

Witness Name: Peter Stevens
Statement No.: WITN3070001
Exhibits: WITN3070002
Dated: 29 April 2019

INFECTED BLOOD INQUIRY

WRITTEN STATEMENT OF PETER STEVENS

I provide this statement in response to a request under Rule 9 of the Inquiry Rules 2006 dated 3 April 2019.

I, Peter Stevens, will say as follows: -

Section 1: Introduction

1. My name is Peter Roger Stevens. My address is c/o Russell-Cooke LLP, 2 Putney Hill, London SW15 6AB. My date of birth is GRO-C 1941. I am a graduate of Oxford University where I took my degree in 1963 in Philosophy, Politics and Economics.
2. I retired from a business career in January 2000, at which time I was Head of Corporate Communications for Willis Group plc (formerly Willis Faber, now Willis Towers Watson). I joined the group in 1973 as Corporate Treasurer, having before then been employed at the Bank of England, W S Atkins, and RTZ.
3. I was an initial trustee of Macfarlane Trust ("MFT") from 1988, appointed by the Haemophilia Society, through an invitation from its Chairman, the Revd. Alan Tanner, who then also became Chairman of MFT. In 1991 or 1992 (I do not have a record of the exact date), the Society replaced me with one of their own trustees.
4. I was re-appointed in 1999 (possibly again by the Society, but also explicitly at the invitation of Alan Tanner and of his deputy at MFT, Clifford Grinsted) and the following year was appointed MFT Chairman to succeed Alan. At the same times I was

respectively appointed a trustee of the Eileen Trust (“ET”) and chairman, again to succeed Alan Tanner.

5. I resigned from MFT in 2006 and from ET in 2018, the latter consequent on the decision of the Department of Health (“DH”) to transfer the operations of MFT, ET and the other organisations it had set up to administer the various schemes it had established to provide financial support to those affected by contaminated blood through NHS treatment to a single scheme administered by NHS Business Services Authority (“BSA”).
6. In 2004, I was appointed a director of Skipton Fund Limited, from which I also resigned in 2018. The Board elected me as chairman.
7. In 2011, I was appointed a founder trustee of Caxton Foundation Limited and subsequently elected chairman. I resigned from the Caxton board in 2013.
8. I was one of the two directors of MFET Limited (“MFET”) *ex officio* as ET chairman, the other director also being *ex officio* as MFT chairman. We alternated the chairmanship of MFET annually. MFET was shut down in 2018.
9. In 1989 to 1992 I was a trustee of the two non-discretionary trusts set up by the DH to administer the *ex gratia* and the settlement payments (respectively Macfarlane Special Payments Trust (“MSPT1”) and Macfarlane Special Payments (No 2) Trust (“MSPT2”)). In 2009 I became a director of two corporate trustee companies set up for the latter, when it was temporarily revived to make the first of the “post-Archer” *ex gratia* payments that were subsequently administered by MFET. MSPT2 and these two corporate trustee companies were dormant from 2010 and closed down in 2018.

Section 2: Responses to questions

My letter to Ms Walton dated 13 March 2006

10. I have been asked to comment on a statement by Ms Walton in paragraph 101 of her witness statement that she received a “devastating letter” from me. Ms Walton also refers to this letter in paragraph 97, where she expresses her dismay at various “implications” of this letter.

11. I received a copy of this letter, from a member of the Inquiry team, on 26 April 2019, not having had access to it since I left the MFT Board in 2006. As a former Trustee of MFT, I no longer have access to MFT's documents or records, so this statement is based on my limited recollection of the relevant context for the letter. Exhibited hereto and marked with the letters "WITN3070002" is a true copy of the letter dated 13 March 2006.
12. My letter was written in March 2006 in response to a request from Ms Walton that the MFT Trustees should review their decision that MFT should "cease paying an additional £745 monthly" that she had been receiving since 2003 to enable her to take an educational course, which I believe a post-graduate course to which Ms Walton's statement refers. I recall that at the time the letter was written, her poor health had prevented her from undertaking the course work for some considerable time (which I cannot quantify from the documents available to me).
13. In my letter I carefully set out the background to the Trust's work and its relationship with Ms Walton, stressing that the Trust had never been funded sufficiently to "put everybody in the state that they would like". I also referred to a Business Case that the Trust had put to the DH the previous November justifying and requesting a considerably enhanced level of funding. This Business Case was subsequently rejected by the DH.
14. I do not have a record or recollection of the Trustees' decision on the review of Ms Walton's additional monthly £745, nor do I know the amount to which it was additional. It may be possible to establish this from MFT's records to which the Inquiry has access.
15. My letter observes that the combined monthly payments being received by Ms Walton exceeded "by some multiples" those that any other Trust beneficiaries were receiving.
16. I have no other comment to make on my letter of 13 March 2006 or on Ms Walton's statements about it.

