Alliance House organisations had adequate opportunities to pass on knowledge and give feedback on the establishment and functioning of the new single scheme. In my view, the new

meetings with BSA and DH officials provided some limited opportunity to give such feedback.

125. The Inquiry has said that retention of staff leading up to the transfer to the new scheme was raised as an issue with the chairs of the Alliance House organisations and has asked whether I recall this, in the months leading up to the transfer, impacting on the Alliance House organisations' abilities to function efficiently. My view is that the dedication of the Alliance House staff, combined with the skilful management of the CEO and her senior management team, allowed CF to minimise the disruption to the service provided to beneficiaries in the run up to the transition.

#### **Section 12: Other**

126. I believe that CF was well-run by its highly experienced CEO and with a staff team who were committed to providing the best service possible to beneficiaries. Inevitably, constraints of funding caused tension on occasions, and the support that CF was able to provide given its limited allocation certainly fell below the expectations of many beneficiaries, but my perception was that the staff did their best under often difficult circumstances.

#### **Statement of Truth**

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

Signed GRO-C

Dated 2/2/2021

**Table of exhibits**

<b>Date</b>	<b>Notes/ Description</b>	<b>Exhibit number</b>
January 2021	Chris Pond CV	WITN5265002
31 March 2017	The Caxton Foundation, Annual Financial Report for the Year ended 31 March 2017	WITN5265003
August 2018	The Caxton Foundation Annual Financial Report for the Cessation Period ended 16 August 2018	WITN5265004