

Witness Name: Matthew Hancock

Statement No: WITN5704001

Exhibit: WITN5704002

Dated: 22 April 2021

INFECTED BLOOD INQUIRY

WRITTEN STATEMENT OF MATTHEW HANCOCK

I provide this statement in response to a request under Rule 9 of the Inquiry Rules 2006, dated 18 November 2020.

I, Matthew John David Hancock, will say as follows: -

Section 1: Introduction

1. My name is Matt Hancock and my professional address is the Department of Health and Social Care (the "Department"), 39 Victoria Street, London SW1H 0EU. My date of birth is [GRO-C] 1978. I was appointed Secretary of State for Health and Social Care on 8 July 2018 and I have served in that capacity since that date.
2. I am very grateful for the work of the Inquiry to date and its championing of the infected and affected. The Department has given its full cooperation to the Inquiry and I look forward to its findings and recommendations.
3. Throughout my time as Health Secretary the Department has sought to address the important issues brought to light by the Inquiry. However, I have not had a

day-to-day role in this area, and I have delegated decisions to a Junior Minister. The Minister with policy responsibility for this area since July 2019 within the Department of Health and Social Care is Ms Nadine Dorries MP, first as the Parliamentary Under Secretary of State in the Department (appointed 27 July 2019) and, since 6 May 2020, as Minister for Patient Safety, Suicide Prevention and Mental Health. Her predecessor in the role was Ms Jackie Doyle-Price, Parliamentary Under Secretary for Mental Health, Inequalities and Suicide Prevention. Ms Doyle-Price was appointed on 14 June 2017 and served until 26 July 2019.

4. I am determined the Department provides full, transparent and open information to the Inquiry and have instructed officials to that end. In making this statement I have been assisted by information supplied to me by William Vineall, Director of NHS Quality, Safety and Investigations at the Department and by officials working in his team. I have therefore asked Mr Vineall to answer the detailed factual questions about support to the infected and affected on behalf of the Department.
5. I have been asked to outline the differences between the Schemes run by the Devolved Administrations. I exhibit to this statement a Table which summarises the key differences [WITN5704002]. For further details, I would ask the Inquiry to refer to the third statement of Mr Vineall, who has further explained the differences between the Schemes.
6. I have been asked whether I regard the differences as justified. The short answer is 'no', I wanted to see them phased out. The only possible justification is a wider one, that health is now a devolved responsibility, and so it is for each Devolved Administration to respond to health policy questions as they see fit. However, my aim has been to achieve broad parity of support across the United Kingdom. As set out in the Written Ministerial Statement below, I am delighted that we have now been able to agree with Health Ministers from Devolved Administrations the principle of alignment and that any future changes to national schemes would be subject to consultation between the UK Government and Devolved Administrations.

7. I am pleased to say that the Cabinet Office, working with my Department and the Devolved Administrations, published a written ministerial statement on 25 March 2021 which set out policy changes to address parity across the four nations. I set out the relevant excerpt in full:

“In July 2019, a UK-wide agreement was reached in principle to resolve disparities in levels of support for people infected and affected. In January 2020 at a meeting with campaigners the UK Government committed to resolving the disparities in financial support in Wales, Northern Ireland, and Scotland as well as addressing broader issues of disparity, including support for bereaved partners.

I am pleased to confirm that the following changes are planned to the four separate schemes to bring them into broader parity. Increases in annual payments will be backdated to April 2019. Where lump sum payments are being increased, this will apply to all current scheme members. We will work with the four schemes to communicate the changes to beneficiaries. Beneficiaries will continue to receive their current payments until the changes can be made. We hope that the schemes will be able to make additional payments where required by the end of the calendar year, and sooner if possible.

The key elements of change for the England Infected Blood Support Scheme are:

- *annual payments for bereaved partners will be increased to an automatic 100% of their partners annual payment in year 1, and 75% in year 2 and subsequent years, in line with the position in Scotland;*
- *the lump sum bereavement payment will move from a discretionary £10,000 to an automatic £10,000, in line with the position in Wales;*
- *the lump sum payment paid to a beneficiary in the scheme with Hepatitis C Stage 1 will increase by £30,000 from £20,000 to £50,000, in line with the position in Scotland; and*
- *the lump sum payment paid to a beneficiary in the scheme with HIV will increase from up to £80.5k maximum in England, to an automatic £80.5k.*

In addition, the schemes managed by the devolved administrations in Scotland, Wales and Northern Ireland will be similarly adapted so that across

the UK there is broad parity of payments to infected and affected people. These adaptations are in line with the UK-wide agreement reached in July 2019.

