Witness Name: ROGER EVANS
Statement No: WITN3859002
Exhibits: None
Dated: 4th February 2021

INFECTED BLOOD INQUIRY

SECOND WRITTEN STATEMENT OF ROGER EVANS

I, ROGER EVANS, will say as follows: -

I provide this statement in response to a Rule 9 Request, under the Inquiries Act 2005, dated 30 October 2020.

1. I want to say at the outset that I have not retained any documents relevant to Macfarlane Trust ('**MFT**') or Caxton Foundation (**'CF'**). Both had a strict policy that all papers would be destroyed or returned after meetings. This was an agreement on taking up the positions with them. I adhered to this rigidly. As a result, I have held no documentation, either in paper form or electronically, since 2016. This statement is, therefore based on my recollection, supported by R9 documentation and the documents the Inquiry has referred me to, but without access to a wider body of documents.

Section 1: Introduction

Question 1 - Please describe your employment history including the various roles and responsibilities that you have held throughout your career, as well as the dates.

2. My career has been devoted to NHS management and, in recent years, large and high profile charities. As indicated in my witness statement to the Inquiry, dated 10 November 2019 **('first statement')**, I spent 37 years as an NHS manager. My early

years were in junior, middle and senior management positions. Thereafter, I held the following roles:

a) Between 1982 and 1990, I was the Unit General Manager/Chief Executive of St George's Hospital, London.

b) Between 1992 and 2000, I was the Chief Executive of the Mid-Kent Healthcare NHS Trust.

3. After leaving my post at Mid-Kent Healthcare NHS Trust, I developed a portfolio of, mainly, England wide, healthcare consultancy work, with the NHS and central government.

4. Some of the significant work which I have done includes, but is not limited to, the following:
   - Implementation of a strategy for people with cleft lip and palate conditions in London and the South East;
   - Setting up the Health Protection Agency (which then became Public Health England);
   - Developing and implementing a strategy, across the NHS, for decontamination and sterilisation of surgical instruments; and
   - Reviews, on behalf of the Department of Health (**'DH'**), of major service changes within NHS Trusts, Commissioning Groups and NGOs. I have undertaken 58 of these in England and Northern Ireland.

5. I have also used my experience in healthcare and public services, by working for a number of charities, such as the following; Chief Executive of the St George's Charity between 2000 and 2005, Interim Chief Executive of the Haemophilia Society from March to July 2007, MFT board member/trustee between 2006 and 2012, Chairman of MFT between 2012 and 2016 and co-Chair of the Macfarlane and Eileen Trust ('**MFET**') from 29 April 2012 to 27 May 2016, board member of the CF from 2011 to 2012, Chief Executive of the Neurosciences Research Foundation from 2006 until present, and London City Mission board member from 2014 until present.

6. For the duration of my time as MFT trustee and Chair, I had a heavy, paid, consultancy portfolio. I regarded my MFT involvement as extremely important, but I carried it out in a voluntary, unpaid capacity.

Section 1-A: My overarching observations on the issues the Inquiry is concerned with

7. Before I go through the detailed questions the Inquiry has requested assistance on, I thought it may be useful to provide some overarching thoughts on the MFT and the position of the AHOs generally.

8. Many questions are directed at things said to have gone wrong in the workings and decision-making of the AHOs. Much went right, which may not be as evident. So, I would like to give some context to these complaints.

Reasons the MFET and MFT were originally set up in 1988

9. Whilst my involvement in the MFT and MFET postdates the inception of both of these bodies, I understand that the MFT and MFET were set up by the DH, which funded both of these, to support those boys and men (and, later, family members such as widows, children, parents etc), with pre-existing haemophilia, and who were transfused with tainted blood leading to the development of Hepatitis C.

10. The MFT, a charity registered with the Charities Commission, was set up by the DH in 1988 with the charitable objectives being: to provide financial assistance, and other benefits, to meet any charitable needs of individuals with haemophilia and bleeding disorders who had received blood, blood products or tissue from the NHS and, in consequence are suffering from acquired immune deficiency symptoms and, also partners, parents, carers, children and dependents of a primary beneficiary, including those who had died.

11. I first came to be involved with the MFT in 2006, as a Trustee and Board Member. I continued as such until 2012, when I was then appointed as Chair. I resigned from my role as Chair, and my role on the Board, in 2016. Throughout the period of my involvement with the MFT, I was involved in various working parties and committees, such as the National Support Services Committee / Grant Committee and Employment Affairs Committee.

12. The MFET was established much later by the DH, following the Archer Inquiry. It was set up to administer annual, non-discretionary payments to the infected beneficiaries of the MFT and Eileen Trust following the Archer Inquiry. In practice payments were made, I think, monthly. I was co-Chair of the MFET from 29th April 2012 until 27th May

2016. During the four years I was Co-Chair, MFET disbursed about £20M of Government/DH money to beneficiaries. By 2015/16 non-discretionary payments to all MFT's infected beneficiaries were made at a rate of £14,749 per annum (Source: Macfarlane Trust Annual Report)

13. All AHO staff worked in a modest, small, leased, open plan office in Alliance House. This took up about one third of one floor of Alliance House. This included staff working on MFET, MFT, CF, Eileen and Skipton business. In total, there were about 7 to 8 AHO staff working in this small office. The CEO had an adjoining, partitioned, office.

14. I have nothing but praise for the hard work, dedication and commitment of the staff working in Alliance House, whom I had the pleasure of working with closely for 10 years. As explained below their job was not always easy. I thought they always handled their tasks professionally, and very well.

15. The MFT was, similarly, funded by the DH/Government to disburse discretionary grants to beneficiaries. I believe, initially, a lump sum of £38 million was provided to the MFT for the benefit of the beneficiaries, and additional annual funding was made available, of the order of £2M.

16. Various stakeholders had an interest in both the MFT and the MFET. This included not only the beneficiaries, but the DH, Government Ministers, Members of Parliament both on the All-Party Parliamentary Group and individually representing constituents, the Haemophilia Society, and supporter groups set up by beneficiaries. There were several of the latter, as I have stated at paragraph 25 of my first statement that operated as self-appointed pressure groups

<u>How the MFT changed between 1988 and 2016</u>

17. One of the complexities to our work was the MFT's beneficiary community, which changed considerably from its creation in 1988, to the start of my involvement, and the end of it. There were numerous dynamics.

18. In 1988, HIV was a life-threatening illness. In later years, with medical developments, happily, life expectancy became much longer (though sadly, this was not for all). One consequence of this was that the beneficiary community changed. Not only did it comprise primary beneficiaries but it came to include many more wives, partners and

children. By 2016, the MFT was serving a much wider community, with different needs, compared with 1988.

19. Another important dynamic was the effect of ageing on the different beneficiary communities. People with haemophilia often suffer numerous health complications as they age. Many beneficiaries were haemophiliacs who were infected with tainted blood products as children. Young men and children suffered greatly from the impact of HIV as well as haemophilia. As they got older, there were advances in the treatment of HIV, though at the same time they came to suffer considerably from complications arising from haemophilia, for many damaging their health and quality of life to a far greater degree than when they were younger. This raised very difficult issues as to funding for individual beneficiaries; many of the decisions for funding had an element of subjectivity. For instance, do we just look at someone's overall health situation, and the impact on their lifestyle or do we try to distinguish between those aspects of their health that are attributable to the effects of receiving infected blood products from those caused by haemophilia? There are no right or wrong answers to such questions.

20. The publication and implementation of the recommendations in the Archer Report gave the opportunity to ensure all beneficiaries received a regular income, to which Government/DH provided funding through MFET (see paragraph 12 above); they were termed "non-discretionary payments". This enabled individuals to make their own decisions on lifestyle and to decide how to spend their income. Prior to this there were often situations where individual beneficiaries and relatives came to MFT for funding of commonplace needs e.g. new pair of spectacles being just one. This was demeaning and I was pleased the changes took place. Most beneficiaries adjusted to this change but a few found it difficult. Discretionary payments, through MFT, remained equally important.

Whether the MFET and MFT were the most appropriate way for the Government to meet its commitments to those affected

21. From 1988, there was very understandable anger and extreme unhappiness at the situation people were in, and the Government's role in that situation. Many have, understandably, never come to terms with how they were treated. I spent 10 years engaging with those who had found themselves the victims of these awful events. Of course, their feelings were wholly justified: terrible wrongs had been committed against them, and they had been visited with lifelong physical, mental and social suffering. In

the 1980s, and into 1990s, the contraction of HIV carried social stigma and many felt compelled to keep secret their medical condition, even to loved ones.

22. Understandably many manifested anger and dissatisfaction at the form of action taken by Government. As I understand it, early on lump sum payments were made to those affected by the Government but, I was told, with an undertaking not to take legal action. Subsequently, discretionary payments were made through what was termed an "ex gratia" scheme, through the legal structure of charities registered with the Charity Commission. That is how the MFT and I think other AHOs were set up. I may be wrong but I have the impression, that with the early, grim, medical prognosis for HIV, successive Governments viewed this as a relatively short term issue.

23. I think those elements contributed to the victims' sense of insult. To describe something as "ex gratia" suggests the recipient has no right to receive what is being provided; a voluntary payment or gift. The use of charitable structures has the same connotations. I think this was deeply unfortunate, if not offensive. The victims of this terrible wrong should have been regarded as having rights to monies which they were entitled to, due to the wrongs against them. This should not have been approached with any connotation of largesse by Government, voluntariness, gift, or charity. That was insulting to good people.

24. In my view, the establishment of MFT was not the way in which the Government should have been administering funds to support the infected and affected. The Government should have been administering funding directly, and not through arms lengths bodies such as the MFT. As I mention below, it felt as though the MFT operated as a 'punching bag' or 'cushion' between the MFT beneficiaries and the DH/Government.

25. There was also at times anger and dissatisfaction at the amounts that were being provided. The Government just decided on total funding amounts. While it will be for the DH to explain to the Inquiry, I am not aware this was based on any careful calculation of the degree and number of people in need. The adjustments DH made year on year were approached as global ones, i.e. to increase by x% globally, rather than any calculations related to beneficiaries and their circumstances, or by reference to changes over time in the number of beneficiaries, and their changing profile of needs. While we made our representations to DH (which I shall come to), ultimately DH was the decision-maker, and we managed and distributed what we were provided

by Government, in the fairest way possible. The DH/Government did not appear to have any appetite for review of the payment structure

The MFT needed to be scrupulous in administering the grant system. If every grant application had been approved, that could have led to the diminution of the fund, and less available to provide to all beneficiaries, some of whom may have had more pressing needs, but had managed their own finances differently.

26. To take an example of the challenging judgments involved, sometimes we were faced with an application from persons (not known by names to trustees) whom regularly applied, and been given, discretionary grants, and it became apparent that they had been making extremely unwise choices as to their own management of money. For instance, in the days before Amazon, MFT considered applications from a small minority of beneficiaries who spent large sums of money buying items through mail order catalogues, which may not have been the wisest decisions. Consequently they ran up big debts, and could not meet essential service bills such as from local councils and utility companies, who then threatened them with legal action. MFT was always disposed to help, but in a way which would also advise the beneficiary on their future financial decisions.

27. There was no easy answer to the extent to which the MFT should have provided funds such as those needed due to poor financial management or unwise spending decisions. These were hard decisions to make. However, they had to be made. Where we took the difficult decision to decline an application that sometimes made an individual upset with us, and they sometimes expressed themselves forcefully.

28. If we had been extremely permissive of all requests, the fund would have diminished quickly and we would have been left unable to meet pressing needs. It would not have helped those in real need to simply accede to all requests. It was in the interests of fairness within members of the beneficiary community that we exercised care in our decision-making on individual grants, and that meant declining some requests. That was never an easy thing to do. It was, though, right that we took responsibility for managing the limited resources properly, and made what were difficult decisions, in a fair manner.

Did the MFT and MFET serve the community well?

29. I appreciate that, given the issues that have been raised by other witnesses, the Inquiry may be asking itself the above question. In my view, the MFT served the beneficiaries community as well as it could possibly have done with the funds available, and within the terms of reference within which it was required to operate.

30. Despite the dissatisfaction and, at times, anger, of some beneficiaries, I do not think that this should be taken as proof that we were doing a bad job in our arrangements for, and decisions made on, the administration of the funds. I am concerned that, to the extent that the Inquiry has received evidence about the operation of the funds and the AHOs, the evidence it received may have come principally from the small number of people who were dissatisfied and angry with us, rather than hearing the voices of the majority of beneficiaries whom I believe thought we were doing the right thing with the level of funds we had, and managing the fund responsibly and fairly.

31. I estimate that from 2006 to 2016, we made available £50M (£30M whilst I was Chairman) to many hundreds of people, all of whom had very diverse needs and circumstances. With a relatively limited fund, we managed to provide a regular level of funding income to beneficiaries through the MFET, as well as dealing with applications for discretionary grants through the MFT. I believe we never deprived financial support to someone who was in extreme need. If we had been less attentive to the intended focus of the fund, not carefully managed the fund, and simply approved every individual grant application made to us in order to try to please everybody, then the fund would have diminished, and we may have run out of money and not been able always to provide for those in extreme need. I think, overall, in my time as trustee and then Chairman of the Board, we managed the fund responsibly. We never got to, say, December or January, and found we had exhausted the year's budget, and therefore were forced to defer individual applications to the next financial year, irrespective of the importance or urgency of the person's need.

32. I do not think the complaints from beneficiaries which form the basis of many questions now asked, represent the majority view. Those voices are not representative of the beneficiary community as a whole. It was understandable that some expressed anger, including for reasons I have explained. We bore the brunt of that. I do think though we achieved a lot with the limited resources we had. Overall, there were excellent

relationships between the MFT personnel and individual beneficiaries. With some beneficiaries, the Support Services staff were de facto counsellors

33. The majority of the beneficiary community was content with what was going on, and not dissatisfied with our work in administering the funds. There were many expressions of satisfaction and appreciation from beneficiaries about the way we supported them, both in writing and informally. This majority was not expressing anger or dissatisfaction with our administration of the funds. I still respect the dignity shown by so many. Those people are far less likely to have now come forward to this Inquiry to give evidence.

34. To be clear, I am not claiming that we always got everything right. Nobody would over a 28 year period.

35. I also think it is right to recognise the hard work, commitment and dedication of the staff employed by the Trust. It was at times not an easy job. They had to deal with people who were not always polite to them. Sometimes there was considerable abuse over the phone, in letters and emails. Great patience and discretion was paramount.

36. One source of telephone abuse was that we made the decision that only the Support Service Manager and her assistant should answer telephone questions about any matter pertaining to an actual or possible grant application. We did this because the two of them were the only staff with full knowledge of these issues, probably knew the enquirer, and so could give precise and accurate answers. It was their job. It did though mean that sometimes people would ring, and another staff member would respond to the question by saying that they had to pass on the query to the Support Service staff. This led to occasional abuse, with people saying, unjustifiably, our staff did not know what they were doing, had not been trained properly, no-one had a clue etc. W1137 is a written example and includes unwarranted disdain of those trying to help him.

37. I am very much aware that some people were very unhappy about the above circumstances of the funding regime. However I, and those I worked with on administering the schemes, had very limited ability to influence the above factors. I and others were brought in to administer a system, the shape of which the Government had already decided upon. We did not make the choices about it being an "ex gratia" scheme, nor about it holding the legal status of charitable bodies.

38. Beneficiaries were understandably and rightly aggrieved that the MFT was not funded at a level which allowed us to provide the funding which they wanted. All we could do was discuss with Government, lobby, and submit a written business case for greater funding. Until latterly, our negotiating with DH was weakened by the inordinate level of reserves held.

39. This was particularly difficult in the early 2010s, when the Coalition Government of the day was very focussed on austerity and reducing Government spending. I did talk to Government officials about the need for greater funds. This was not a point lost on me. However, ultimately, Government had the final say on these decisions as to our funds.

40. I am aware that some people thought I and those with responsibility for the schemes should have pressed the Government harder, and complained more loudly or in different ways, to try to convince the Government to allocate more funds to the schemes. Between 2012 and 2016 I believe I pressed, with DH and Ministers the issue of the funding levels as much, and as strongly, as I thought was appropriate. Retaining a level playing field of funding, with inflation, was, ironically, an achievement during austerity years whilst the NHS was taking cuts in allocations.

41. I think certain vocal beneficiaries probably thought those running the AHOs were too close to Government, and so did not press DH strongly enough. In terms of the work I did, I disagree. I do have long experience in the public sector and working within and with Government. I had been on the other side of the fence. I chose the methods I thought would be the most effective in the long term to maximise the funds that may be allocated by Government for us to use for beneficiaries. People from different backgrounds may have chosen a more combative approach to discussions with Government, or done other things to try to metaphorically twist arms to try to secure greater funding. It would not have succeeded.

42. My approach was one of regular communication, explanation, and negotiation. With the extensive experience I have of the public sector, my approach was the one I believed was in the best interests of the beneficiary community. My own professional experience does not give me any reason to think that a very different approach by me and the MFT would have resulted in Government providing a higher level of funds. It would have been at the cost of a poor longer term relationship with Government, and possibly poorer overall results. I do not think that would have been in the interests of the beneficiary community. In my view it was in the interests of the beneficiary

community that we retained a civil and workable relationship with Government, whom we were entirely dependent upon.

43. If anyone were to adopt that different role of combative campaigning, it was the Haemophilia Society ("**HS**"). That was an organisation I was involved in briefly (which I discuss below). When I was Chairman of the MFT Board (and not part of the HS), I thought the HS should have been speaking far more loudly and assertively about this issue of the funding provided to the MFT. The HS did not do that. The HS appeared to be prioritising campaigning against the MFT rather than to the DH for additional funding. I do not know the reasons for that.