The letter of apology sent by Mr Fitzgerald

17. I have also been asked to comment on an apology that Ms Walton states, also in paragraph 101, that she subsequently received from my successor as Chairman of MFT, Christopher Fitzgerald, and a statement that “he agreed that my letter should never have been written”
18. I requested from the Inquiry a copy of these statements, which I had assumed to have been contained in a letter to Ms Walton from Mr Fitzgerald. I have not received copies.
19. I was not aware that Mr Fitzgerald had made such statements, whether or not in writing, until I received the Rule 9 request from the Inquiry. I would expect that, had such a letter been sent, Mr Fitzgerald would have consulted me before sending it. I have no recollection of him doing so.
20. In the absence of further details, I am unable to comment further on Ms Walton’s report of Mr Fitzgerald’s statements regarding my March 2006 letter.

Section 3: Other Issues

21. Through much of her witness statement, first in paragraph 43 and then from Section 7 (first heading) onwards, Ms Walton makes a number of allegations about MFT’s treatment of her. Some of these allegations refer to the times when I was a trustee. Not having been asked by the Inquiry to comment on any of these allegations, I shall not do so.
22. However, there is one factual matter that I would like to address. In paragraphs 75 – 77 (the second use of these paragraph numbers on page 22) Ms Walton refers to the *ex gratia* and settlement payments and states that she was lied to by the then Chief Executive, Mr Martin Harvey. As Mr Harvey is deceased and there is probably nobody other than me still alive who was involved in the administration of these, it might be helpful to clarify matters.
23. Both these payments were made solely to beneficiaries of MFT. The £20,000 *ex gratia* payments, introduced in 1989, were made, as far as I can recall, only to those who had been infected through treatment (which would explain why Ms Walton did not receive a payment). This payments scheme was designed, I believe, by the DH, possibly in

consultation with lawyers acting for some of the beneficiaries, probably also in consultation with the Haemophilia Society. MFT had no part in the design or administration of this payments scheme, payments under which were made by MSPT1, the trustees of which had no discretion but simply authorised the payments in accordance with the scheme. All payments were made, I believe, by the end of 1989. MSPT1 was set up, as a non-discretionary trust, with the sole and specific purpose of making these payments; that task having been completed, MSPT1 became dormant and was never used again.

24. The settlement payment scheme was structured to give different levels of payment to people categorised mainly by their family circumstances i.e. whether or not they were married and, if so, whether they had children. This was designed by the DH and lawyers acting for some of the beneficiaries who were planning litigation against the DH, possibly also with the involvement of the Haemophilia Society. As with the *ex gratia* scheme, MFT played no part in the design or administration of the settlement scheme. The trustees of MSPT2 were required to authorise payments to applicants, checking that they were correctly categorised according to the rules of the scheme and that each application was accompanied by a signed waiver of rights of litigation; the trustees had no discretion in deciding what amount of money should be paid to each applicant.
25. Ms Walton states that she received a payment of £23,500; this was consistent with the scheme rules as I recall them. All payments were made, I believe, by the end of 1991. MSPT2 also became dormant once that task had been completed, although it was revived, with an amended trust deed, in 2009 when a non-discretionary vehicle was needed to make the first of the post-Archer income payments that were subsequently administered by MFET, which could not be set up in time because of DH delays. After this brief revival MSPT2 again became dormant.
26. In 1992 the DH produced a scheme for providing financial support to people who had been infected with HIV through treatment, with NHS blood or blood products, of conditions other than bleeding disorders. The scheme was modelled on the *ex gratia* and settlement payments, with individual payments equal to the aggregate of both and with a structure of payments similar to that of MSPT2. The scheme was administered by the DH, and receipt of payment by an individual was also conditional upon the signing of a waiver of litigation rights.

27. Included in this scheme was the intention to set up a discretionary support vehicle, which was established in 1993 and known as the Eileen Trust. Entitlement to request help from ET was conditional upon the prior receipt of the scheme payments from the DH. About 100 people received scheme payments, not all of whom subsequently sought ET support. The scheme payments continued to be available until the transfer of all the payment schemes to BSA, although I do not recall any such payments being made after about 2016. I do not know if BSA or the DH would entertain a new application now.
28. Ms Walton's statement in paragraph 75 that she was lied to by Martin Harvey about the £20,000 *ex gratia* payments only being made to haemophiliacs appears to be based on a misunderstanding. The scheme payments received by transfusion infectees, while the same in aggregate as those paid to the haemophilia community respectively as *ex gratia* and as settlement payments, were made under a different scheme administered by the DH. Further, all payments made by MSPT1 and MSPT2 were made according to scheme rules designed by the DH, with the settlement payments being also agreed by lawyers acting for beneficiaries.

Statement of Truth

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

Signed Peter Stevens

GRO-C

Dated 29 April 2019