In Scotland, the changes are to increase annual payments for infected beneficiaries and bereaved partners, and to introduce £10,000 lump sum bereavement payments for the families of those beneficiaries who have died since the scheme began.

In Wales, the changes are to increase annual payments for infected beneficiaries, increase both the payments and length of payments for the bereaved partners, in line with the position in Scotland, and changes to the lump sums for Hepatitis C & HIV.

In Northern Ireland, the changes are to annual payments for non-infected bereaved spouses/partners, lump sum bereavement payments, and a commitment to introduce enhanced financial support for Hepatitis C (Stage 1), at the same payment levels as in England, as soon as a system can be put into operation.

We have agreed with Health Ministers that any future changes to national schemes would be subject to consultation between the UK Government and devolved administrations."

8. I also attach to this Statement a short summary of the actions taken by my Department on the issue of parity of support during my period as Secretary of State, in chronological order. This is in Annex A. I hope this demonstrates the commitment that I and the Department have to addressing the concerns raised by the infected and affected and by the Inquiry.

Statement of Truth

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

Signed _____

GRO-C

Dated _____

22 April 2021

ANNEX A - SUMMARY OF WORK ON PARITY SINCE JULY 2018

2018

1. In October 2018 the Inquiry Chair wrote to the then-Minister for the Cabinet Office and Chancellor of the Duchy of Lancaster, David Lidington, to notify him that concerns had been raised during the Inquiry's preliminary hearings about variations in financial and psychological support available to the infected and affected. Since then various steps have been taken, both to improve this provision (see the Statements of Mr Vineall) and to understand the differences between the four schemes and the potential implications of seeking to achieve parity.

2019

2. A meeting took place in January 2019 between the then- Parliamentary Under Secretary for Mental Health, Inequalities and Suicide Prevention, Jackie Doyle-Price, and campaigners, during which campaigners repeated concerns about disparities in support provided by the four nations. At this meeting Jackie Doyle-Price explained that the differences had arisen because of devolution and acknowledged that for beneficiaries this was not a good reason for varying payment levels. She explained that coming together on devolved matters could be difficult and take time.
3. On 30 April 2019, Jackie Doyle-Price announced a significant uplift in funding from the Department for EIBSS, thus enhancing the financial support provided to EIBSS' beneficiaries (see paragraph 86 of the second witness statement of Mr Vineall [WITN4688003], which sets out the increase in funding from £46.3m to approximately £76m, together with further detail of the provision made). Whilst parity itself was not achieved, these changes provided substantial additional support to those within EIBSS, reducing at least some of the gaps between the English and (in particular) the Scottish scheme that had been the subject of representations to the Department.

4. Alongside the EIBSS uplift, Jackie Doyle-Price also announced her intention to *“reach out to the devolved administrations to look at how we might provide greater parity of support across the United Kingdom.”*¹ Following this announcement, there were further discussions on the issue within government and between officials of the four nations, as well as policy work on costing parity. In July 2019, an agreement was reached that all four nations were committed to achieving parity of support.

5. Over the course of the next year, some changes were announced within the other support schemes which narrowed gaps further. From April 2019, the Wales Infected Blood Support Scheme introduced an enhanced payment scheme for beneficiaries with Hepatitis C stage 1 who are experiencing significant mental health issues. The Infected Blood Support Scheme for Northern Ireland (the “NI Scheme”) too was reviewed and amended, with Health Minister Robin Swann announcing the first of a series of changes in January 2020. No further policy changes to EIBSS were made during the course of 2019.

2020

6. On 28 January 2020, after the election of 12 December 2019 and the formation of the new Government, a meeting took place between then-Minister for the Cabinet Office, Oliver Dowden, Nadine Dorries, and a group of infected and affected individuals. Oliver Dowden acknowledged the lack of progress on parity since January 2019 (while noting that the Northern Ireland Assembly had announced additional funding to uplift payments made under the NI Scheme, as above). Ministers listened carefully to concerns expressed by the infected and affected who were present, some of which related to disparities between the schemes. Actions arising from this meeting included that Ministers should write to the Devolved Administrations requesting urgent engagement at official level on proposals to achieve greater parity.