44. I think a number of factors contributed to the feelings expressed by a minority of beneficiaries. These included:

    a. Their infliction with serious, in some cases debilitating, diseases as a result of medical and Government errors in the 1980s;

    b. the lack of open, official recognition by Government that it had been at fault, and that these people had an *entitlement* to what was justly theirs i.e. non charitable financial support, not handouts;

    c. that we needed a greater level of funds to meet their expectations; and

    d. that there was a myriad of different needs and categories of recipients. Some beneficiaries would compare the amounts they received to that of other types of beneficiaries. It was impossible to calibrate or recognise in any incontrovertible, objective sense the different levels of suffering of people having very different experiences.

45. All of these complex decisions and dynamics among different groups of beneficiaries led to a small number of people being very vocal. The emergence of electronic and social media changed the nature of this communication markedly. Prior to this, people may have written a paper letter. Writing a letter takes time. Time often brings reflection. The advent of emails and electronic and social media changed that completely. A small number of vocal, dissatisfied, people were now firing off spur of the moment angry messages, with personal and elevated criticisms. Sometimes, there seemed to be little reflection. Messages got forwarded on and on across the beneficiary

community. The conversation got much louder, angrier, and more personal. One clear example of this was the bulletin board. I have referred to this in my first statement. The MFT made a decision to stop funding the bulletin board when it became apparent that it was being used as a site for unpleasant and personal exchanges between MFT beneficiaries as well as towards the CEO and myself.

46. This manifested itself into personal actions as well, three examples being:

    a. A group of beneficiaries forcing their way into Alliance House offices.

    b. Just after an APPG meeting in Parliament, in 2015, one particular beneficiary squaring up to me threatening to hit me; he was prevented from doing so by a colleague but MPs were present; as far as I know, they took no action and didn't support me at the time.

    c. In my first statement, I cite the unprofessional emails of a User Trustee, W1122.

47. There were also considerable tensions between groups of beneficiaries. All of the people we had to make decisions in relation to, had their own individual experiences. Some were primary beneficiaries, having been directly infected. Others were spouses, partners or family members. Of the latter, some had been infected themselves, and some had not been. Many victims had been infected from a very young age. People had different levels of health consequences. People also had very different levels of need from factors quite apart from the events which linked them together or having been victims of the infected blood scandal. Some had significant independent means; and some had very limited other means.

48. There is no scientific and objective way to factor all of these matters to arrive at an unquestionably "fair" system of distribution of limited funds. Should a spouse infected with the same disease receive less than a person directly infected by the Government? Should a widow (or former spouse) who is now in a new, stable relationship receive funding, and if so, to what relative extent? Should middle class people living on average to decent separate incomes be funded to the same level as those less fortunate?

49. The MFT had guidelines to promote fairness and consistency. Even with written guidelines, there were still difficult decisions to be made, and no real right or wrong answers to many of the questions.

50. Inevitably, individuals were sometimes upset or angered by decisions made on funding, i.e. that we had taken a particular approach to funding one type of beneficiary, and another approach to another type of beneficiary. This led to criticism of our work. However, these were in a sense impossible decisions, in that there was no right answer, and giving one group funds inevitably meant there was less in the total fund for all others; and then the possibility that others may disagree with that decision.

51. There was also a tension between a minority of MFT and CF beneficiaries over the levels of financial support each was getting. This was tied to their views as to the relative levels of suffering and hardship endured by them as compared with beneficiaries of the other fund. Some MFT beneficiaries thought the CF beneficiaries (with Hep C) had suffered less and, therefore, CF should be receiving a relatively lower financial allocation from DH. Some CF beneficiaries had a view on this. The issue also arose when the CF began to make winter fuel payments, which some MFT beneficiaries thought was inappropriate for the CF beneficiaries to be receiving. I do not think there were right or wrong answers to such issues. Whatever decision was made, a small number of beneficiaries would be dissatisfied with the outcome, and would express criticism of us due to the issue.

Conclusion

52. Inevitably, the MFT made some mistakes. However, I do think that, overall, the MFT got much more right than it got wrong. I believe that, within the confines of the already problematic scheme we were given by the Government to administer, with limited funds, the size of which was ultimately beyond our control, we were making broadly appropriate and fair decisions, and achieving the aims the MFT was set up for. We distributed over £50M to people in real need in 10 years. While everyone may have had a different view as to how the finite pot of money should have been distributed, I think the system was efficiently and fairly run.

53. I am honoured and proud to have had the opportunity to work with the MFT and the CF, and been involved with the MFET. During those ten years, considerable advances were made in supporting the beneficiary community, who had been so severely affected. Not only were tens of millions made available to them, but the way in which we gave support became more dignified and sensitive. I remain respectful of those we did our best to help.

Question 2 - Please set out the positions you have held at the MFT and at the CF including with any committees, working parties or groups relevant to the Inquiry's Terms of Reference, and describe how you came to be appointed to those positions. You may find the document [CAXT0000065_030] of assistance when answering this question in relation to the CF.

Macfarlane Trust

54. As stated above in response to Question 1, I was trustee/board member of the MFT between 2006 and 2012, and Chairman between 2012 and 2016 (and co-Chairman of MFET). During this time, I was also member of the National Support Services Committee **('NSSC')** between 2006 and 2010, and Employment Affairs Committee between 2006 and 2010. I was also a part of some other working parties from time to time.

55. I came to be appointed as a board member/trustee of the MFT as follows. I was contacted in 2005/6 by a recruitment agency asking if I would interested in becoming Chairman of the MFT. When contacted, I knew nothing about the MFT. After researching it, I decided that I was interested. I had no recollection of what had happened to the boys and young men with haemophilia in the 1980s. When I read about this, I was appalled. It touched my heart, and, I decided my experience was compatible with the terms of the MFT, and I thought my skill set and experience could be of benefit the Trust and its beneficiaries, the victims of these terrible events.

56. I then met informally and separately with the recruitment consultant and Peter Stevens, the outgoing Chairman of the MFT. I was then interviewed by a panel of Board members. Subsequently, I was informed that another applicant had been offered the position of Chairman, but that the Board wanted me to consider an offer to be a Board member (as one of the three MFT appointees). I accepted, and I was appointed as Board Member/Trustee of the MFT in early 2006.

57. As well as being a Board Member, I also served on the NSSC from 2006 until about 2010. My responsibilities on the NSSC were, mainly, to attend monthly meetings and review applications for one off funding from individual beneficiaries. My estimate is that we considered between 20 and 30 applications at each meeting. Some of these required CEO decisions, but for the large part, we decided the applications ourselves in respect of one off applications for funding or other support, or, made a recommendation to the full Board. The NSSC had clear terms of reference. This was well known to the beneficiaries. These were reviewed by the full Board before implementation.

58. I then became a member of the Employment Affairs Committee from 2010 to 2012. This committee only met once or twice a year. Its role was primarily to review staff contracts and recommend any changes to the full board of the MFT.

59. A Working Party was formed in 2007 to discuss submitting a revised case to the DH for future funding arrangements for MFT (See 324.07 of Minutes of Meeting dated 22 October 2007 at MACF0000018_104).

60. In 2011, the Board set up a Working Party to develop a Business Case, to submit to the DH, to pare down the reserves by 30th September 2012. The NSSC, rather than the full Board, set up the Working Party, comprising three of its members. In February 2012, I was asked to join the Working Party, by which time the work was advanced. A company, called '=MC', had already been commissioned to gather information from beneficiaries, including conducting home visits. This work was a prelude to making decisions on spending reserves on home improvements for beneficiaries. Unfortunately, the letter sent by Mr Russell Mishcon to beneficiaries regarding home visits was regarded by some as being insensitive and intrusive. It was met with anger. Mr Mishcon was persuaded to attend a Men Only Weekend, and an ad hoc beneficiaries meeting, to explain his letter. This only ameliorated the beneficiaries' negative opinion of him. Despite this setback, eventually, the Board developed a way forward which enabled the spending of reserves.

61. In 2012 I was invited by the other Board Members to become the Chairman of the MFT. This followed an external recruitment process, involving a formal interview with several Board Members and a recommendation to the full Board, which unanimously supported my appointment. My role was typical of a Chair. As well as chairing monthly Board meetings, I oversaw the operation of the MFT. Furthermore, there were a number of external stakeholders, notably the beneficiary community, DH, Ministers, the All Party Political Group for Tainted Blood, CF, Haemophilia Society and individual MPs who became involved on behalf of constituents. These groups all, very properly and understandably, had many contributions, questions and at times complaints they wished to discuss with me. Engagement with these different stakeholders took up a considerable amount of my time in this role. I stood down as Chairman of the MFT on 23 May 2016.

Caxton Foundation

62. In 2011 I was asked by DH, with Peter Stevens and Charles Gore, CEO of the Hepatitis C Trust, to set up a body to administer funds and make decisions for the benefit of people with Hepatitis C.

63. This body came to be known as the CF. The Board of the CF was formally established on 1st October 2011.

64. When the CF was established, I was appointed by DH as a Board Member. I was a member for about four months. During this time, I was also a member of the National Welfare Committee (**'NWC'**) and the Employment Affairs Committee. I continued in this role until appointed as MFT Chairman in 2012.

65. As my period of direct involvement in the CF was relatively short, I am not able to answer many of the questions posed, as they relate to events after I stood down as a Board Trustee.

Question 3 - Please describe your role and responsibilities in the above positions. In answering this question in relation to the CF you may wish to refer to [CAXT0000067_001].

66. I have given some of the information which answers this question in my response to the last question above. I will provide any further detail I can recollect here.

Macfarlane Trust

67. MFT's charitable objectives, as registered with the Charity Commission were: to provide financial assistance, and other benefits, to meet any charitable needs of individuals with haemophilia and bleeding disorders who had received blood, blood products or tissue from the NHS and, in consequence are suffering from acquired immune deficiency symptoms and, also partners, parents, carers, children and dependents of a primary beneficiary, including those who had died.

68. I understand that when the MFT was set up there were about 1,300 primary beneficiaries. By 2007, the number was less than 400 and, sadly, lower by 2016. However, the number of partners and children needing support had increased hugely, much more than the number of primary beneficiaries who had passed away. Consequently, the responsibilities of the MFT, and relationships with the beneficiary

community, evolved over the years. The profile of the beneficiary community was much different by 2016 than it would have been in 1988.

69. The MFT was required, as with all charities, to comply with Charity Commission regulations and requirements. Furthermore, as financial provider, the DH overviewed the MFT's activities. As I have mentioned, beneficiaries (and also those at the MFT), quite rightly did not regard financial support as being "charitable". It was not really a charity in that respect, or at least should not have been regarded and structured as such. There was a co-operative but strictly business-like relationship with nominated DH officials and Ministers.

70. MFT appointed external auditors and legal advisors, by competition. The annual accounts were unqualified during my time as Chairman.

71. My understanding is that in about 1988, the DH allocated to MFT a lump sum of money to carry out its responsibilities. Subsequently, from some years later, when this was exhausted, MFT negotiated annual allocations from the DH.

72. I was never a trustee of the Eileen Trust or Skipton Fund, but there was cross membership. Staff working in Alliance House did not share confidential information relating to their beneficiaries with one another. The Eileen Trust and Skipton Fund were also funded by different staff members. Only the CEO had managerial responsibilities for them all, and the Finance Manager, I believe, also had some responsibilities across the AHOs.

Haemophilia Society

73. For details of my work with the HS, please see Section 10 below.

Caxton Foundation

74. Establishing the CF was a huge challenge, but one that gave me great satisfaction to be involved in establishing a body doing such important work. My involvement included help in drawing up and agreeing governance arrangements, reporting to the DH, appointing the CEO, board members, and identifying some of the potential eligible beneficiaries. There was an immense amount of dialogue between DH and CF, to help the formulation of the latter. Much of this was informal. Others are better placed to

inform the Inquiry as to the CF's regulations. As I have mentioned, the Board was formally established on 1st October 2011, and I was a member for only about four months.

75. During that time, as well as being a Board Member, I was also a member of the NWC for a few months in 2011/12. The NWC was responsible for considering applications from beneficiaries for one off funding (See the Terms of Reference, dated 13 September 2011 at CAXT0000065_030). I left the Committee when I stood down as a CF Board Member.

76. The NWC, the Terms of Reference (see the Terms of Reference, dated 13 September 2011 at CAXT0000065_030) for which were agreed by the full Board of the CF, had a similar role to that of the NSSC for the MFT. Its terms of reference were, however, as I recall different from those of the NSSC. I cannot now recall any detail on that.

77. I was a member of the Employment Committee for only a few months, before my resignation from the CF's Board.

Question 4 - What induction, training and information did you receive from the MFT and the CF as to its functions, aims and objectives?

78. My induction as an MFT Board Member was by briefings from the outgoing Chairman, meetings with current Trustees, background reading and learning "on the job". I felt this was sufficient.

79. As for the CF, I met with the DH and Peter Stevens when CF was established.

Question 5 - How much time did you devote to the positions you held at the MFT and the CF? Please describe how your time was generally spent when discharging your role as director/trustee of both organisations.

80. During the ten years of my involvement with the MFT and the CF, I would estimate that I spent between one and three days a week on MFT and CF work, the exact amount depending on current issues. On average, I probably spent over one day a week. The work entailed being in the office for meetings, external commitments, such as meetings with DH, and home working. All of the work was unpaid, which I did out of a sense of public duty. I was combining this with separate paid self-employed consultancy work in my areas of management expertise.

Question 6 - Please set out your membership, past or present, of any other committees, associations, parties, societies or groups relevant to the Inquiry's Terms of Reference, including the dates of your membership and the nature of your involvement.

81. I have not been a member of any other body, other than those listed above, relevant to the Inquiry's Terms of Reference.

Question 7 - Please confirm whether you have provided evidence to, or have 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. Please provide details of your involvement and copies of any statements or reports which you provided.

82. I have not been involved with any other inquiries, investigations or criminal or civil litigation in relation to HIV, HBV, HCV or vCJD.

83. Whilst interim CEO of HS, I oversaw, from the HS' perspective, the organisation and conduct of Archer Inquiry hearings. I did not give evidence, nor participate, with implementing the recommendations in the report. I was, though, involved with implementing recommendations relevant to MFT whilst a board member/Chairman, notably the payment changes for beneficiaries.

Section 2: Establishment of the Trusts and Schemes

Question 8 - Please describe your involvement with and/or recollection of the circumstances in which the Macfarlane & Eileen Trust Limited ("MFET") was established.

84. I have no first-hand knowledge of the circumstances, principles or philosophy in which the MFET was set up. However, I was co-Chairman of the MFET between 29 April 2012 and 27 May 2016.

Question 9 - What did you understand the aims and objectives of the MFET to be? What principles or philosophy underpinned its establishment?

85. MFET was a private company, limited by guarantee, with the purpose of providing lump sum and ongoing payments to those directly affected following treatment with NHS blood products ("primary beneficiaries"). The payments made by MFET were non-discretionary, meaning that MFET had no discretion in allocating these payments; I don't recall they were means tested. Whereas, MFT payments were discretionary

Question 10 - Please set out how the MFET was regulated or governed.

86. The MFET was a company limited by guarantee. I have no recollection of how MFET was regulated. It would have been subject to relevant company law as a company limited by guarantee.

Question 11 - Please describe your involvement with and/or recollection of the circumstances in which the CF was established.

87. The CF was established by the DH after the publication of the Archer Report, which recommended supporting people with Hepatitis C who had been infected. I was informed by Peter Stevens that DH had asked him to take the initiative in establishing an organisation/charity to administer. Peter Stevens, Charles Gore (CEO of the Hepatitis C Trust) and I drew up, and put in place, a structure, governance to deliver this. There were regular dialogues with the DH and final arrangements were, I recall, approved by them. The same civil servants were responsible for the work of the CF as MFT.

Question 12 - What did you understand the aims and objectives of the CF to be? What principles or philosophy underpinned its establishment?

88. The CF was established in 2011 by the DH, after the publication of the Archer Report in 2009, when Ministers and the DH decided to support, financially, people with Hepatitis C who had been infected; the expectation was for the structure to be similar to that for MFT and the DH were clear this should be separate body. The name "Caxton Foundation" was proposed to the DH later, during our work, by Peter Stevens. I wasn't involved in the initial deliberations at the DH or Ministerial level leading to the decision to establish the CF. My first knowledge, and involvement, was when Peter Stevens came to see me, asking if I would work with Charles Gore and himself to put in place a structure fit for purpose to do this. I agreed.

89. Subsequently, I was involved in developing the governance and organisational structure of CF, together with appointing fellow trustee board members.

Question 13 - Please set out how, as a charity, the CF was regulated.

90. Establishing the CF was, as far as I recall entirely a Government and DH initiative and decision. Peter Stevens, Charles Gore and I were then tasked with putting this in

place. See above. I do not recall any discussion on whether those with Hepatitis B should be included. CF was left by the DH to make its own decisions regarding payments to Hepatitis C sufferers. There was never an assumption that the guidelines and criteria should be the same. I recall that the circumstances, social and clinical needs of those with Hepatitis C were perceived as different from those MFT primary beneficiaries with HIV and haemophilia.

Question 14 - What involvement (to your knowledge) did the Department of Health or any other Government department have in the setting up of the MFET or the CF? In answering this question please address the following matters:

- ***a. Were you involved in any consultation by the Department of Health or any other Government department about the establishment of the MFET or the CF, its functions, aims and objectives?***
- ***b. If so, please describe that process and set out the contribution you made to the consultation.***
- ***c. Was there any discussion as to why the Government chose to distribute monies via the AHOs rather than directly? What, if anything, were said to be the risks and benefits of this scheme? You have expressed your view about this in your witness statement provided to the inquiry dated 10 November 2019 – do you have anything further you wish to add to this?***
- ***d. Was there any discussion as to why the Government chose to exclude those who contracted Hepatitis B from the schemes?***
- ***e. Was there any discussion at the time of setting up the MFET and CF about the discrepancies between the schemes for those infected with HIV and the scheme for those infected with Hepatitis C?***
- ***f. Was there any discussion at the time of setting up the MFET and CF about the discrepancies in the schemes' treatment of those 'infected' with HIV and/or Hepatitis, and those 'affected' such as widows and depend***

91. In answering Question 14 a to c, e and f with respect to the MFET, I was appointed Chairman of MFT and MFET a couple of years after MFET was established and was not involved with the process prior to its inception. I do not know, therefore, why it was decided to distribute monies via AHOs and the perceived discrepancies between the schemes. In response to Q14d, I do not recall any discussion on the issue of people with Hepatitis B in the course of my work with the MFET.

