

The cost of compensating victims of the contaminated bl...

Published: January 13, 2026, 1:09 pm

I posted this very short thread to Twitter last night:



Richard Murphy @RichardJMurphy · 14s
The Blood Inquiry report, out tomorrow, will require £10 billion of compensation to be paid. Both the Tories and Labour will say this will require borrowing - and cuts. But that's completely untrue because that's just a choice on their part. [...](#)

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Richard Murphy @RichardJMurphy · 13s
As I show in the Taxing Wealth Report, restricting tax relief on pension contributions to the basic rate of income tax would raise £14.5 billion of tax revenue a year - meeting this cost, cutting inequality and providing more support for the battered NHS. [...](#)

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taxingwealth.uk
Taxing Wealth Report 2024
The Taxing Wealth Report 2024 seeks to answer the question that every journalist loves to ask of every ...

This [story is going to be everywhere](#) in the news over the next couple of days (which is very convenient for the former Post Office CEO, who is appearing at its inquiry). It is entirely right that it is.

Far too many people - haemophiliacs, most especially - lost their lives as a result of being given infected blood products imported from the USA.

The NHS knew the risk, early on. So, too, it seems did ministers.

The claim is that the report will recommend NHS managers should be prosecuted, but Norman Fowler and Kenneth Clarke both knew about this and the former, at least, seems not to have taken action, apparently to save money. I would like to know why they might be exonerated.

But absolutely vitally in terms of the reactions that will be offered, the cost of

compensation for those impacted need not constrain future spending on the NHS or anything else - whatever both the Tories and Labour will, inevitably, claim. Chapter 6.1 of the [Taxing Wealth Report 2024](#) explains how the funds could be raised in ways to satisfy these politicians' demands, and reduce inequality at the same time.

Restricting pension tax relief to the basic rate of income tax, which is the suggestion to which that chapter refers, will promote social and economic justice, and for those ministers obsessed with the supposed funding of government spending, provide all the cover for the required compensation that they require in less than a year, so let's not pretend otherwise. £14.5 billion a year could be raised by this one, simple, tax change. So, what is the problem in making that change?