¹ <https://questions-statements.parliament.uk/written-statements/detail/2019-04-30/HCWS1527>

7. Discussions then continued in 2020 between Ministers and officials, including between the Cabinet Office and the Department. The Inquiry is aware that, after her appointment as Paymaster General in May 2020, Penny Mordaunt met with Nadine Dorries and discussed the infected blood support schemes and work towards parity. Penny Mordaunt wrote to the Inquiry Chair on 21 May 2020 expressing her commitment as Paymaster General to making progress with actions agreed at the meeting on 28 January 2020. The Chair replied on 1 June 2020 expressing his continuing concerns, both on the issue of parity and access to dedicated psychological support (an issue addressed by Mr Vineall in his third statement (WITN4688055)). On 30 June 2020 the Minister of State, Nadine Dorries, answered a written Parliamentary Question about the differences in financial support provided to people affected by infected blood in Wales and England, stating:

“....

In 2017, country specific schemes were set up in England, Scotland, Wales and Northern Ireland. These four schemes are devolved, and each nation has made different choices around their offers of support over time. We are aware that there are disparities between the schemes, and we are working with our partners in the devolved nations and other relevant Government departments to improve parity of support for all beneficiaries across the United Kingdom.”²

8. The Inquiry will be aware that in October 2020, Penny Mordaunt again expressed a commitment to *“address disparities in financial and non-financial support for people infected and affected across the UK”*.³

9. During the course of 2020 officials from the Devolved Administrations have continued to speak approximately every 4 weeks to discuss issues such as parity and funding, and to share information about the respective infected blood support schemes. The Department has carried out work to compare the

² <https://questions-statements.parliament.uk/written-questions/detail/2020-06-25/64991>

³ Written Answer given by Penny Mordaunt MP, Paymaster General, on 14 October 2020: <https://members.parliament.uk/member/4838/writtenquestions#expand-1237639>.

schemes and highlight the differences. The Cabinet Office, playing its important co-ordinating role, also asked the Department and Scotland, Wales and Northern Ireland to undertake analytical work to investigate the costs of each infected blood support scheme achieving parity of support. This work was done for the five-year period from 2020/2021 to 2024/2025.

10. Analysts worked over a period of several months on the figures to model the potential costs of achieving financial parity over a 5-year period in anticipation of a Spending Review bid. Costings have been done by taking the most generous aspects of support across the four schemes. The work used projection modelling based on existing knowledge about the cohort of beneficiaries and data from EIBSS' past experience. The key elements to move to greater parity included:

- Bereaved partners' lifelong annual payments (year 1 – 100%; subsequent years – 75%);
- £10k lump sum death payment regardless of stated cause of death;
- An additional £30k (new total £50k) when infected with Hepatitis C Stage 1;
- £80.5k lump sum for all Hepatitis C Stage 2 and HIV beneficiaries, achieving parity between Hepatitis and HIV infectees.

The total cost of these changes, together with the current payments for these components of the scheme, was expected to be around £99m, for EIBSS alone, over a five-year period from April 2020 up to 2024/2025.

Based on this work, the Department submitted a bid to the last Spending Review, in autumn 2020. This was the Review whose outcomes were announced by the Chancellor on 25 November 2020, when he set out the plans for the Government spending in 2021/ 2022. The bid involved taking the most generous aspects of support offered across the four nations and applying these to EIBSS.

The additional costs that would be incurred by corresponding changes to the other three schemes (if and to the extent that their provision fell below this level) were not a part of the Department's bid.

11. As a consequence of Covid-19, the November 2020 Spending Review covered just one year of spending plans (2021/2022). A bid covering the costs to England was included in the total Departmental bid to Her Majesty's Treasury, but in the context of pressures for 2021/2022, the bid was not successful and did not form a part of the one-year Spending Review 2021/2022 settlement. (Failure to secure specific new funding through Spending Reviews does not preclude subsequent funding through reprioritisation of existing Departmental budgets or consideration afresh at future fiscal events).

2021

12. Penny Mordaunt wrote to me as Secretary of State on 11 February 2021 saying:
"My view is that resolving these disparities is a matter of justice and I believe we must find a way to fund this – either through existing budgets or by making a further approach to the Treasury. As Minister responsible for the inquiry, I would strongly support either approach. I would welcome your views."
13. Discussions continued during February and March 2021 and concluded with the Written Ministerial Statement of 25 March 2021 that has already been referred to and the parity measures announced.