92. Regarding establishment of CF, see my response above.

93. Relevant information regarding the MFT and CF is also in my first statement. I have nothing more to add to what I said there.

Section 3: The AHOs

Appointments of Trustees

Question 15 - Please provide a detailed description of the appointment process for both the MFT and the CF and the exact composition of the board during your tenure. You may find the document [CAXT0000077_034] useful when answering this question for CF and [MACF0000008_003] for the MFT.

Question 19 - How many trustees/directors were appointed by the Government, how many by the Haemophilia Society and how many were 'user' trustees during your tenure at the MFT?

94. During my tenure, the MFT comprised nine board members: three appointed by the DH, three by the HS and three directly by the MFT board (see document titled 'Appointments Protocol' at MACF0000008_003). The three DH appointees included one Haemophilia Centre Clinical Director and one with Social Services experience. The HS appointees were normally beneficiaries - "users".

95. The CF comprised nine board members, I recall. Before its inception on 1st October 2011, six of the board members were appointed by the Secretary of State for Health to supplement the three First Trustees, who were Peter Stevens, Charles Gore and myself (see letter from trustee of CF, Mr Peter Stevens, to Secretary of State for Health, the Rt. Hon Andrew Lansley, dated 3 August 2011 at CAXT0000077_034). Charles Gore stood down soon after the board was set up.

Question 16 - What was the process for electing/re-electing trustees at the MFT? In particular, what involvement did (a) the Department of Health (or any other Government department) and (b) any other organisation or person have in this process? Was ministerial approval required for an appointment as suggested by [CAXT00000077_034]?

Question 17 - How, if at all, were positions advertised

96. Yes, ministerial approval was required for CF appointments, as the letter at CAXT0000077_034 states. Those listed in the letter were all approved by the Secretary of State. I was not on the Board when any other trustees were appointed so I do not know if any people put forward to the Secretary of State were turned down.

97. The election of Trustees to the Board followed an exhaustive recruitment process. Following national advertisement, and the issuing of a job description, Peter Stevens and I interviewed a number of applicants to fill the vacant six posts. The names of

these people are included in document CAXT0000077_034. Those interested in applying were given the opportunity to meet with Martin Harvey, the then CEO of CF, in advance. Mr Harvey explained the CF to them. We sought references for those short listed. We were keen to get a diverse mix of experienced people, including those with financial and relevant clinical backgrounds, which we did. We were delighted with the response and outcome. During the relatively short time I was a CF Board Member, the people appointed to the Board lived up to our expectations.

98. With respect to the MFT, the DH and HS made their appointments/reappointments independent of the MFT. The only exception, I recall, is explained below. Initial MFT appointments were made, during my period as Chairman, by external recruitment. The full MFT Board agreed reappointments, or otherwise. I cannot recall the processes prior to my appointment as Chairman.

99. Regarding the DH appointments, the DH asked the MFT to conduct their recruitment process from 2013, as it seemed pragmatic to combine it with that of the MFT. Ultimately, they made their appointments based on the MFT recruitment process. In order to fill the DH and MFT vacancies, we undertook a national recruitment exercise, including advertising in two broadsheet newspapers, supported by a job description and references. During my time as Chairman, I felt the quality of applicants was high. By the time I stood down, the MFT had an experienced, well qualified, and cohesive team of Board Members, who gave strong support during a very difficult period for the MFT. DH was informed of changes to MFT Board membership, but neither they, nor Ministers, were required to give approval. I cannot recall if it was necessary for the Minister to approve my appointment as Chairman.

Question 18 - Were there sufficient applicants of sufficient quality or did you struggle to appoint trustees?

100. There were good applicants who I felt were of sufficient quality.

Question 20 - According to the Macfarlane Trust Annual Financial report for the year ending 31 March 2016 [MACF0000045_001], the DHSC and Haemophilia Society stopped making nominations to the Board in 2013. Why did this change occur?

101. I do not recall this from 2013. I was no longer Chairman in 2016. My successor wrote the Chairman's Statement in 2016.

102. Unfortunately, I cannot recall that the HS ceased making appointments. Latterly, they were represented on the Board. One was appointed in 2014/15, and the requisite number of three were on the board at 31st March 2015 – See Annual Report MACF0000045_002.

Question 21 - How long did each trustee serve on the board? Could a trustee be re elected? If so, how many times?

103. Appointments to the MFT board were for three year terms, but they were often extended for a second term.

104. I think CF trustees were appointed for three years. I left the board well before three years expired and have no knowledge of the reappointment process.

Question 22 – Were trustees remunerated for their work? Please include details of any policies on this, including policies for allowances/expenses.

105. Trustees of the CF and MFT were not remunerated but could claim modest expenses for attending meetings. We all undertook our roles on a voluntary basis. During my 10 years' involvement I did not receive any remuneration from the MFT (when Trustee or Chairman), and nor from CF (when Trustee). I only claimed expenses several times, for meetings over 100 miles from my home. I do not have access to any document on expense claim rights, but there was one. The car mileage rates, for instance, were very modest. As should be obvious, I did not contribute my time to MFT and CF in order to gain personally. I did it purely out of a sense of public service.

Question 23 - The Inquiry understands there was an overlap of trustees and directors between the AHOs. Please explain how this worked. What were the disadvantages and advantages of this?

106. There were two or three MFT Board Members who were traditionally appointed to the Eileen Trust and Skipton Fund. The Eileen Trust and Skipton Foundation supported a small number of people, but their work was important. Given their sizes, I doubt it would be easy to recruit independently to either of those bodies, but their Chairman is better placed to comment. From an MFT perspective, it did not cause a conflict of interest, and MFT affairs were not divulged elsewhere. Regarding CF, I was the only person ever to be a trustee of both CF and MFT. As stated above, I was asked to help set up CF, and only served as a Trustee briefly after was first set up, ceasing for the

reason explained below. I think it was helpful to be able to take advantage of my knowledge of MFT when setting up CF. We welcomed liaison with Eileen and Skipton.

107. There were advantages, in my being a member of both boards, particularly at the inception of CF. I was scrupulous in separating the two areas of responsibility. I was disappointed this did not continue with my being replaced with a joint appointee.

108. My offer of appointment as MFT chairman was subject to my resigning from the CF Board to avoid a conflict of interest. I thought this sensible and would have resigned anyway.

Question 24 - What were your views on the involvement of 'user' trustees? You may find [CAXT0000108_017] helpful when answering this question.

109. "User" trustees were invaluable, and essential to the working of the MFT Board. They provided the other Board Members with insight into the needs and priorities of the user community. Nearly all showed discretion, and integrity, both at Board meetings and outside. My only regret is that no widows/partners were ever appointed. "User trustees" were appointed in their own right and not as representatives of the wider beneficiary community. This was not always understood by some members of the community but, generally, "user trustee" appointees had the skills, resilience and integrity to deal with this. The only exception during my time as Chairman was witness W1122. He was a particularly problematic Board Member and not a team player. He caused tension at Board meetings and, for me, beyond Board meetings. I referred to this in my first statement.

Structure of AHOs

Question 25 - Please explain the extent to which the AHOs shared premises, staff and resources. What impact did this have on data sharing and confidentiality and how were such issues managed? How were documents and information stored by the relevant AHO? Was information shared across the AHOs? If so, were beneficiaries aware of this?

110. All AHO staff worked in a small, leased, open plan office (the CEO had an adjoining partitioned office) in Alliance House- about 1/3 of one floor of Alliance House. Prior to the inception of CF, the establishment for the AHO bodies was seven, including the CEO. Of these, the two Support Service team worked solely for MFT, one other

worked solely for Skipton. The remaining three worked across MFET. I think there were Service Level Agreements in place, which included the apportionment of staff and accommodation costs. When CF was established, they appointed one or two additional staff, meeting 100% of costs as well meeting an agreed realistic portion of shared other staffing and CEO and Finance Manager costs as well as a share of accommodation costs. They were set out in a Service Level Agreement between MFT and CF boards. The MFT costs did not increase, as has been suggested.

111. Regarding accommodation, in about 2013, the CEO, at the request of the MFT board, undertook a feasibility study relocating the AHOs to a cheaper location outside central London. This was proven not to be financially feasible owing to the long term lease agreement for occupying Alliance House, the staff relocation costs, and likely loss of expertise as, at least some, staff would not wish to relocate. Any saving could be minimal, anyway, as the overall cost was modest (I do not recall the figures).

112. Confidentiality was of paramount importance. Responsibilities were clearly demarcated and whilst there may have been cross-membership of board members at times, there was no cross working by employed staff between charities. Each beneficiary had a personal, discreet, identification number. Names and identities of beneficiaries were not divulged between staff and MFT Board Members, including NSSC. This worked extremely well. The staff were dedicated and I am not aware of any breaches of confidentiality. If there had been such breaches, it would have been subject to disciplinary proceedings by the CEO.

113. MFT was established before the universal use of personal computers in offices. All records were stored in filing cabinets. As I recall, there were separate systems for each body, and strict control on who could access records/files. For MFT and, I think, CF, each beneficiary had a reference code. Only those staff working with beneficiaries directly had access to their identifications. During my time on the Board, I do not recall the name of any beneficiary being divulged to me by the staff. Latterly, we may have used software systems to a limited extent, but we were cautious of potential, understandable, beneficiary concerns about data protection. Personal files were still in place for each beneficiary

Question 26 - Why did the CF act as employer for all five AHOs? What were the advantages and disadvantages of this?

114. Please see paragraph 37 of my first witness statement.

115. Furthermore, when Jan Barlow was appointed as CEO in 2013 she was very strong on keeping all AHOs separate. Prior to my appointment as MFT Chairman, and whilst Martin Harvey was still CEO, my predecessor Chairman agreed with Peter Stevens (newly appointed CF Chair) that employment and administration services for all AHO charities should be provided to others by CF, supported by a Service Level Agreement. This was approved by MFT board. The reason given by both Chairmen was that there were employment law reasons for this and there were no other viable options. I had some unease, largely from an MFT perspective, as to how this would develop in practice, but accepted the legal argument (my predecessor was a lawyer). Unfortunately, the nature of those concerns became reality later on. Until the inception of CF, all AHO based staff were employed by MFT. They transferred to the legal employment of CF, but there was an understanding that CF and MFT had equal employment rights and responsibilities. It did not evolve that way in practice.

116. Many of the more active MFT beneficiaries took a keen interest in the relative financial allocations to CF and MFT, payments to their beneficiaries and allotment of staff time and resources. Unfortunately, their perceptions were deeply tinged by misinformation and misconceptions.

117. After the transfer of employment and other administration responsibilities to CF, similar office arrangements remained in place but with a modest increase in staff numbers, funded by CF, to support their work. MFT received staffing and other services from CF, through a Service Level Agreement.

Question 27 - Please set out your recollection of the relationship between the different AHOs.

118. Relationships between Eileen Trust, Skipton Fund and MFT were always cordial. I had a good working relationship with Peter Stevens, the Chairman of the Eileen Trust and Skipton. Relationships with the CF were more complicated and were less relaxed between boards. This was exacerbated when CF, unilaterally, appointed an interim CEO, with Martin Harvey's retirement. It was an unnecessary, expensive, appointment, and the MFT did not participate nor contribute towards the cost. The appointment was not a success. I also refer to paragraph 41 of my first statement in which I have highlighted the tensions involving myself, MFT and CF.

Question 28 - Please explain the reasons for the restructuring of the support team at the MFT in or around 2013/2014 and what the new structure looked like. In particular:

- ***a. Why were the roles of director of operations and financial advisor thought to be necessary?***
- ***b. Please respond to what is said by Alan Burgess at paragraphs 20, 24 and 25 of his Second Witness Statement about this decision and in particular about the affordability of introducing these two roles at a time when the costs of running the MFT were being met out of the beneficiary pot and not by way of a s.64 grant, and at a time when support to beneficiaries was being cut.***
- ***c. Why was an Interim Assistant Chief Executive appointed for a period of 6-9 months at a cost pro rate of £50,000 per annum to be split equally with the CF? [See for example [CAXT0000110_069].***

119. With the departure of two members of staff, the CEO took the opportunity to review the posts under her. It was sensible and opportune, with the fairly recent establishment of CF and the CEO's arrival, to look at the operation of AHO across the board. The changes agreed by the MFT board were within budget, and incorporated into the SLA between the MFT and CF, which was approved in advance of implementation by the former's board. I can't recall the details and specifically answer W1122's assertions. I do recall that the CEO, most other board members and myself explained the financing to him at more than one board meeting but he would not accept our explanation.

120. I do not recall the details of the Director of Operations and Financial Advisors posts and the specific rationale. The CEO would have put her case to the full board, which was approved by nearly all members. The total costs of the appointments would have been within the staffing budget, agreed by the MFT board. At no time whilst I was Chairman did MFT divert funds from the "beneficiary pot", as W1122 states. The management costs of MFT were monitored by the board and always within external benchmarks. In 2013 the staff terms and conditions were reviewed through the HAY model. Incidentally, MFT was never in a financial position where beneficiaries were denied grants owing to management appointments.

121. I do not recall the details, and circumstances, of an interim Assistant Chief Executive appointment.

122. As mentioned above, on the retirement of Martin Harvey, the Board of the CF decided to appoint an interim, part time, Chief Executive (CEO). The MFT was asked to contribute to the cost. The MFT board was strongly opposed to such an appointment, declined, and the cost was met totally by CF. All the appointee's responsibilities were with CF. I was no longer a member of the CF Board at that time, and so was not involved in the decision making. I was strongly opposed to the appointment, and made

my, and the MFT Board's, opposition well known to the CF board. MFT covered the interim, without an appointment and at minimal costs. Please note that I am referring to an appointment that look place before Jan Barlow was appointed, whereas the Audit Committee minutes referred to after her appointment. I don't recall the latter, or that we ever shared the cost. If we did, I don't recall the circumstances around why so.

Question 29 - In the MFT annual financial report for the year ending 31 March 2014, it was noted that during 2013 and early 2014 the Trust experienced "a number of changes of personnel " [MACF0000026_058].

a. ***Why was staff turnover high over this period?***
b. ***Did the MFT carry out exit interviews or take any other steps to find out the reasons for staff leaving? What were the reasons in so far as you were aware?***

123. Two staff, the Support Services Manager and Finance Manager, resigned in 2013/14, to pursue other interests, after working for MFET and MFT for 15 and ten years respectively. They wished to pursue other personal interests. I do not think the staff turnover was high overall. It was normal practice to carry out exit interviews. Two trustees left the board on the expiration of their periods of office, and one other owing to work pressures.

Question 30 - Please explain why you were involved in interviewing the Finance Director for the CF in 2014? ([CAXT0000065_099].

124. I was involved in the interview of the Finance Director post as the appointee worked for the MFT as well as CF. It was appropriate for joint representation on the appointments panel.

Question 31 - Please describe the working relationship between the trustees of the MFT and the CF and the senior management. Were you aware of any difficulties? If so, what were they, how did they impact on the running of the MFT and the CT and how, if at all, were they resolved?

125. Martin Harvey was a long standing CEO of the MFT. He continued until his retirement in 2012/13. Latterly he was CEO of the recently formed CF for a short period as well. Martin was engaging, with an avuncular character. He could be indiscreet about colleagues, and generous. His style of working was, to some extent "old school". He was liked by most, perhaps all, trustees. I liked Martin. He had a different personality to me, but we got on well.

126. Jan Barlow brought a more business-like approach to the MFT and CF. Jan's style and personality were very different to Martin's. Jan could come over as formidable. She

preferred to keep trustees at a distance, and was cautious about sharing information, unless it was necessary for the job in hand. One or two board members, at the time, and some beneficiaries were not used to her style and found it difficult to adjust to the change from Martin. Jan had, in some respects, a much more difficult job to do than Martin, with the addition of CF, reporting to two high profile Boards. This was compounded by some of the more vocal MFT beneficiaries being opposed to the establishment of CF and having unfounded suspicions of people with Hepatitis C being favoured over those with haemophilia. This led to a small number of trustees alleging (without evidence or substance, and in my view unjustifiably) that Jan was favouring the former over the latter. Nevertheless, the vast majority of MFT trustees were very supportive of Jan, including welcoming the more business-like approach.

127. During my career, I have always regarded it as axiomatic that Chairmen and CEO's are always seen publicly to be supporting each other. This Jan and I did. However, in private I did press her to soften her style. I was largely unsuccessful in my efforts.

128. Witness 1122 suggests that Jan Barlow and I knew each other prior to her appointment. She was appointed by a panel of five after CF and MFT used the services of recruitment consultants. I did not know Jan prior to our interviewing her and have had no contact since I stood down. We have never been personal friends. During my time as Chairman our relationship was entirely professional. As indicated, her manner was much more formal than Martin's. While, as mentioned, I tried to get her to soften her approach to people, in the end that was just her manner.

129. Furthermore, I would add that the CEO and I had good relationship, overall with board members from the time of her appointment, with the exception of two, one being W1122. From 2014, when there were changes, including W1122's resignation, the board was exceedingly strong, cohesive, and focused.

Question 32 - Was there a restructuring of the AHOs in 2013 (please see the reference to this in [CAXT0000110_138])? Please describe the changes made to MFT and the impact that had on the running of the organisation.

