

**From the Permanent Secretary  
and HSC Chief Executive**



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Dear Karen

**Review of the Northern Ireland Infected Blood Payment Scheme**

You will be aware that last January, the Health Minister Robin Swann stated his intention to carry out a three phase approach to reforming the Northern Ireland (NI) Infected Blood Payment Scheme.

In Phase 1, the Minister announced payments in January and March 2020 that ensured infected beneficiaries on the NI scheme were no worse off in terms of financial support on the scheme than their counterparts in England for the 2019/20 financial year. In addition the Minister announced one-off £5,000 payments for non-infected widows and widowers on the NI Scheme, an area which he was very keen to build upon.

In August 2020 the Minister introduced a permanent uplift in annual financial support to infected beneficiaries in Northern Ireland as a first step in Phase 2, raising payments to the same level as rates paid in England. Phase 2 of the review of the NI Scheme is continuing and departmental officials have worked closely with the BSO Scheme Manager throughout this process.

You will be aware that to help inform options for further reform, the Minister commissioned a survey to seek feedback from existing beneficiaries on the support provided on the Scheme. The survey, which was developed in consultation with the BSO Scheme Manager, was issued to all existing Scheme beneficiaries in September 2020. Analysis of the responses is now complete and I enclose for your information a copy of the final report, which will shortly be published on the Department of Health website.

The Minister has considered the feedback from the survey and has decided that the next priority will be to introduce annual financial support to non-infected bereaved beneficiaries. The Minister has met with those affected by contaminated blood and has also received correspondence from those bereaved as a result of their spouse or partner receiving contaminated blood, and is acutely aware of how they have suffered both psychologically and financially.

The Minister has decided that these new payments will represent 75% of the annual payment that the beneficiary's late spouse or partner would have received and will be backdated to 1 April 2020, rising annually in line with CPI (as is the policy with payments to the infected individuals).

Non-infected bereaved beneficiaries who are in receipt of income top-ups should continue to receive their income top-up for the remainder of the current financial year, in addition to the new annual payment. Income top-ups should then cease from 1 April 2021 as a result of the introduction of this increased annual financial support, which represents a significant net increase for this cohort of beneficiaries. This policy is consistent with the approach taken following the Minister's decision to increase payments to infected beneficiaries in August 2020.

The new 2020/21 annual payments for non-infected bereaved beneficiaries in NI are as follows:

- Hepatitis C stage 1 (bereaved) - £14,079;
- Hepatitis C stage 2 (bereaved) - £21,357;
- Hepatitis C stage 1 co-infected (bereaved) - £28,984.50;
- Hepatitis C stage 2 co-infected (bereaved) - £33,561;
- Mono HIV (bereaved) - £21,357.

In line with other ex-gratia payments made on the NI Scheme and as per *Statutory Instrument 2017 No. 904 - The Infected Blood Schemes (Application of Sections 731, 733 and 734 of the Income Tax (Trading and Other Income) Act 2005) Order 2017* and *Statutory Rule 2017 No. 219, The Social Security (Infected Blood and Thalidomide) Regulations (Northern Ireland) 2017*, these payments are tax free and not taken into consideration when assessing eligibility for social security benefits.

The introduction of these payments will not affect the entitlement of bereaved beneficiaries to receive a £10,000 lump sum following the death of their infected spouse or partner. **A public announcement of the introduction of this financial support payments will be made in the coming days.** Officials will liaise with the Scheme Manager to make any necessary amendments to the SLA.

Turning back to the customer survey, the questionnaire included a section on Scheme Customer Service and I am pleased to report that the results were overwhelmingly positive. The results showed that overall, respondents are happy with the level of service provided by BSO with 90% rating the service good or very good and some comments praising the speed at which BSO act on policy decisions taken by the Department.

However some of those who responded raised the fact that there is only one BSO official (the Scheme Manager, Colin Murray) involved in the administration of the Scheme. The reforms that the Minister has already announced in the past year will no

doubt have added to the workload of the Scheme Manager, both in terms of the support he has provided to departmental officials in bringing forward proposals to the Minister, but also in the day to day running of the Scheme. There is the potential that the introduction of bereaved financial support, in addition to potential further reforms as part of the ongoing review, will only increase demands on scheme administration. I would therefore suggest that it might be prudent at this point to consider options for resourcing the administration of the Scheme to ensure it continues to provide the best support possible to all beneficiaries.

I would like to take this opportunity to thank you and your colleagues for the work BSO have undertaken in administering the Scheme to date and I hope you will agree that the findings of the survey highlight the real difference this is making to the lives of those who have been infected/affected by this terrible tragedy.

Yours sincerely

GRO-C

**RICHARD PENGELLY**