130. Please see my response to Question 28, above. I do not agree with the wording attributed to Jan Barlow in the APPG minutes of 10th September 2014 (CAXT 0000110_138). She would not have written the minutes, incidentally. They would have been written by the CEO of the Haemophilia Society. MFT was always looking at ways of improving services to beneficiaries. About this time, we hastened responses to

applications for money. From about 2010 the NSSC had made itself too bureaucratic, behaved in a supercilious way towards beneficiary applicants and decisions on funding were often slow. The CEO and I received complaints from beneficiaries, the Partnership Group and MPs on behalf of constituents. From 2014, the NSSC membership changed, and the staff processes made more pragmatic.

Question 33 - Why did you ask the trustees not to correspond with you via email in relation to contentious matters? [MACF0000026_002]

131. The reason I asked trustees not to correspond with me, via my personal email account, in relation to contentious matters was that two of the MFT trustees, including W1122 began to email me, on my personal account, with unpleasant accusations regarding my performance as MFT Chairman. They chose not to share the emails with other trustee board members. I thought they should be more professional and inclusive when communicating with me on MFT business. For that reason, I asked those two trustees to stop their practice, and to engage the entire Board in a professional way on any issue they wished to raise. I shared this with fellow Board Members, who supported my action. I was certainly not seeking to stop trustees raising matters with me. Rather, I was seeking to ensure matters were raised in a proper business-like manner and with the whole Board.

Relationship with Government

Question 34 - To what extent was the CF and the MFT independent from Government? How much oversight did the Department of Health (or any other Government department) have over them? In particular, did the Department of Health have any involvement with and/or give any direction/guidance to the MFT or the CF (and if so, what?) as to:

a. the composition of the board;
b. the content of any policies adopted;
c. how the MFT or CF should discharge its responsibilities to the beneficiaries;
d. the kinds of applications the AHO should grant; and/or
e. the quantum of the grants/payments it should make?

132. The DH/Ministers appointed three MFT trustee board members (and may have approved Chairmen appointments). I do not recall DH involvement in policies except for expecting to reduce reserve levels before allocation of additional funding. I do not recall DH involvement in how we should discharge our responsibilities. They were not involved in deciding types of grant applications. They were not involved in the quantum of grants / payments.

133. Regarding the CF, the DH approved trustee board appointments. They were also engaged with the first trustees in setting up the CF, but at arm's length.

Question 35 - Did you share the concerns expressed at the meeting with the Department of Health on 5 December 2011 [CAXT0000108_126] that the CF being too heavily reliant on them for funding as a charity, blurred the line of independence, and created a tension as the CF was not accountable to the Department but to the Charity Commission? If not, why not. If so, please explain why. Did the same concerns apply for the MFT? If not, why not?

134. I didn't make the comment in minute 4 of meeting with DH on 5th December 2011, (CAXT0000108_126). Peter Stevens did so. I have no recollection, after nine years, whether he did so or not. I don't understand Peter Stevens' opinion, and his purpose in expressing it, nine years on. DH was the only source of funding and there was an inevitable reliance on DH as well as a relationship with the Charity Commission.

135. With respect to the MFT, as I have mentioned before, the MFT should not have been set up as a charity. It was, in my view, an insult to the beneficiaries. The MFT was heavily reliant on the Department of Health for funding. As a result, in my view, there was also possible conflict of interest in the MFT being heavily reliant on the Department of Health for funding on the one hand, and being accountable to the Charity Commission. I believe I did raise these concerns with the Department of Health on many occasions, but I believe they may have been disinterested in addressing it. Changing the MFT from a charity to something else would have been massive exercise and would involve a review and consultation. The MFT was not the right vehicle for disbursal of funds to beneficiaries.

Question 36 - Were the MFT and the CF sufficiently independent of the Department of Health so as to be able to effectively serve their charitable purpose?

136. Yes, the MFT was sufficiently independent of the DH, within the structure. I express views on the structure, elsewhere in my Statement. I have also raised some of the concerns that I did have with the MFT being reliant on the DH for funding whilst being accountable to the Charity Commission. Nonetheless, the MFT was still able to funding independently of the DH and meet its charitable purpose and objectives.

137. Yes, the CF, during the limited time I was involved, was sufficiently independent of the DH within the structure. DH was extremely helpful when the First Trustees were establishing CF.

Question 37 - Did you, or others within the MFT or CF, raise any concerns and issues with the Department of Health about the funding, structure, organisation or running of the MFT/CF, or about the involvement of the Department of Health, or about any other matter? If so, please explain what concerns and issues were raised. What was the response of the Department to those matters being raised?

138. There was rigorous negotiating over budgetary allocations (funding). This was a very important issue for us, and a matter we pressed DH on. Otherwise, DH took an arm's length attitude to the workings of MFT, with exceptions such as MPs' questions and other political issues. I wasn't involved with CF sufficiently long after it was established to have an impression

139. I do not recall any concerns being raised with the DH about structure, organisation or running of the MFT/CF.

Question 38 - What if any contact did the MFT or the CF have with the Department of Work and Pensions ('DWP')/its predecessors in relation to welfare benefits? In particular:

- ***a. Were you aware of any beneficiaries having their benefits stopped as a result of the assistance they received from the MFT or the CF?***
- ***b. Did the MFT or the CF take any steps to prevent this happening? If so, what? If not, why not?***
- ***c. Did the MFT or the CF raise this issue with the DWP/its predecessors and if so what was the response? You may wish to refer to [MACF0000018_104] when answering this question.***

140. MFT CEOs and Support Service Manager would have contact with DWP on issues relating to individual beneficiaries (see below). The Board Members would not have this contact. This was day to day support service work between staff and beneficiaries. It would have been out of order for trustees to be involved. Consequently, I do not recall any beneficiaries having benefits stopped and wouldn't expect to do so.

141. With respect to the MFT, when beneficiaries needed assistance in completing application forms, the two members of the support team were extremely helpful. Sometimes, for instance, staff would arrange finance management advisor support, if appropriate, arranging contact with DWP or managing repayment of debts.

142. I do not know if any beneficiary had benefits stopped

143. I have no knowledge regarding the CF's contacts with the DWP

144. I don't recall the issue referred to in MACF0000018_104. I do not recall the ministerial reply referred to in the minutes. It was 13 years ago and before I was Chairman.

Question 39 - Please describe the working relationship between the MFT/CF and the Department of Health. Was there a particular point of contact? If so, who was that? Were you aware of any difficulties? If so, what were they, how did they impact on the running of the MFT and the CF and how, if at all, were they resolved?

145. MFT received an annual financial allocation from the DH. This followed vigorous negotiations, headed by the CEO and myself, when Chairman. The amount of the allocation was related to the DH's overall allocation from HM Treasury after Public Spending Reviews. The sum allocated by DH was not based on any calculation of beneficiary need. Rather, DH and the Minister made a global decision on funding, as part of their relative priorities for healthcare spending.

146. There were frequent contacts with DH officials in year. For instance, answering MP's questions and catch up talks. There were no significant difficulties regarding MFT/DH working relationships. Particular difficulties were with different perceptions amongst a small minority of board members and beneficiaries in how MFT should relate to DH

147. A senior civil servant was designated to work with MFT and there was continuity; initially, Jonathan Stopes Roe, then Ailsa Wight. They, and their teams, were quite well briefed on the culture of the MFT. Relationships, I think, at all levels were cordial but business-like. I do not recall any significant difficulties, although, naturally, we did not agree on everything. I recall a view expressed by two Board Members, one being W1122, and a small minority of beneficiaries that we should be campaigning, in an aggressive way, with the DH for a funding increase. During an MFT board meeting, two members (including W1122), thrust a letter addressed to DH/Minister, pressurising the CEO and I to sign stating, amongst other things, we should resign if additional funding was not forthcoming. I made it very clear that I had no intention of signing the letter or resigning. This was supported by all other board members. The CEO, I, and other board members made it very clear that sending the letter would not succeed in increasing the funding, and would make working relationships worse. I refused to sign the letter, referred to above, which was thrust in front of me to the DH/Minister to that effect. It was never sent, to my knowledge.

148. Within the structure, I think it worked as well as could be expected. My concern was that the structure, as initially established and remaining unchanged, was not

appropriate for Government responsibilities to the beneficiary community. The MFT was a convenient cushion and, sometimes, punch bag, between the DH and, understandably, upset, disturbed and angry beneficiaries. They showed their anger and emotions to MFT when they should have been able to do so directly to the DH and Ministers. This was not our role but, overall, I think with dealt with a sometimes, volatile, situation, well.

149. I do not know process for the CF.

Section 4: Funding/finances of the MFT and CF

Question 40 - Please set out the process by which the MFT and the CF received funding from the Government. Did this change over the time you were involved? If so, how? Were there problems with this process? If so, what were they and what were the consequences?

150. The MFT received an annual budget from the DH for discretionary funding. In 2015/16 it was approximately £2M-£2.5M (excluding a non-discretionary payments budget of circa £7.6M to MFET). In year, DH allocated cash, against the agreed budget, to MFT when requested.

151. I cannot answer for the CF.

Question 41 - What do you know about how the Government set the budget for the MFT and the CF? What input did you/ the MFT and the CF have in this process? What input do you consider you should have had in this process? Did the Government take account of any representations made by the MFT (and in particular the work done by the Long Term Funding Working Party in or around 2009), and the CF? When answering this question you may wish to refer to [MACF0000177_021] (the Inquiry only has a draft of this report) [MACF0000060_016] [CAXT0000068_010], [MACF0000012_097], [MACF0000061_067], [MACF0000024_146], [MACF0000062_001] and MACF0000022_003.

152. I think I have mostly answered these questions in answering the previous questions. Please see my responses above.

153. Regarding the 2009 Long Term Working Party, this would have been the responsibility of the then Chairman and CEO to take up with the DH. I cannot recall if they did so. I cannot recall for the CF, but it was probably work in progress when I stood down.

Question 42 – The Inquiry understands that MFT commissioned a survey of beneficiaries' needs, of which the draft results were provided in September 2012 [MACF0000060_049] . Please explain the purpose of that survey, whether it was the DOH or MFT that was the driving force behind it and what was done with the results.

154. MFT was the driving force behind the 2012 Review of beneficiaries' needs, supported, but not directly funded, by the DH. I think it was intended to support MFT's case for funding post Archer Report, but I was not initially involved directly. MFT had decided to give priority to funding improvements to beneficiaries' homes. I cannot recall directly what happened after publication of the report.

Question 43 - What other information, if any, did the MFT and the CF have about the beneficiary population and what was required to meet their needs? Where did this information come from? Was this information provided to the Government? If so, how and when? If not, why not?

155. I do not recall MFT having any more generic information. CEOs and the Support Manager had a lot of information for individual beneficiaries. Quite properly, this was confidential to them. I do not recall divulging specifics to DH/ Government.

156. Beneficiary needs varied by individual. The way the MFT was structured and funded did not make it possible for the MFT to undertake assessment of the needs of each individual, particularly as responsibilities related to their health conditions not general lifestyle. Except for the survey referred to in my answer to the preceding question, the MFT did not have anything like the resources and personnel to do this.

157. I am unable to answer for the CF.

Question 44 - Please set out as far as you can recall how much funding was provided at various times to the MFT and the CF.

158. I am unable to recall from memory. The answers are in the Annual Reports.

Question 45 - Do you consider that the funding provided to the MFT and the CF by the Government was adequate? Please explain your reasoning.

159. I have made some general observations on arrangements and funding at the beginning of my statement. Funding levels would never be seen as "adequate". The beneficiary community consisted of a large number of people in difficult situations and with many needs. Considering those matters, the overall amounts of funding provided by Government was limited, and could never have met the expectations of the beneficiary community. MFT could spend whatever it was given. During most of my

time on the MFT board we had substantial reserves, which we did not call on to meet discretionary requests. My view was that we should have simply run down our reserves. We would then have been in a stronger position to negotiate more funds. If we had had more funding, we could have used it to give further support to beneficiaries. As I state at the beginning of my Statement, what we should, and could, fund had a level of subjectivity. My preference for additional funding would have been to fund MFET increasing regular payments to beneficiaries, rather than one off discretionary payments. What we were able to do with the level of funding provided by Government was to put in place a level of overall support and alleviate a significant amount of hardship.

Question 46 - What opportunities or procedures were there for the MFT and the CF to seek additional monies and/or apply for top up monies from the Government as the financial year progressed? Was this ever done? If so, provide details.

160. The MFT board and CEO operated very prudent financial procedures and systems. The monitoring of in year financial operations was tight. MFT was never, therefore, in a position where it needed supplementary funding, in year, to meet its commitments. During my time as Chairman MFT never needed to ask for a top up. In any event, I think it highly unlikely they would have agreed to additional in year funding, except in unexpected circumstances, whilst we were holding substantial reserves.

Question 47 - Were there annual or other regular reviews between the MFT or the CF and the Department of Health? If so, please provide details including the following:

- ***a. Did the reviews take the form of meetings? If so:***
  - ***i. Who set the agenda for the meeting?***
  - ***ii. Who would attend the meetings?***
  - ***iii. Were any Trustees who did not attend able to contribute to the position to be put forward by the MFT and the CF and, if so, how?***
  - ***iv. What was discussed at the meetings?***
  - ***v. Were formal minutes, or any other written record, taken at the meetings? If so, by whom and who would be provided with copies?***
- ***b. If the reviews were conducted without meetings taking place, please provide full details of the process.***

161. There was at least one semi-formal meeting each year, with civil servants. Agendas were set jointly by the MFT and the DH. The CEO and I, when Chairman, would attend. Sometimes we would take others, such as the Finance Manager and once or twice other trustees. Trustees not attending knew when the meetings were taking place and could express opinions on items to be discussed (which they often did) or suggest any items for inclusion. Finance was nearly always discussed together with other topical issues. I cannot recall specifics. The CEO and I always fed back what

was discussed at the meetings to fellow trustees at the next Board meeting. I do not recall written notes/minutes, but there could have been. Any necessary follow up work would be transmitted in the usual ways.

162. I am unable to answer for the CF.

Question 48 - Did the MFT or the CF have ad hoc meetings with the Department of Health? If so:

- ***a. How were these meetings arranged? Could the MFT and the CF call for such meetings? How common was it to have off the record meetings with the Department [MACF0000018_104]?***
- ***b. Who set the agenda for these meetings?***
- ***c. Please describe any such meetings you know took place, including dates where possible.***
- ***d. Who would attend these meetings?***
- ***e. Were the Trustees who did not attend able to contribute to the position to be put forward by the MFT and the CF and, if so, how?***
- ***f. Were formal minutes, or any other written record, taken at the meetings? If so, by whom and who would be provided with copies?***

163. I would not describe the meeting referred to in min 327.07 (see MACF0000018_104) of the Board meeting of 22nd October 2007 as "off the record". It is recorded in the minutes. The term was used by the then Chairman, not by me. This was 13 years ago and I do not recall the meeting. It probably refers to an informal discussion/chat when I visited DH, which I did so frequently for other work. Ad hoc meetings and discussions were held from time to time with the DH often by the CEOs, sometimes by telephone During my time as Chairman, I do not recall any meetings of importance that were not reported to the Board. Otherwise my answer is the same as in response to Question 47 above.

164. I cannot answer for CF

Question 49 - Did the MFT and the CF have any other streams or sources of funding/income other than that provided by Government during your tenure? You may wish to refer to [MACF0000023_002]. If so, where did this come from, how much was it, and how was it managed/spent by the MFT or the CF?

165. The £10K donation referred to in the MFT minutes, dated 24 January 2011 (see MACF0000023_002), was one of only two I recall. The only other external funding I recall was £5,750 received from East Kent NHS Care Primary Care Trust in 2009, towards the cost of MFT representatives attending a Haemophilia Society Bi-Annual Congress. MFT received all its funding, except the above, from the Government, and reported to the DH on its work.

166. I cannot answer for the CF.

Financial management/governance

Question 50 - Were budgets/ budget forecasts made by the MFT and the CF prior to the start of the financial year? If so, how were the needs of the beneficiary population forecast? If not, why not?

167. The CEO and I met with the DH in about February each year, when we argued our case for the next year's allocation. The negotiations were not on the basis of specific needs but incremental to our previous year's budget e.g. for an overall % increase. This is the way DH fund the NHS and they followed the same approach with MFT. I cannot answer for CF as I was not involved long enough.

168. Our objective was to ensure all beneficiaries had, at the least, a "living wage". During my time on the Board, DH, MFET and the MFT appropriately moved away from individual beneficiaries having to come to MFT, regularly, with their requests, however small. We were keen that they were able to make their own decisions on financial priorities. Funding on a needs basis would be seen as more in the nature of charity, which many beneficiaries were, understandably, opposed to.

169. In terms of forecasting the needs of the beneficiary population, my personal view is that the priority was to increase monthly payments and seek new initiatives. The MFT's allocation was based on government/DH funding and economic strategies, not the perceived or assessed needs of the individual beneficiaries.

Question 51 - What was the impact on the MFT and the CF of spikes in applications and the amounts of funding being applied for?

170. Regarding increase in applications, the MFT worked within its budget; NSSC had an annual budget. I do not recall any applications being declined due to lack of funds held by the MFT.

Question 52 - Was either the MFT or the CF underfunded in your view? If so, what was the impact on the MFT and the CF of that underfunding by the Government?

171. I think I have answered at least the first question here in responding to question 52. Contrary to assumptions made by people that we had not pushed Government over funding, the MFT CEO and I always took a tough line in negotiating the funding level.

Our annual allocation was part of the DH's negotiations with Treasury for their overall health allocation. The period 2012-2016, whilst I was Chair, coincided with the austerity period under the Coalition government. This impacted on the level of the DH's allocation to us. Despite this, the MFT allocations were as high as we could reasonably negotiate, knowing the overall allocation the DH received from the Treasury through the Government Public Spending Review process, and any annual fluctuation. One or two board members and a minority of beneficiaries had unrealistic views on what we could negotiate. For instance, one year DH was reducing NHS funding allocations. We negotiated the same allocation as the previous year. This was a good result, particularly as we held very substantial reserves. This was not perceived as such by those referred to above. As I have said previously, the MFT could have allocated considerably more money to beneficiaries if it had received greater funding from Government.

172. In my view, the MFT could have spent as much money as it was allocated.

173. I am unable to answer this question for the CF.

Question 53 - Who decided on the level of reserves the MFT and the CF should maintain? Were you involved in those decisions? What was the justification for the level of reserves? You may wish to refer to [MACF0000060_075] and [CAXT0000108_126] when answering this question.

174. The MFT board decided on its level of reserves. Before I was a Board member, there had traditionally been substantial income accruing from investing DH allocations. I did not agree with the high level of reserves MFT held, which is one reason why we reduced it when I became Chairman.

175. I cannot answer this question for the CF.

Question 54 - Did the level of reserves impede or otherwise have an impact on the MFT or the CF's negotiations with the Government for increased funding? Please explain why you felt strongly in December 2009 that the MFT should consider utilising the MFT's reserves [MACF0000012_001]. You may wish to refer to this correspondence with the Department of Health [MACF0000060_047].

176. I cannot reply, knowledgably, as to the process prior to my chairmanship as I did not participate. There was not a significant hike in the allocation post 2007 after the publication of the Signum Long Term Strategy. A matter of concern to me was that, until 2012, MFT continued to hold reserves of around £4m to £4.5 million. According to

Charities Commission Guidance, it should have been about £0.5 million. I raised this on numerous occasions at MFT Board meetings (see Minutes of the Meeting of the Board of Trustees dated 26 October 2009 at MACF0000012_152 and MACF0000012_001). This is referred to in s.3.6 of the Signum Report dated 12 July 2007 (see MACF0000177_021). The DH was aware of the reserve level and it weakened our negotiating ability, including the time when, with a strong national economic climate, "new money" might have been available. It seemed wrong that MFT was holding very substantial reserves rather than allocating them to meet the needs, in an imaginative way, to beneficiaries. At 31st March 2011 for instance, the reserves totalled £4,082,911, nearly twice the discretionary payments made to beneficiaries in the year. I first raised this issue of reserves at a board meeting on 12th July 2007, together with, Patrick Spelman another trustee.

Question 55 - Please explain how the MFT came to the decision to apply £1million of reserves for health and mobility-related repairs and improvements to beneficiaries' properties in April 2013. You may wish to refer to the following documents [MACF0000025_092, MACF0000025_093, MACF0000025_094, MACF0000060_038 and MACF0000060_047].

177. The 2012 review of beneficiaries' needs was the MFT's initiative, and was supported by DH. As I said above, I was concerned at holding large reserves, and it was a prelude to spending, post the Archer Report. The MFT had decided, at a Board meeting, to give priority to improvements to beneficiaries' homes. The sum of £1m was based on our level of reserves and our understanding of level of reserves that should remain. Subsequently, I believe DH required MFT to run down reserves further by their inclusion in the annual budgetary figure.

178. Many beneficiaries had used their initial government funds to purchase houses in about 1990. Over the years, normal deteriorations would have taken place. Furthermore, the physical health of many beneficiaries, primarily arising from haemophilia, had deteriorated and their wellbeing and lifestyles would benefit from adaptations to their homes. It was probably proposed by the CEO and myself. An example is that some asked for funds to provide downstairs bathrooms and bedrooms, as they found stairs difficult to climb. The funding was warmly welcomed by beneficiaries. It also reduced the reserves level. The MFT did not retain information on individual beneficiaries. Trust and confidentiality was of paramount importance to MFT's work and its relationship with its beneficiaries. No personal information was divulged to the DH.

Question 56 - What, if any, steps did the MFT and the CF take to cut its operational costs so as to maximise the monies available for beneficiaries?

179. The MFT operational budget was always very low compared to other charities/public bodies. Contrary to W1122's evidence, I don't recall the operational budget, increasing whilst I was Chairman, except for inflation, based on Retail Price Index figures, and support to run down the reserves. The only other exception, I recall, is during the protracted absence, on sick leave of the MFT's CEO in 2011/12. Staff were given modest one off payments for the additional work they undertook. I do not recall the figures. Any staff pay awards were recommended to the full Board by the Employment Sub Committee, including the time when W1122 was a member.

180. I cannot answer for the CF as I was not involved for long.

Question 57 - What, if any, steps did the MFT and the CF take to ensure that the salaries it paid its staff were proportionate and/or commensurate with the charitable sector? You may find the document at CAXT0000109_123 helpful. Please also explain what was meant by overly generous conditions and unsustainable terms and why these were not known to the MFT Employment Affairs Committee [CAXT0000068_010].

181. The MFT had an Employment Affairs Committee, of which I was one of three members for about two years. We undertook an annual staff pay review; any increase was based on Government inflation figures (I think, Retail Price Index). At the inception of CF, we commissioned an independent review of staff contracts: the "Rook Review", which included comparators with other charities. The recommendations of the Committee were put to the full MFT Board. The recommendations were ratified, subject to minor adjustments. Any increases were modest, and were related to cost of living statistics. The staffing level were small – never more than nine, after the inception of the CF. In 2011/12, a joint committee was set up between MFT and CF. I was not a member of this committee so cannot provide information.

182. CAXT000068 refers to "overly generous conditions" for staff. My recollection is that this referred to working hours and time, not to financial rewards. These hours had been introduced by the previous CEO. The MFT Board was made aware of these, and backed the CEO in her addressing them.

183. Regarding the questions on CF funding and employment practices, I was not a CF Board member for long enough to be able to answer this, except to recall that

negotiations on the initial allocation were complicated by not knowing, with any certainty, how many people might be eligible to benefit from payments and, of those, how many would choose to do so.

Section 5: Identifying beneficiaries for the AHOs

Question 58 - How were potential beneficiaries of the CF identified?

184. My recollection is that identifying all potential beneficiaries of CF was a challenge. There was no historical data collected on whom they all may be. Confidentiality was also an important factor. Another major factor was the need for doctors to be willing to confirm, decades later, that a beneficiary applicant suffered from Hepatitis C. This was further complicated by some patients' records being no longer traceable. There was an extensive communications exercise, but my membership of the CF Board ended when this was very much a work in progress.

Question 59 - What, if any, steps were taken by the CF to advertise its existence and/or raise awareness of its work? You may wish to refer to [CAXT0000095_016] and [CAXT0000108_038] when answering this question.

185. Minute 30.11 of the CF meeting of 6th October 2011 (See CAXT0000108_038) sets out a detailed Communications Plan. I do not recall subsequent action. It was work in progress when I stood down four months in to the life of CF.

Question 60 - Do you consider that more should have been done (and, if so, what and by whom) to reach people who might be eligible for assistance?

186. I would not know. As stated, I was a trustee of the CF for only four months. It would have become an issue, if at all, after I stood down. I therefore I do not have a view on whether more could have been done.

Section 6: Eligibility for the MFT and CF

Question 61 - Who set the eligibility requirements (i.e. what an applicant had to show in order to be accepted as eligible) for the MFT and the CF?

187. The primary beneficiary eligibility for MFT would have been established at its inception, which was up to 18 years before I joined the Board. I have no first-hand recollection of this and it never became an issue during my time with MFT.

188. I am not able to answer questions on CF eligibility as criteria were still being developed when I stood down.

Question 62 – Were they written down? If so:

- ***a. Was the written policy publicly available or otherwise accessible to applicants? If not, why not?***
- ***b. Where or how could individuals access it?***
- ***c. Did the Government have a view as to the publication of policies about the eligibility criteria? If so, what was it?***

189. I am assuming this question concerns eligibility when applying for a grant etc (as opposed to being a beneficiary). Yes, the MFT policy was written down and distributed to all beneficiaries. It was well known, and understood by nearly all of them. It was circulated in hard copy and, latterly, I think it was on the website. If there were queries, the Support Services Manager and her assistant were very happy to explain. I was sometimes complimented by beneficiaries for their assistance.

190. Insofar as eligibility to be a beneficiary, these were also written down and distributed as above. The primary beneficiaries were all identified in about 1988. Widows and partners would contact us when a primary beneficiary died. The Skipton Fund is also relevant. I don't recall this being a controversial issue.

191. I cannot answer this question for the CF.

Question 63 - Were you, in your role, consulted about the eligibility requirements or otherwise involved in formulating or amending them? If so, please provide details.

192. Eligibility requirements for approval of specific grants etc were agreed by the full MFT board. As an NSSC member from 2006 to 2010 I would have had an input into reviewing and proposing amendments. I think we did so on at least one occasion.

193. I am unable to answer this question for the CF.

Question 64 - What were the eligibility requirements? Did they change over time and, if so, how? For example, were there periodic reviews of such requirements?

194. The eligibility requirements for approving grants etc were set out in the Grant Guidelines, which were readily available to all beneficiaries.

195. There were periodic reviews and, occasionally changes made, but never to the detriment of beneficiaries.

Question 65 - Could a carer or relative of a living primary beneficiary be a beneficiary of the CF?

196. I would not know for the CF. It would have been an issue, if at all, after I left the CF Board.

Question 66 - Were there discrepancies or differences in the eligibility requirements between the different AHOs? If so, what were they and were they justified in your view? If not, did you raise this with anyone, and if so, who and when? What was the response?

197. Yes there were differences. Each AHO body had different responsibilities and the eligibility requirements were also different. The clinical issues and circumstances of the beneficiary communities were relatively different. I do not have access to what they were.

Question 67 - Was a medical opinion required to determine eligibility? If so, from whom and what issues was it expected to address? How were applicants alerted to the requirements for medical evidence?

198. MFT beneficiaries were identified at the outset of the MFT. This was well before my time.

199. I think that medical opinion was required to determine eligibility for the CF, but for the reasons given above, my knowledge of such matters concerning CF is very limited.

Question 68 - Who set the procedural requirements an applicant needed to satisfy before being accepted as eligible as a beneficiary for the CF?

200. I do not know. This was probably after my time on the CF Board.

Question 69 - What were the procedural requirements for establishing eligibility? Did they change over time and, if so, how? In answering this question please address the following:

   a. ***Was there a burden of proof on the applicant and, if so, what was the standard and how did it operate?***
   b. ***What kind of evidence or information did an applicant have to provide?***
   c. ***Was there a requirement for an applicant to have evidence of receipt of blood/blood products in their medical records (even in circumstances where the NHS had lost/destroyed the relevant medical records or they were otherwise unavailable through no fault of the applicant)? If so, why?***
   d. ***What other documentary evidence was required?***

e. ***How were the requirements for evidence and any policies on the burden and standard of proof brought to the attention of applicants before they made their application***

201. The MFT primary beneficiary database dated back to about 1988; long before I joined the board. I don't know how the database was compiled. In 1988, it would have been clear and easy to identify who the potential beneficiaries were because they were all boys and men who had been diagnosed, through their local hospitals, with HIV whilst seeking treatment for haemophilia. Once numbers were known, that was it, as the transfusion of infected blood stopped, and there would have been no opportunity for anyone to claim after that. No new, potential beneficiaries could possibly come forward. The database was comprehensive. Therefore, I am unable to answer questions 60a-e.

202. I am unable to answer for the CF. The guidelines were being compiled when I stood down from CF but I don't recall any details of the process etc.

Question 70 - Were these procedural requirements written down and publicly available? If so, where were they available and how could they be accessed by applicants? If not, why not?

203. For the MFT, the procedural requirements were written down. The guidelines to deal with eligibility were, as I have mentioned above, available to the beneficiaries. They were well aware of these, and I recall that they would also be published in the newsletter. I would say, also, that the Support Services Manager worked closely with all beneficiaries and she would deal with any queries.

204. I am unable to answer this question for the CF

Question 71 - Were there discrepancies or differences in the procedural criteria between the different AHOs? If so, what were they and were these justified in your view? If not, did you raise this with anyone and, if so, who and when? What was the response?

205. Each AHO set their own procedural criteria. I do not know if there were differences in procedure. It should be borne in mind that the circumstances of MFT beneficiaries with haemophilia and HIV would be different from CF beneficiaries with Hepatitis C. Similarly with Eileen and Skipton. I do not think it would be right to assume they should be the same.

Question 72 - Were the eligibility requirements (both substantive and procedural) kept under review by the board of the CF? If so, how often? If not, why not?

206. I do not know. I stood down before any review would have taken place.

Question 73 - Who determined whether a person met the eligibility requirements to become a beneficiary for the CF?

207. I do not recall.

Question 74 - Were you aware of any concerns about or dissatisfaction with either the substantive or the procedural eligibility requirements for the CF? If so, what were these and what did you/the board do in response?

208. Not during the short time I was a trustee (four months).

Question 75 - Please describe the process (if any) for seeking a review of, or appealing against, or complaining about, a determination that an applicant did not meet the eligibility criteria for the CF. In particular:

a. Was there a right to give evidence or make representations in person?
b. Was a representative permitted to accompany the applicant to a hearing?
c. What was the standard of review or appeal applied?
d. Who determined the review or appeal? Was the original decision-maker permitted to be present or make the decision? Were written reasons provided?
e. Where there any time limits or fees for the bringing of a review or appeal?

209. I do not know the process for the CF. It was probably developed after I stood down from the CF.

Section 7: Decisions on substantive applications within the MFT and the CF

The process

Question 76 - Please explain who made decisions on applications for the MFT and the CF and how this changed over the time you were involved. In particular please explain:

a. When, if ever, staff employed by the MFT and the CF were able to determine applications, and which staff did so. When answering this question in relations to CF you may find [CAXT0000062_003], [CAXT0000109_011] and [CAXT0000065_030] useful.
b. Which committees were formed for the determination of applications, how they were formed, who was chosen (and why) to sit on them, how often they met, who they reported to and the process they adopted for the determination of applications.
c. Which (if any) decisions on individual applications were made at board level and why?

210. MFT had clear written guidelines/policies/criteria for beneficiaries applying for grants/ loans from the annual allocations; they were well established by the time I became a board member.

211. The guidelines were reviewed from time to time, including after the publication of the Archer Report. In 2014/15 particularly significant changes were made, amongst other things to speed up the approvals process. This included devolving more authority to the staff team for making decisions in accordance with the Guidelines agreed by the board, which included a doctor, social work and user beneficiary membership. The guidelines were available and well known to the beneficiary community. I don't have a copy of the document now but, simply:

  a) With respect to the MFT, the MFT CEO and Support Manager could decide on requests up to a certain level, providing they complied with the current guidelines. All their decisions were reported to the NSSC (which became Grants Committee in 2014/15).

  b) The NSSC, comprising four trustees, one being a user, another with social work perspective, had authority to decide most other applications, many discretionary. NSSC met monthly, but applications needing urgent decisions, were dealt with between meetings. All decisions were then reported to the board, for formal ratification. In 2014/15, the board undertook a review of the process, with a view to it being more responsive to concerns from beneficiaries. This included giving more decision making authority to the CEO and her team, and the NSSC becoming a Grants Committee.

  c) Very occasionally an application was received which owing to its complexity and/or cost required board consideration and approval. They might, for instance, relate to a proposed business venture or a housing issue.

212. With respect to CF, the NWC was set up, similar to MFT's NSSC, with officer support; I think it met monthly. Guidelines were agreed and similar guidelines were in place as for MFT. I am not able to provide detailed information. The processes were developing during the short period of my participation.

213. For the CF, the CEO and Welfare Manager could determine applications for support up to £1,500. This was agreed by the CF board on 1st September 2011. I cannot recall any more.

Question 77 - Please explain whether the MFT and the CF developed written or unwritten policies for the determination of applications. If so:

a. ***Who developed these? You may wish to refer to [CAXT0000062_069] and [CAXT0000062_003] when considering your response in relation to the CF.***
b. ***Were they publicly available? If so, where were they available? You may wish to refer to [MACF0000004_041].***
c. ***Was any expert (medical or other) advice sought to inform those policies? If so, what advice? Please give examples.***
d. ***Were the views of the beneficiary community taken into account when setting the policies? If so, how was this achieved? Please give examples.***
e. ***Please describe the policies.***

214. With respect to the MFT it had clear written guidelines/policies/criteria for beneficiaries applying for grants/ loans from the annual allocations. The views of the beneficiary community were taken into account when they were reviewed, notably in 2014/15. The original guidelines were well established before I became a Board Member and iterated, subsequently, with each review. I cannot assist with the questions relating to prior my involvement.

215. All applications were submitted to the CEO, on a template form, which included a section on income. I cannot recall how income was computed but there were clear guidelines, agreed by the full board, which were consistently followed by the staff responsible for dealing with applications. Applicants were often assisted by their local haemophilia centre. The details are more of a question for the CEO to answer. Quite often there was a dialogue between CEO and/or staff and applicant, before applications were considered, to ensure all expected, accurate, information was available. It was a feature of MFT which was much appreciated by beneficiaries.

216. When beneficiaries needed assistance in completing application forms the two members of the support team were extremely helpful. Sometimes, for instance, staff would arrange finance management advisor support, if appropriate, arranging contact with DWP or deferring debt repayments.

217. All applicants' identities were confidential and not known to the board members. There was a code for each beneficiary.

218. With respect to CF, guidelines were agreed and similar stringencies were in place as for MFT.

Questions 78 - Was any guidance provided to the office staff or the Grants Committee on how to assess income and expenditure? Please consider the Minutes of the Grant Committee meeting of 5 November 2014 (MACF0000022_008) which state " it was agreed that it would be difficult to devise clear criteria in relation to the effect that disposable income should have on grant applications. The office were given the authority to assess income and expenditure individually" and refer difficult cases to the committee.

219. I cannot recall the context of this. I was not at the meeting on 5th November 2014. The only comment I would make is that there were well developed guidelines for assessing applications from beneficiaries, which had been refined over a period of at least 15 years. They were known by the experienced staff who worked with them and beneficiaries. Decisions weren't made "on the hoof" but, in my judgement, fair and consistent.

Question 79 - The Inquiry understands that an applicant's income was assessed by the MFT on the basis that (s)he was receiving all the benefits the MFT considered the applicant would be entitled to, even if those benefits were not being received by the applicant [see for example the discussion at MACF0000027_013]. What was the reason for this policy?

220. I cannot recall this case. Judging by the minute, the circumstances and facts were unusual. The external Benefits Manager was involved and would have given objective advice. Generally, the MFT was clear that it could not pay to beneficiaries monies which they could claim from DWP.

Question 80 - What was your view on circulating guidelines/policies/criteria to the MFT applicants? Were the guidelines/policies/criteria applied by the MFT made available to applicants? If not, why not? When answering this question please refer to an email you were forwarded by Roger Evans on 11 May 2014 (MACF0000026_047) from Eileen Jackman in which she states, " I understand why it might seem unwise to circulate to beneficiaries, but I would suggest some form of information on the process should be made public. This was one of their major criticisms I recall ".

221. This relates to the process for assessing one off claims for funding from the reserves, in 2014, earmarked for home improvements, not the ongoing process, which was well established. Mrs Jackman's comment in her email of 11th May 2014 also refers to the one off process for grant applications from the reserves. The home improvements initiative was well communicated, by newsletter etc. The level of response to the

proposal was high, which indicates it was well publicised. I don't recall any complaints of not being informed.

222. Otherwise, they should, and were, widely circulated. The Guidelines for applying for grants were widely circulated over the years, including in the regular newsletters (MACF000004_41 and MACF000004_024 are examples). Ignorance of their existence was never an issue and beneficiaries were well aware of how to obtain clarification and how to apply.

Question 81 - What were the procedural requirements an applicant had to satisfy when making an application for a grant? Who set these requirements? In particular:

a. What was the burden and standard of proof for such applications?
b. In paragraph 29 of the witness statement dated 10 November 2019 you provided to the Inquiry, you set out your concerns about the intrusive nature of the procedural requirements for applications for even small sums of money. Did you raise this with the Trustees? If so, when and how? Was anything done to improve the process? If so what, and when?
c. Were the procedural requirements reviewed? If so, by whom and how often? What were the outcomes of those reviews?
d. Were you aware of beneficiaries who were unable to satisfy the procedural requirements such as providing supporting documentation? What if any adjustments or provision were made for determining such applications?

223. This question must refer to one off grants from reserves. Paragraph 29 of my first statement refers to the ongoing process. These are different issues. There was a one off process in 2014 for applying for home improvements. This was not the same as the ongoing grants application process. That is definitely what Mrs Jackman is referring to in the preceding question.

224. Regarding one off grants in 2014, the applicants were expected to provide background information, including estimates, for the proposed work. This was, reasonable, given MFT was being asked to fund significant building works. Examples included estimates for carrying out work and approval of landlords to carry out adaptations to rented proper. As far as I recall all reasonable applications were met.

225. In response to Q81a, the standard of proof was as set out in the current Grant Guidelines and based on the nature of the grant the applicant was applying for.

226. In response to Q81b, between 2006 and 2010 I raised my concerns at NSSC meetings, with the CEO and the Chairman. I don't recall whether I raised it formally at board meetings; it is too long ago to remember

227. With respect to Q81c, yes, the procedures were reviewed, as part of reviewing the Guidelines as a whole. This was done, as I recall, when the CEO and board thought opportune. It was not at regular intervals.

228. With respect to Q81d, I would have been aware of beneficiaries being unable to satisfy the procedural requirements such as providing supporting documentation, if there were any whilst I was on the NSSC from 2006 to 2010. I can't recall any specifics as it was too long ago.

Question 82 - In your witness statement to the Inquiry dated 10 November 2019 at paragraph 29 you stated that you were not aware of the suggestion that applicants should be visited and photographs taken of their house was ever actioned during your time. Please consider the evidence of WITN 1137 at paragraph 255 of his witness statement. Is there anything you wish to add to your previous evidence on this issue?

229. Having read the evidence of WITN 1137, I have nothing to add to paragraph 29 of my previous Statement. I was not aware photographs were being taken.

Question 83 - The Inquiry understands that the criteria against which every grant application was assessed, was that the beneficiary must show (i) charitable need and (ii) 'exceptional circumstances' (see for example the minutes of the MFT Board meeting of 9 January 2013 [MACF0000143_014] and 10 September 2013 [MACF0000149_020]) where this is cited as the reason for declining a number of applications). Is this correct? If not, what was the test?

230. The MFT had guidelines in place from before I was a trustee and revised several times, subsequently. The circumstances of each beneficiary was different. That is why MFT had "Guidelines" for applicants, staff and NSSC members to refer to, not prescriptive "rules". The NSSC made decisions on each in relation to the personal circumstances (as e.g. in MACF0000143_014). It was logical, and necessary, that MFT could assess need before allocating grants. My recollection is that application numbers reduced after regular payment monies increased as beneficiaries could more easily make their own decisions on spending priorities from within their increased regular income. That was the intention.

Question 84 - In response to his request for information in September 2013, 'exceptional circumstances' are described to a MFT beneficiary in an email " as circumstances that have arisen or are threatened which, in the opinion of the NSSC/Board of Trustees, are unlikely to have been anticipated by a beneficiary in the ordinary course of events and/or it is unreasonable to expect a beneficiary to have to deal with the financial outcome from their normal expenses " (MACF0000149_028).

a. ***Is this the definition of 'exceptional circumstances' that was applied by the MFT?***
b. ***When was this definition developed?***
c. ***Was this definition publicly available to all grant applicants?***
d. ***Was this definition provided and known to all office staff, the NSSC, or the Grant Committee?***
e. ***Why was this information not included in the Grant Guidelines for Beneficiaries (2014)?***

231. I am not familiar with this particular case as it was addressed to NSSC members, and is anonymous. I do not recognise the circumstances as the writer described. My answers to Q80 and 83 are relevant here. I am not sure why the writer is unaware of the Guidelines. His/her social worker would have known them as well.

232. Furthermore, I strongly refute his/her suggested description, on the first page of his/her email of 28th August 2013 of how MFT viewed beneficiaries. It is an example of the challenges a small minority of beneficiaries caused for the staff.

233. With respect to Q84a, I am unable to recall the definition of "exceptional circumstances", or when it was developed.

234. The Support Services team were well aware of the definitions, including that of 'exceptional circumstances'. Other staff in the office, not responsible for dealing with applications, would not have a detailed knowledge and would not be expected to involve themselves in a query not familiar to them.

235. I am unable to recall why this information was not included in the Grant Guidelines. The member of staff to whom the beneficiary wrote was experienced and had a good reputation for being helpful. If the beneficiary spoke to members of staff, who were unaware of the definition of "exceptional circumstances", they probably did not work in the section dealing with support and, therefore, did not know the definition and would not be allowed to involve themselves with beneficiary applications, anyway. The staff had clear instructions that only the Support Service manager and her assistant could discuss application requests with beneficiaries. If other staff did so it could cause confusion and passing on inaccurate information. The staff were steadfast in following that instruction. The Support Service Manager and her assistant could not have been available on this occasion. Otherwise I am sure the call would have been passed to one of them.

Question 85 - How did the MFT assess whether there were exceptional circumstances? Was there any guidance as to how this should be done?

236. I cannot recall. Everyone's circumstances were different, as well as the nature of their request The Support Services Manager had guidance. Furthermore, see above, my answers with respect to the Grant Guidelines.

Question 86 - The Grant Guidelines for Beneficiaries (2014) (MACF0000171_049) at p.1 state " the Trust is required to demonstrate charitable need and as such consider whether someone applying for a grant has the ability to fund it from their own resources. This is why we ask for details of income and expenditure when grant applications are made. "

a. What was your understanding of the phrase 'charitable need'?
b. Was making a successful grant application conditional on completing an Income and Expenditure form?

237. The meaning of 'charitable need' would be that stipulated by the Charity Commission.

238. I think that making a successful grant application was conditional on completing an Income and Expenditure form, but I cannot recall if there were exceptions.

Question 87 - Do you know who drafted the 'Income and Expenditure Form', and whether it was amended during your tenure at the MFT? Further:

a. Why were a 'Partner's NET Earnings' or 'contributions from other household members' relevant to an individual's grant application?
b. Why were stage 2 regular payments from the Skipton fund included within the calculation of household income for those who were co-infected?
c. Why would an increase in the earnings of a member of the household lead to a reduction in the award made by the MFT? See (MACF0000227_021).
d. Why was a breakdown of household expenditure required? In particular why were details of money spent on groceries, clothes and personal items relevant to an individual's grant application?

239. Regarding declaration of Income and Expenditure, my recollection is that it was incorporated within the claim form template. I do not recall who drafted the form but, whoever, it would have been approved by the Board. It may have pre dated my appointment. As Chairman, I am not well placed to answer detailed questions, particularly after this duration of time. They are more appropriate for the CEO. Instances such as MACF000027-021 are day to day operational matters which the CEO would deal with and only refer to the Board exceptionally. I doubt I ever had sight of this matter.

240. In response to Question 87a, the beneficiary's overall circumstances was a basis on which MFT made decisions.

241. In response to Question 87b, I don't know why stage 2 regular payments from the Skipton fund included within the calculation of household income for those who were co-infected.

242. In response to Question 87c, it is possible this would happen and it would depend on facts and circumstances.

243. In response to Question 87d, I do not think such details were requested. The beneficiary seems to have volunteered the information. There is no evidence she was asked.

Question 88 - What proportion of applications were granted (wholly or in part) and what proportion were refused?

244. I do not have this information.

Question 89 - Were reasons for refusing an application provided to an unsuccessful applicant?

245. Yes, reasons for refusing an application were provided to unsuccessful applicants.

Question 90 - Was there a procedure in place to consider applications made on an urgent basis? If so, what was that procedure? If not, why not?

246. Yes. The Support Service Manager contacted members of the NSSC, by email or telephone, to seek their approval, if appropriate.

Question 91 - What practical support or assistance was given to applicants to help them in making applications?

247. The Support Service Manager and her assistant were very experienced and knowledgeable and were available to assist applications to help make their applications. Doing this was a key part of their jobs. Their proclivity was to get approval for funds, if appropriate. Incidentally, the CEO and I received many thanks and appreciation from beneficiaries on the work of the Support Services team. I am confident that they outweigh, considerably, the dissatisfactions which have come to the attention of the Inquiry.

Question 92 - Please set out the number of beneficiaries/applicants assisted by the MFT and the CF during the time you worked there. You may find the document at [CAXT0000109_043] helpful in responding to this question in relation to the CF.

248. I do not have access to the number of MFT beneficiaries/applicants helped during the ten years I was on the board. There would not have been a need to aggregate the number. I am not sure that it would have been a useful exercise. Whilst I was on the NSSC I estimate we dealt with about 30 at each of our monthly meetings. Any beneficiary was able to apply. Most probably did. We assisted a great number of them with funding during that time; many on numerous occasions. At least £30 million was allocated to beneficiaries of MFT (on top of regular payments) during the ten years I was a Board Member/Chairman.

249. Regarding the CF, I do not know. CAXT0000109_043 is the first meeting of the NWC. I would have attended several subsequent meetings before leaving the Board.

MacFarlane Trust

Question 93 - Please describe:

a. ***What regular payments were made to beneficiaries and how they were assessed/quantified. Did this change over time?***
b. ***What lump sum payments were made to beneficiaries and how they were assessed/quantified. Did this change over time?***
c. ***What payments or grants were made for specific expenses or items and how they were assessed/quantified. Did this change over time? In particular please explain how the requirement to show exceptional circumstances was arrived at following the introduction of non-discretionary payments.***

250. This is detailed information. As Chairman, I cannot recall all the relevant details. This is a question for the CEO.

251. Regular, standard monthly payments were made to primary beneficiaries through MFET. These were increased whilst I was Chairman, after the Archer Report.

252. Winter fuel payments were made to primary beneficiaries.

253. I do not recall the details to be able to respond to Question 93c.

Question 94 - Why was it important for the MFT and the CF not to encourage dependency on it by the beneficiaries? [CAXT0000068_010].

254. I do not know the context in which this was said, and by whom.

Question 95 - Was using the services of an external debt advisor or debt counsellor ever a condition to approving a grant and/or loan application? If so, in what circumstances? What criteria were used to assess whether such a condition was appropriate?

255. I do not know. There would have been a dialogue between the Support Services Manager and the applicant. The debt advisor was very helpful to some MFT beneficiaries who had difficulty managing their financial affairs. I doubt there would have been criteria. Circumstances of individuals would make it unhelpful to be rigid. The approach was a softer one. Debt Counsellors were only used when it was thought it would assist the beneficiary, not for the benefit of MFT

Question 96 - Was a determination by the debt advisor or counsellor that an applicant's debts could be negotiated down a requirement for a grant towards debt assistance being made? Please see Case 12 as an example (MACF0000024_145).

256. This is a one off. Each application was viewed on the specific circumstances of the applicant. I am not aware that this was a general policy or rule.

Question 97 - Did the success or otherwise of an application depend on the number of applications made per year or was each application considered on its merits, irrespective of the overall demand on the relevant fund?

257. Each application was considered on its merits, irrespective of overall demand on the relevant fund. The circumstances of the applicant was the determining factor.

Question 98 - Why were beneficiaries 'with other children in the house' not entitled to financial support with assisted conception pursuant to Grant Guidelines 2014 (MACF0000171_049)?

258. I do not remember.

Question 99 - In the minutes for the MFT Board meeting [MACF0000024_074] on 29 July 2013 the Board agreed that the policy of backdating payments to non-infected beneficiaries, including widows, to May 2009 would cease from 1 October 2013. Can you explain what the policy was and why it was stopped?

259. No, I cannot recall this matter.

Question 100 - What was the percentage of applications that were successful each year?

260. I do not know. I don't recall that we collected this information.

Question 101 - At the MFT Grants Committee meeting on 9 April 2015 it was noted that there was an underspend of the grants budget for the year [MACF0000155_005] and in the Board meeting on 27 April 2015 it was noted there was an underspend on the budget [MACF0000022_057]. The same was noted in 2017 [MACF0000170_009 and MACF0000027_091]. Was this common? Did this cause the MFT to re-consider either any of its decisions or the policy/criteria applied when determining applications?

261. The numbers of applications fluctuated between years. After the increase in regular payments, beneficiaries were more likely to make their own financial decisions and not apply to MFT. The guidelines were reviewed from time to time. Eligibility for grants etc were always in compliance with the purposes of MFT according to Charity Commission and DH funding.

262. The DH had warned, at the Liaison Committee meeting on 12th December 2014 (see MACF0000061_057) that the budget might be reduced for 2015/16. Any unspent funds could bolster the following year allocation. Underspending only happened if MFT had insufficient applications. I don't recall that the MFT Board considered changing the policy/criteria from 2015.

Question 102 - Did the MFT consider the amount of money previously given to an applicant from (i) the MFT, and/or (ii) other AHOs, and/or income from benefits when determining each application? If so, why?

263. The MFT did not consider the amount of money previously given to an applicant from the MFT when determining their application.

264. I cannot recall whether the MFT considered the amount of money previously given by other AHOs and/or income from benefits when determining the application.

Question 103 - Were the grants means tested? If so, why? What were the income brackets applied? Were the income brackets published? If so, where and how could the beneficiaries access this information? Were the income brackets kept under review? If so, how and in what intervals?

265. Individual circumstances were taken into account. I do not recall rigid cohorts. If someone applied for a grant, for a non-discretionary payment, we would expect them

to give us information on their financial circumstances. The MFT would want to know more about their circumstances and what they could afford themselves. The MFT would want to know more about an individual's circumstances when it came to assessing grant applications. This was to ensure that the funds were managed appropriately.

266. With respect to the MFT, we did not seek further information regarding the circumstances of individuals. After the Archer Report, regular payments through the MFET increased which empowered people to manage their own finances.

267. I cannot recall regarding the income brackets that were applied, where they were published, how the beneficiaries could access this information, or whether they were kept under review.

Question 104 - Why did the MFT provide beneficiaries with vouchers for household items rather than money? Were any concerns raised by the beneficiary community about this practice? If so what were they?

268. The MFT in some instances wanted to be sure the funds were being used for the purpose for which they were agreed. My recollection is that vouchers were issued when funds were allocated for a specific necessity. There had been instances, apparently, where this was not so. I think the MFT might have had arrangements which gave favourable purchase prices, but I am not sure.

Question 105 - Please provide your view on the consistency and fairness of decision making by the MFT when assessing applications.

269. The MFT was consistent and fair in our assessments. There was a well-developed system and the culture was one of being helpful and kind. There were agreed guidelines which were followed by the Support Services staff and NSSC, but they were, literally guidelines. Common sense and compassion were used when making decisions. There was a degree of subjectivity in deciding on funding. Inevitably, there would be beneficiaries who would not agree with decisions made, probably because they were unsuccessful at some time. This is exemplified in some witness statements. Many more were very pleased with the decisions made but, naturally, are less likely to have informed the Inquiry.

Question 106 - In an MFT and CF liaison committee on 31 August 2012 [CAXT0000068_008] it was noted that a request had been made from the Department of Health on the differing payments to MFT and CF beneficiaries. What was the Department's concern? What was the MFT and CF's response?

270. The DH was not concerned other than wanting to understand the situation, as I recall. As I have said elsewhere in my statement, the circumstances of our beneficiary communities were very different and it would not have been realistic to replicate payment criteria. DH did not ask for this to be done. I do not recall the paper we sent the DH.

Question 107 - You provided an explanation as to why you resigned as the Chair of the MFT, in your first statement provided to the Inquiry, dated 10 November 2019. Do you wish to add anything to that account?

271. No, I do not wish to add anything more.

Question 108 - Please describe how the decision to make loans and advances rather than give grants came about as a matter of policy, and how the Board considered this was consistent with the Macfarlane Trust's charitable purpose. You may wish to refer to [MACF0000016_052].

272. The practice of loans and advances preceded my joining the board, as far as I can recall. I have no further comment.

Question 109 - Please describe the different types of loans and advances provided by the MFT to beneficiaries during your tenure. You may wish to refer to [MACF0000123_030].

273. I cannot remember the details. Document MACF0000123_030 refers to a meeting which took place 13 years ago.

Question 110 – Were loans or awards made contingent on beneficiaries accepting the services of a financial advisor? If so, what was the criteria for such a condition to apply.

274. Each application was considered individually, and I think the use of the financial advisor was only if it was thought to be in the interests of the applicant beneficiary.

Question 111 - Please describe any role you had in approving loans and/or advances made by the MFT to beneficiaries.

275. I do not recall any role I had in approving loans and/or advances made by the MFT to beneficiaries.

Question 112 - Please describe the criteria used to select recipients for the different types of loans made by the MFT to beneficiaries, and confirm who drafted those criteria.

276. I do not think beneficiaries would have been "selected". Any requests would be considered according to the facts. I think the MFT was stringent in not approving more than one loan. Criteria would have been drafted by CEOs, with their staff, and approved by the board.

Question 113 - Please confirm whether the MFT sought legal advice with regard to the loans made by the Trust. If so, what did that advice say (please note that legal professional privilege has been waived by the MFT)? Did you agree with that advice? Did the MFT act in accordance with that advice?

277. The CEOs sought legal advice on lots of issue and may well have done so. I cannot recall any specific cases so cannot answer the second part of the question categorically. If you are referring to MACF0000022_76, then we probably did seek legal advice.

Question 114 - In what circumstances did the MFT call in their charges over beneficiaries' properties? Was there any guidance as to when this was appropriate? When responding to this question please consider the documents at , MACF0000043_157 and MACF0000044_009 which seem to establish that the MFT forced the sale of a beneficiary's property in order that the loan should be repaid, in spite of the fact that due to the terms of the loan, this amounted to a loss to the MFT.

278. The possible MFT "call in" of a beneficiary's property was one of three options volunteered to board members by the Finance Manager. It did not emanate from Board Members and was rejected. "Call ins" would only have been made in exceptional circumstances.

Question 115 - During your tenure were there any loans to beneficiaries secured against property that were cancelled by the MFT with no repayment needed?

279. I cannot remember whether during my tenure there were any loans to beneficiaries, secured against property, that were cancelled by the MFT with no repayment needed.

Question 116 - Please explain why the MFT did not write off the loans when requested to do so. You may wish to refer to [MACF0000022_076]. In retrospect, do you consider that this was the right decision? It may assist you when answering this question to know that the Terrence Higgins Trust were the recipient of the residual MFT funds when the charity closed in February 2019, as well as the MFT loans.

280. This was a one off; the applicant wanting a loan of £113,000 written off. It was application which was discussed at length at Board meetings. The applicant argued her case, formally, and informally, on numerous occasions. This included one to ones between the CEO, myself and the applicant after a Partnership Group meeting in Basingstoke. The applicant chose to inform her local newspaper and I received 11 letters from her MP (I replied to all of them). As well as the full Board unanimously declining her proposal, an appeal to the board was also unsuccessful. The user trustees were fully in agreement of the decision not to write off the loan. I do not understand the relevance of Terence Higgins Trust receiving residual funds in this specific case. My recollection was that the Board was confident that it had made the right decision. I think when all the facts were considered, including previous support, there were very significant reasons for this,

Question 117 - Were there any cases in which the MFT agreed to remove charges secured against beneficiaries' properties that you are aware of? If so, please give details.

281. I cannot remember.

Caxton Foundation

Question 118 - Please describe:

- ***a. What regular payments were made to beneficiaries and how they were assessed/quantified.***
- ***b. What lump sum payments were made to beneficiaries and how they were assessed/quantified.***
  What payments or grants were made for specific expenses or items and how they were assessed/quantified.

282. I do not know as I was not on the CF board for long enough.

Question 119 - Why did the CF not want to commit to bringing beneficiaries annual income up to £14,000 per annum? [CAXT0000062_001].

283. I cannot remember. This discussion took place over nine years ago

Question 120 - In a meeting on 7 November 2011 you were recorded as saying that the CF should spend as much money as possible – within reason, to show there was unmet need in the beneficiary population [CAXT0000108_070]. What did you mean by that statement? Was that followed through in so far as you are aware?

284. I cannot recall the context of this remark. Spending patterns developed after I left the CF board. I cannot answer the second part of the question.

Question 121 - In a meeting that you attended with the Department of Health on 28 June 2011 the Department stated that the CF should be able to demonstrate that they were equitable with the MFT [CAXT0000095_016]. What did you understand that to mean? Did you try to ensure equity between the CF and the MFT beneficiaries when setting up the CF? If so, how?

285. The DH should explain the meaning of the statement. I would suggest they were alluding to ensuring fairness in treating needs of respective beneficiary communities. CF drew up their own guidelines for eligibility for payments. As far as I recall, the DH did not have a concern about the differing payments to MFT and CF beneficiaries - they were only inquiring.

Question 122 - Did the success or otherwise of an application depend on the number of applications made per year or was each application considered on its merits, irrespective of the overall demand on the fund?

286. Each MFT application was considered on its merits, with reference to the guidelines. The availability of funds was never an issue. I would not know for the CF.

Question 123 - Who set the level of payments to beneficiaries? How were the level of payments set? What if any expert advice or information from the beneficiary community was obtained when setting these? You may wish to refer to [CAXT0000062_003].

287. The CF board would agree payments on recommendation from the NWC. I cannot recall what expert advice was sought. I doubt that the beneficiary community would have been consulted on the figures.

Question 124 - What was the percentage of applications that were successful per year? You may wish to refer to [CAXT0000062_072].

288. I do not know. I left the CF board in the beginning of February 2012 - within a year of its inception.

Question 125 - Why did the CF provide beneficiaries with vouchers for household items rather than money? Were any concerns raised by the beneficiary community about this practice? If so what were they?

289. I do not recall discussion about the CF issuing vouchers.

Question 126 – Did the CF introduce a regular payment scheme to support beneficiaries on lower incomes during your tenure? If so why? How was this publicised?

290. I do not recall the CF introducing a regular payment scheme to support beneficiaries on lower incomes during my tenure.

Question 127 - Did the CF consider the amount of money previously given to an applicant when determining each application? If so, why?

291. I do not know. There may not have been any instances during the four months I was on the full CF board.

Question 128 - Please provide your view on the consistency and fairness of decision making by the CF when assessing applications. You may wish to refer to [CAXT0000063_001] when answering this question.

292. I was a member of the NWC and CF full board for only four months. No pattern would have emerged.

Question 129 - Why did you resign as a Trustee on 20 th February 2012?

293. I was appointed Chairman of the MFT. The term of my accepting was that I should stand down from the CF to avoid any risk of a conflict of interests.

Non-financial Support

Question 130 - What if any non-financial support was available to eligible beneficiaries of the MFT and CF? Was the availability of non-financial support made known to the potential beneficiaries, and if so how? You may wish to refer to [CAXT0000062_072] and [MACF0000004_024] when answering this question.

294. Regarding MFT, including, during my time on the Board, the MFT provided the following non-financial support to eligible beneficiaries: weekends away for beneficiaries and widows, bereavement counselling, debt counselling and financial advice. These were advertised, well in advance, in the MFT Newsletters.

295. With respect to CF, CAXT0000062_072 is a report for the year ending September 2012. I stood down in February 2012. Non-financial support was being discussed when I left. The documents the Inquiry refer to sets it out. I can't add anything.

Question 131 - Please explain the role of the Welfare Manager and the Support Services Officer at the CF. Please explain when home visits were made and what their purpose was.

296. I think the Welfare Manager and Support Services Officers were probably responsible for processing funding applications. The responsibilities would have been similar to those of the MFT Support Service Manager. I do not have any knowledge of CF home visits.

Question 132 - Please explain the terms upon which the Money Management Advisor, Jayne Bellis, was contracted. In particular:

a. Was her client the MFT or individual beneficiaries?

b. What was her role?

c. What were the arrangements for sharing the beneficiaries' data with the MFT?

d. Was working with Ms Bellis ever a condition of the grant of an application? If so, why.

297. I cannot remember. I don't think I ever had contact with Jayne Bellis.

Question 133 - In a meeting on 6 October 2011 it was noted that the CF had a counselling fund [CAXT0000108_038]. Please explain how this came about, what would be paid for out of that fund, and how it was made known to beneficiaries?

298. I do not recall the CF counselling fund. I was only involved with the CF for four months.

Question 134 - Did the MFT have a similar fund? If not, why not?

299. The MFT would pay for counselling from its grants budget and, as far as I recall did not have an earmarked budget. The 2014 Grant Guidelines make it clear MFT would pay for counselling. Counselling requests would have the same priority as if we had an earmarked budget. I doubt we would ever have declined counselling for lack of finance. This was an area in which the MFT was not equipped to address issues across the community. It was a responsibility of DH, and probably was not fully addressed.

Section 8: Complaints and appeals

Question 135 - Was there an appeal procedure for the MFT and/or the CF? If so, what was it and how did it operate? Who determined the appeals? Please set out:

- ***a. Whether there was any right to give evidence or make representations in person.***
- ***b. Whether a representative was permitted to accompany the applicant.***
- ***c. What standard of review or appeal was applied.***
- ***d. The criteria for members of review or appeal panels.***
- ***e. Whether the original decision-maker was permitted to be present or make the decision. The extent to which written reasons were provided.***
- ***f. Any time limits or fees for the bringing of a review or appeal.***

You may wish to refer to [CAXT0000109_021].

300. MFT beneficiaries had an appeals right. When an application was declined, the beneficiary could appeal to the NSSC, and, then, directly to the Board, who would consider it at their next scheduled meeting. Appeals to the NSSC were through the Support Services Manager. New relevant information was permitted. For appeals to the Board, the applicants did not attend the hearings, which were part of a Board meeting. The reasons for the appeal were put forward by the CEO, with all supporting documents from the appellant. Appeals had to be lodged, in writing, within three weeks of the decision date. This is set out in the Grant Guidelines (MACF0000171_049).

301. The agreed procedure for the CF is at minute 4 of the NWC meeting dated 17th February 2012 (See CAXT0000109_021). I stood down from the Board the following week so have no knowledge of how it worked in practice.

Question 136 - How common was it for decisions to be appealed? How many appeals were you aware of being launched during your tenure? How frequently did appeals succeed?

302. I cannot inform you of a number but there were some to NSSC and, less often, a further appeal to the full Board. I have no information on the number of appeals and how many were successful. Beneficiaries were well informed of the appeals procedure as it was contained in the Grants Guidance.

303. I had no involvement with the CF appeals.

Question 137 - Was there a complaints process? If so how did it operate?

304. I do not recall a structured complaints procedure but any received were dealt with by the CEO, or myself, as appropriate. If appropriate, I am sure we would have sought professional advice or involved other Board members.

305. I cannot comment on the CF complaints process, given my short time with the CF.

Question 138 - How common was it for the MFT and the CF to receive complaints? How many complaints were you aware of being made? How frequently were complaints upheld?

306. Not often for the MFT. I cannot remember any serious complaints during my time as Chairman, which I dealt with myself.

Question 139 - On 15 January 2015 Nadhim Zahawi (the MP for Stratford-Upon-Avon) said in a House of Commons debate that his constituent had raised a concern that the MFT did not treat beneficiaries equitably and that, as she had complained, she had had her grant applications delayed or in some cases frustrated completely. Your attention was brought to this by Ms Spellman in an email dated 4 March 2015 [MACF0000022_028]:

- ***a. Were the applications of beneficiaries who complained delayed and/or frustrated? If so, by whom, why and what was the extent of this practice?***
- ***b. Did the MFT take any steps to respond to what was being said in the House of Commons? If so, what?***

307. This is the same case as in question 116 above. Nadhim Zahawi MP and I had exchanged many letters on his constituent (the MP wrote 11 letters to me, and I responded to all of them), I think before he raised it in the House. This was a contentious housing and loan issue and the Board had decided, unanimously, and on appeal, not to agree to her request to write off a loan of £113,000. The CEO and I had met with her on a number of occasions and she had raised her concerns at a Partnership Group meeting. I am confident that all beneficiaries were treated fairly and we definitely did not delay or frustrate matters. All beneficiaries were treated equally. I do not recall any delay with her application. It was complex and there was a protracted dialogue between her and the CEO.

Question 140 - What information was provided to beneficiaries about the appeal and complaints procedure?

308. It was incorporated within the Grants Guidelines and was well known.

Section 9: Engagement with the beneficiary community

Question 141 - What steps did the MFT and CF take to engage with and understand their beneficiary community?

309. Specific communications with the beneficiaries included:

- A regular newsletter to beneficiaries;
- Men's weekends away, which sadly we had to stop (see paras 42 and 43 my statement of 10th November 2019). I attended for part of these, including an informal dinner and, on Saturday morning, an information giving and question and answer session (we had no option but to stop these after an early morning fight in a hotel bar, with a bloodied man with haemophilia being taken to hospital);
- Women's Weekends away, attended by the Support Services Manager;
- Day to day contact between staff and beneficiaries with particular questions or needs; and
- The CEO and I attended all Partnership Group and APPG meetings.

310. In 2016, the MFT was supporting 336 infected beneficiaries (see the MFT Annual Financial Report for year ending 31 March 2016 at MAC0000045_001) as well as their widows, partners and children, living across the UK. They had a multiplicity of needs for which they turned to the MFT for support. Some needed professional support beyond our scope. On a day to day basis, the CEO and team were dealing with difficult situations, usually relating to funding. I was very impressed with the kindness, patience and confidentiality shown by them to all beneficiaries. Some beneficiaries were active participants in MFT matters, others occasionally and others wishing to lead their lives without contacting MFT. I attended all Partnership Group, APPG meetings and men's Weekend Away events. I therefore knew some beneficiaries well. The CEO and support staff would have known nearly all.

311. Between my appointment in 2006 and 2016, social media burgeoned. This had mixed consequences for MFT. On the one hand, it made communicating with some

beneficiaries easier. On the other hand it became a platform for communicating in a less helpful way, not only towards MFT but between beneficiary groups.

312. I stood down from CF when engagement was still developing, and have no information on the CF on this issue.

Questions 142 - The Inquiry understands that under your chairmanship of the MFT beneficiaries were approached to see whether they wanted to revive the Partnership Group Meetings (see [MACF0000060_075]). What was the response to this?

Question 143 - Was the partnership group revived as a result? If so:

a. What was the purpose of the group/meetings?
b. How often did they take place?
c. Who set the agenda?
d. Who attended the meetings and how were the beneficiaries selected for these meetings?
e. What impact, if any, did these have on the way the MFT operated?
f. Were there any problems encountered in the running of the group/meeting and how were they handled?

313. A beneficiary took the initiative to re-establish Partnership Group meetings ('**PG**') in, about, 2013. I welcomed his initiative and did all I could to support him He contacted the beneficiary community. These were beneficiary led. They set agendas and wrote minutes. The PG meetings were every two or three months and in different parts of the country. All beneficiaries were invited, as was the CEO, myself and other Board members. 20 or so people attended. Although attendance levels were low, PGs should have been a helpful forum for beneficiaries to exchange opinions, for the CEO and I to hear them, and to engage in discussion.

314. The first meeting or two went well. It was a good opportunity to impart information and have an exchange of views on issues. Unfortunately, the conduct of the meetings became more difficult, despite the efforts of the Chair, and he stopped them. One or two individuals dominated meetings, wanting to talk just about their personal interests. There was some abuse of each other. An example of the problems the instigator (who chaired the meetings) faced was that beneficiaries would not approve minutes of one meeting; they were left "on the table". The task of the CEO and I had would have been easier if W1122 had attended the meetings whilst he was a User Board Member. Unfortunately, he refused; other User Board members attended some meetings. The PGs should have been a good way for the MFT Board Members and beneficiaries to better understand each other's points of view.

Question 144 - Did CF set up any groups or meetings involving the beneficiary community? If so:

- ***a. What was the purpose of the group/meetings?***
- ***b. How often did they take place?***
- ***c. Who set the agenda?***
- ***d. Who attended the meetings and how were the beneficiaries selected for these meetings?***
- ***e. What impact, if any, did these have on the way the CF operated?***
- ***f. Were there any problems encountered in the running of the group/meeting and how were they handled?***

315. I have no knowledge as, if they did, it would have followed my standing down from the CF.

Question 145 - The Inquiry understands that in 2009 a decision was taken to remove the bulletin board from the MFT website. Why was this? You may wish to refer to [MACF0000012_001].

316. See paragraph 5 of my first statement regarding the bulletin board during my Chairmanship. I do not recall the circumstances of a similar incident in 2009, before I was Chairman.

Question 146 - What was the relationship between the senior management/board of the MFT and the CF and the beneficiary community? Could this have been improved in your view? What steps did you take to improve the relationships?

317. Senior management relationships between MFT and CF were fine; it was the same team. The MFT and CF boards met every few months. Initially they were extremely cordial, but they cooled a little when there were conflicts of interest such as CF staffing plans. I think not having cross board representation was a handicap. Whilst Peter Stevens was CF Chair, working relationships at that level were good. When Ann Lloyd replaced him, we had a good relationship when we met, but meetings became infrequent, and she often cancelled at short notice. Maybe as a consequence, MFT and CF drifted apart.

318. Christopher Pond's appointment, and attitude to the MFT was problematic and led to the difficulties later on. He was appointed in about October 2015, and we never had a one to one meeting. Numerous meetings were cancelled by him or he failed to turn up. I sensed that he was much more interested in how his appointment would advantage him, rather than the interests of CF. He may well have been the architect of the covert attempted takeover by CF, leading to my resignation.

319. Jan Barlow's attitude to me and our, until then, excellent working relationship, changed. I believed she was colluding with him. This is also referred to in my first statement. For some months she was absent, GRO-A and uncontactable. I sensed that she was looking for a path forward with restructuring, in a way which suited her interests over those of the MFT. I lost trust in her integrity and would not have been able to defend the covert plans with the beneficiary community. Those were the reasons I resigned.

Question 147 - The Inquiry understands that members of the Contaminated Blood Campaign came into the MFT's offices on 17 April 2013 uninvited. What did you understand the purpose of this to have been? What was the MFT's response?

320. This was a CF matter. The CEO (who was not present) informed me that some CF beneficiaries managed to enter the offices without permission and refused to leave. Apparently, they behaved in a threatening, intimidating, manner towards the staff. Personal files were also on desks, which posed a data protection threat. The staff were employed by CF, who managed the office. I was no longer a CF board member. I recall offering my appreciation to the staff when I was next in the office.

Section 10: Haemophilia Society

Question 148 - What involvement or interactions did the MFT and CF have with the Haemophilia Society? The Inquiry understands from [MACF0000022_020] that there were regular meetings between the AHOs and the Haemophilia Society. What was the purpose of these meetings?

321. Three of the nine MFT trustees were nominated by the HS. Quite properly, MFT had no involvement in the nomination process, although, once, I was invited to sit in on an interview panel. Martin Harvey, when MFT CEO, and Chris James, HS CEO, met regularly. They seemed to have a good working relationship. I met with my Chairman counterparts, although Bernard Manson appeared to be a hands off Chairman, and contact with him was not as regular as I would have liked. His unexpected absence from the meeting with Ms Carroll on 29th January 2015 was unfortunate, to say the least. If he had been present, I doubt the false allegations would have been made by her.

322. The HS and MFT had very different roles and responsibilities. The MFT was established by the Government, largely to provide financial support to those affected by the catastrophe. The MFT's funding came from central Government. The HS was an independent charity with an interest for all people with haemophilia. The HS was a campaigning organisation, largely funded by charity (with a sometime grant from the D H). The MFT was neither wholly independent of DH, nor a campaigning organisation. There were some beneficiaries who felt strongly that the MFT should strongly campaign against the Government. I think this would have been unhelpful to the wider beneficiary community. If more combative campaigning was to be done (as opposed to our discussions, negotiations, and pleading with Government), then the HS was the obvious body to do that.

Question 149 - Please describe the working relationship between the MFT and CF and the Haemophilia Society. Were you aware of any difficulties? If so, what were they, how did they impact on the running of the MFT and CF and how if at all, were they resolved?

323. During my years as an MFT trustee Board Member, relationships were cordial between the MFT and HS boards. I fostered good relationships during my time as interim CEO of HS in 2007. When the successive HS Chairmen and I met, we got on well. During the establishment of the Archer Inquiry, staff from both organisations worked together with organising and conducting the Inquiry. Subsequently, as far as I am aware, Martin Harvey and Chris James , CEOs of the MFT and HS, worked well together. It was helped by Martin Harvey being in post for some years and knowing most of the HS board. I think there were occasional joint liaison meetings. Other than that, I am not in a position to comment on relationships at that time.

324. Relationships between MFT and HS changed after the two bodies appointed new CEOs, which coincided with the Government's austerity programme and its decision to give financial support to people with Hepatitis C, leading to the setting up of CF. I got the impression that Jan Barlow did not respect Ms Carroll, either personally or professionally.

325. There was great pressure from a minority of MFT beneficiaries, organised by HS board member(s), for the MFT to campaign against the DH, in a public, aggressive, way, for increased funding. As explained above, some people claimed it was the responsibility of the MFT. Also, as I have explained above, I took a different view on this, and did not think it was in the best interests of beneficiaries for the MFT to be in acting in that way,

i.e. publicly, aggressively campaigning. I thought that was precisely the role for the HS, to do that sort of campaigning for those with HIV. That was the body able to take on that responsibility. I was surprised that there did not seem to be any interest by the HS board and CEO in carrying out this important purpose of campaigning. Having had experience with the HS myself, I felt it had lost its way.

326. While the HS showed no appetite to campaign in this way for those with HIV, it seemed to focus instead on campaigning against MFT through their members, rather than campaigning to get more financial support from the DH. I did feel this was the wrong approach for the HS, and that they should instead have been campaigning directly against the DH for increased funding.

327. This difference of view caused tension at MFT Board level when two or three members (one only of the three HS nominees) took this stance. This was coupled with the sending of very strongly worded emails to me on my personal account by two trustees. The view of the majority of the Board, and the CEO, was that the best funding outcome would be achieved by strong lobbying of DH and Ministers with meaningful, tough, business negotiations, as opposed to antagonising them, and possibly making them less communicative and open to negotiations. I believe we took the right approach in the interests of beneficiaries. All I can say is I was guided by what I thought, and still believe, was in the best interests of beneficiaries, and certainly not by any unwillingness to do the right thing for them, or to not cause problems for Government.

328. Relationships had not healed by the time I stood down in 2016.

Question 150 - On 10 February 2015, a letter was sent from Chief Executive of the Haemophilia Society, Ms Carroll, to Jane Ellison MP in which Ms Carroll raised a number of issues in relation to the system of support at the time for those affected by the contaminated blood tragedy [MACF0000059_047]. In this letter Ms Carroll stated that it was the view of the Haemophilia Society that the system of support provided by the AHOs was not fit for purpose. Were you aware prior to this letter being sent that this was the view of the Haemophilia Society? Do you agree that the AHOs were not fit for purpose by this time?

Question 151 - Also in this letter Ms Carroll made an allegation (later retracted) that you and Ms Barlow had said at a meeting on 29 January 2015 that the DHSC should wait for as long as possible to respond to the Penrose Inquiry so that more people would have died and there would be fewer people to pay and fight for payment. Please provide your response to this. In particular, did you and/or Ms Barlow make this statement or say words to that effect? You may wish to refer to the following documents [MACF0000022_020] and [MACF0000022_022] [HSOC0029441_042] [MACF0000022_025], [MACF0000022_026] [MACF0000059_047] [MACF0000064_003], [MACF0000064_005], and [HSOC0029441_052].

Question 152 - In the minutes of the Board of Directors of Caxton Trustee Limited meeting held on 26 February 2015 [CAXT0000076_008], the letter from Ms Carroll was discussed. Ann Lloyd, the chair of the meeting, was noted as stating that due to the allegations made in the letter she felt that the CF had no choice but to suspend relations with the Haemophilia Society for the time being.

- ***a. Were you aware that CF had taken this approach? If so, did you agree with it? Why?***
- ***b. Did the MFT take the same approach?***
- ***c. If so, how long were relations between the MFT suspended with the Haemophilia Society?***
- ***d. What impact did this period of ceased relations with the Haemophilia Society have on potential beneficiaries, if any?***
- ***e. What was done to ameliorate this impact?***

Question 153 - A letter from you to the Chair of the Haemophilia Society at the Haemophilia Society dated 17 March 2015 suggested that the relationship between the Haemophilia Society and MFT had deteriorated over the previous 12 months [MACF0000059_011].

- ***a. Please explain why the relationship had deteriorated prior to the publication of Ms Carroll's February letter.***
- ***b. The letter noted that the MFT Board no longer had confidence that there could be a constructive relationship with Ms Carroll and that any engagement would go through Bernard Manson. What impact did this have on the MFT? You may wish to refer to the reply [MACF0000059_051].***

329. In response to Question 153a, please see my answers to the previous question above.

330. I was not made aware of the letter sent by Ms Carroll to Ms Ellison, Minister for Health dated 10 February 2015 (see MACF0000059_047); nor was the MFT CEO made aware of it. It was, though, copied to the Secretary of State and six MPs and to at least one MFT (user) trustee. The intention to send a letter expressing these views on the five organisations was not divulged at the meeting the MFT CEO and I had with Ms Carroll on 29th January 2015, 12 days prior to its sending. The first I was aware of any of the content was when the false allegation made by Ms Carroll erupted after the letter had been sent.

331. The statement that the AHO bodies were not fit for purpose is in my view baseless and wrong. As explained at the beginning of this Statement, the prime responsibility as registered with the Charity Commission was to provide financial support to those affected by tainted blood. This meant distributing the monies which Government decided to provide us with. I think we did that appropriately. From 1988 to 2016, the MFT disbursed over £55M of Government money to primary beneficiaries, widows and dependents; including, in 2015/16, £5M. Primary beneficiaries were supported to ensure they had a minimum income of £14,479; widows were also supported to at

least the minimum wage level. Families received £3,000 per annum for first children and £1,200 per annum for subsequent children. That was our purpose and we fulfilled it. At no time was this said "to my face". At no time did the HS Chairman or CEO make such an assertion to me. Indeed, Anne Milton, Minister for Health, wrote a personal letter congratulating me on my work with MFT and CF.

332. Regarding the false accusations made by Ms Carroll, I absolutely did not make the comment referred to in Q151. It was never my opinion, and was not said. The CEO did not make the comment at the meeting on 29th January 2015 either. I was extremely shocked and upset when I learnt of this false accusation. The letter from Stone King (HS's solicitors) to Wilsons (the MFT's solicitors) of 9th March 2015 includes an apology and complete withdrawal of the allegation. Ms Carroll also published a retraction of the allegation and an unreserved apology (HSOC 29441_052). If she had not retracted the allegation, legal action probably would have been taken against her, as this was simply a complete and utter invention by Ms Carroll. There was no basis for it whatsoever. I found it reprehensible that Ms Carroll said such an untruth. The MPs also retracted. I have no further comment to make specifically on the letter except that its sending, particularly in a covert way, and the subsequent inaction of the HS Board, badly damaged relationships between the two Boards, including my trust in the HS CEO. This was not healed by the time I stood down. Relationships with MFT and CF could only have been restored if Ms. Carroll left her post.

333. As a direct result of this incident, the MFT Board agreed to sever contact with that particular HS CEO, and for all contacts to be with the Chairman (until such time as there was a different CEO), as we had no trust in Ms Carroll after that. This line of communication with the HS Chairman was still in place up to the time I stood down as Chairman. From the MFT perspective, while this falling out was highly regrettable, I do not think the severing of relationships with Ms Carroll had any significant detrimental effect. However, it was still unfortunate that HS did not campaign on behalf of the MFT beneficiary community.

334. I was aware that the CF Board had decided not to work with Ms Carroll after the decision was made. It would have been impossible for Jan Barlow to work with Ms Carroll in her CF capacity, just as she was unable to work with her in her capacity as MFT CEO. I agree with the decision. I think CF contact with HS was much less than that of MFT, though, as their beneficiaries were, at least largely, not able to join HS.

Question 154 - The Inquiry understands that you were interim Chief Executive of the Haemophilia Society between March and July 2007. During your tenure with the MFT and CF, were there any directors/trustees who were also trustees of the Haemophilia Society? If so, please give details. Did this have an impact on the relationship between the two organisations? Please give details.

335. As explained above, three MFT trustees were nominated by the HS. This was the case in 2006 when I joined the MFT board. Nearly all were HS board members as well. Their presence on the Board was, generally, a great asset. They brought to the Board, and NSSC, insight and understanding invaluable and unique. I had great respect for the way most, but not all, distanced themselves from more extreme views of a small minority of beneficiaries but, at the same time, related to them. Difficulties arose in relation to one or two user trustees, W1122 being the notable person in this regard. I do not think his views were representative.

Question 155 - What involvement or interactions did the MFT and CF have with the UK Haemophilia Centre Directors Organisation?

336. Contact with Haemophilia Centre Directors was informal and occasional. One Director was an MFT Board Member, appointed by the Department of Health. Between 2006 and 2016, there were two appointees filling the role: Dr Mark Winter (Kent) and Dr Vanessa Martlew (Merseyside). They were valuable members of the Board.

Question 156 - Please describe the working relationship between the MFT and CF and the UK Haemophilia Centre Directors Organisation. Were you aware of any difficulties? If so, what were they, how did they impact on the running of the MFT and CF and how if at all, were they resolved?

337. MFT had little contact with the UK Haemophilia Centre Director Organisation during my time as Chairman; we worked through the appointees on the MFT board. I wouldn't know about CF. I wasn't aware of any difficulties.

Question 157 - Please list any particular clinicians you were in regular contact with during your work with the MFT and CF and describe the nature of the contact.

338. I cannot recall any others than those named above in response to Question 155. They would have been fleeting. It was far too long ago for me to remember names.

339. Regarding CF, my clinical contact was, primarily with Professor Thomas, as board member. There was at least one teach-in with a clinician(s) at the time CF was established. However, I was not involved for long enough to build up ongoing contacts.

Section 11: Haemophilia Society

Question 158 - The Inquiry understands that you were interim Chief Executive of the Haemophilia Society between March and July 2007. What were the main priorities and issues with which you were concerned during your tenure at the Haemophilia Society? (HSOC0019926_006, HSOC0019926_007, HSOC0019926_008 and HSOC0001906 are enclosed to assist you).

340. In 2007, I was asked to act as Interim Chief Executive of the HS. I carried out this position for about 6 months. The HS had been going through a difficult period with a vacant CEO position and other internal staffing issues. Furthermore, there were financial pressures, partly arising from dwindling membership and the threat of withdrawal of government funding. I was brought in to steady the ship, which I believe I did.

Questions 159 - Please provide an account of your, and the Haemophilia Society, involvement in the Archer Inquiry during your tenure as interim Chief Executive. (HSOC0021267 and HSOC0023069 are enclosed to assist you).

341. Prior to my appointment, HS played a major, high, profile, role campaigning for the establishment of the Archer Inquiry. My time there also coincided with the conduct of the independent review, under the Chairmanship of Lord Archer. My staff and I worked closely with Lord Morris of Manchester (one of the instigators of the Archer Inquiry), legal representatives and others to set it up. Communicating with members of the HS and other interested parties was a big issue. A large number of beneficiaries wished to attend, as witnesses and also to view proceedings. Organising time slots and managing accommodation arrangements, in a relatively small room was complicated. I oversaw the work of my staff. There were also some lively social media exchanges which needed addressing. I attended nearly every day of the hearing.

Section 12: Reform of AHOs

Question 160 - Please provide details of any consultation or reform process you were involved in, in respect of the AHOs. You may find [CAXT0000110_138] useful in answering this question.

342. Regarding reform of AHO bodies, I was involved in informal discussions with the DH in early 2016 including a joint meeting of Chairmen, CEO and the DH. CAXT0000110_138 was a regular APG meeting, and not about reform.

Question 161 - What was your view of the changes made to the MFT as a result of the Archer Inquiry?

343. I was very pleased with the changes made after the Archer Report publication. In particular, the increase in regular payments to beneficiaries, which enabled them to be more independent of MFT and make personal decisions regarding their financial affairs.

Question 162 - What concerns, if any, did you or the MFT have about the 2016/2017 reforms?

344. I had stood down as MFT Chairman before any plans had emerged. As explained above, I had concerns that the process of devising proposals for consultation would not be inclusive of all bodies nor open and honest.

Question 163 - Did the Department of Health address the issues raised in the joint response sent by the AHOs [CAXT0000094_121] in response to the January 2016 consultation document and if so, how and when?

345. I do not recall sight of the report in CAXT0000094_121. It appears to have been written at about the time I stood down from the board, but is undated.

Question 164 - Did you raise any objection to the changes suggested or request additional time to consider the impact? If so, what was the response?

346. I raised objections prior to the consultation, that the process which had been agreed with DH, Chairmen and CEO had not been met, and this left me in a position where I had no alternative but to stand down in 2016.

347. DH regretted my standing down and thanked me profusely for my voluntary work over a ten year period, but understood my decision. I was asked to consider another role with them relating to tainted blood. I decided not to do so.

Section 11: Other

Question 165 - Do you consider that the MFT was well run? Do you consider that it achieved its aims and objectives? Were there difficulties or shortcomings in the way in which the MFT operated or in its dealings with beneficiaries and applicants for assistance?

348. I believe the MFT was efficiently run by a small team of staff and committed trustee board members who carried out their responsibilities voluntarily. The staff generally developed good relationships with individual beneficiaries and their approach was one of caring and being helpful. They were well liked, and trusted by the large majority of beneficiaries. Similarly, the Board Members brought to MFT a broad range of knowledge, experience, wisdom and commitment. The MFT Board and staff received both praise and at times criticism from beneficiaries, the latter, in particular, usually unjustly, particularly when a decision went against an individual beneficiaries' wishes. By and large the Board, and staff, showed great professionalism in these circumstances.

349. I have explained above why I consider that the MFT achieved its aims and objectives. That is not to say that the amount of money made available to us was enough. We lobbied for more, because we thought more was needed. However, within the constraints of the funds Government chose to make available to us, I think we used those funds appropriately and fairly.

350. As regards the last part of the question (any difficulties or shortcomings in the way in which MFT operated or in its dealings with beneficiaries and applicants for assistance), I think I have answered that in answering the questions above concerning the MFT's decision-making and operations.

Question 166 - Do you consider that the CF was well run? Do you consider that it achieved its aims and objectives? Were there difficulties or shortcomings in the way in which the CF operated or in its dealings with beneficiaries and applicants for assistance?

351. I am unable to give an opinion on CF as I was involved for a short time after its inception and it was still developing its role.

Question 167 - Were any complaints been made about you to the Charity Commission arising from your role at the MFT or the CF?

352. No.

Question 168 - Please provide any other information and or views you may have that is relevant to our Terms of Reference.

353. I have no further comments beyond the over-arching comments I have made at the beginning of my statement. I will be happy to elaborate and answer questions, when I appear to give evidence before the Inquiry.

STATEMENT OF TRUTH

I believe that the facts stated in this witness statement are true based on my recollections and the documents provided to me by the Inquiry.

Signed GRO-C

Dated 4th February 2021