State Claims Agency

The NTMA is known as the State Claims Agency (SCA) when managing personal injury and third-party property damage claims against the State and certain State authorities, as delegated to it, and in providing related risk advice. As the SCA, the NTMA also manages third-party claims for legal costs against, or in favour of, the State and State authorities, however so incurred.

The SCA is obliged by statute to manage delegated claims and counterclaims in such manner as to ensure that the liability of State authorities is contained at the lowest achievable level. In performing this function, the SCA seeks to act fairly, ethically and sensitively in dealing with people who have suffered injuries and/or damage, and their families. In cases where the SCA investigation concludes that the relevant State authority bears some or all liability, the SCA seeks to settle claims expeditiously and on fair and reasonable terms.

If it considers, in individual claims or classes of claim, that the State is not liable or that the amount sought in compensation is excessive, the SCA's policy is to contest the claim or the quantum of the claim.

The SCA provides claims and risk management services through two State indemnity schemes:

Clinical Indemnity Scheme

Under the Clinical Indemnity Scheme, the SCA manages claims in respect of the provision, or omission, of professional medical services taken against State authorities covered by the Scheme.

General Indemnity Scheme

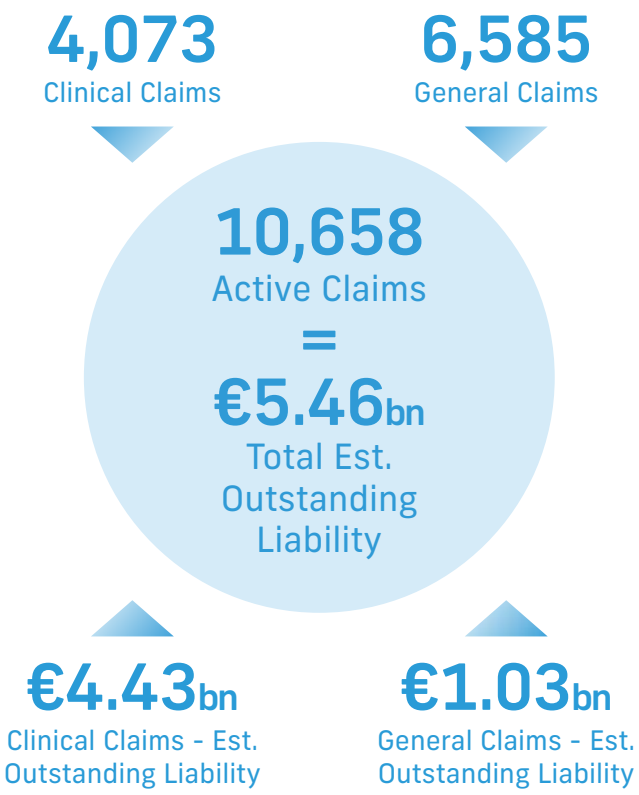
Under the General Indemnity Scheme, the SCA manages personal injury and third-party property damage claims taken against State authorities covered by the Scheme.

Claims Portfolio at End-2025

The SCA was managing 10,658[26] claims at end-2025 against an opening figure of 10,968 claims at the beginning of the year. When comparing this closing number with previous years, it is important to note the impact of the transfer of legacy Garda Compensation Scheme claims for management by the SCA. Further details on this Scheme are available on page 61.

The total estimated outstanding liability associated with the SCA's claims portfolio at end-2025 was €5.46bn.

Claims Portfolio at End-2025



Although clinical claims comprised only 38% of the overall number of active claims at end-2025, they comprise 81% of the overall estimated outstanding liability. This is primarily due to the higher levels of settlements and awards associated with clinical negligence claims when compared with general claims and the very high level of settlements in the resolution of infant cerebral palsy and other catastrophic injury claims.

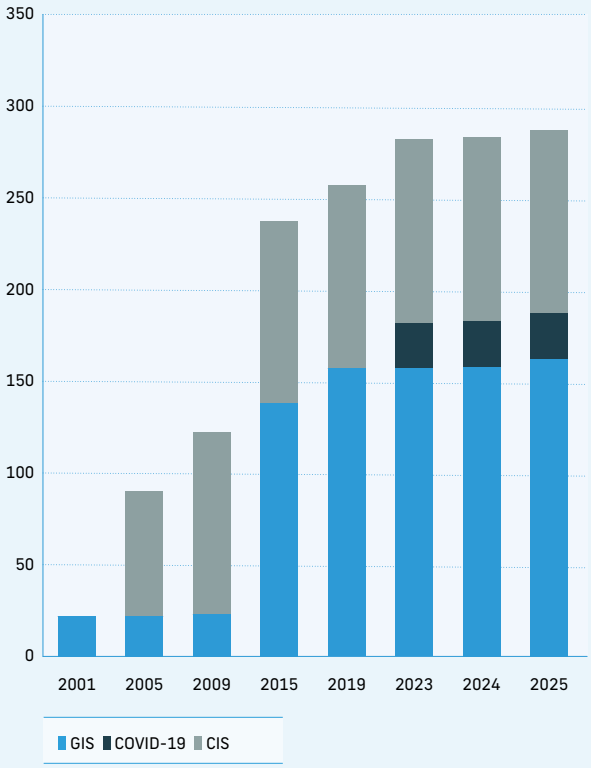
State Authorities

The SCA manages delegated personal injury and third-party property damage claims, taken against the State and State authorities, under the General Indemnity Scheme and Clinical Indemnity Scheme.

During the COVID-19 pandemic, the HSE entered into arrangements (for a fixed period of time) for additional services pursuant to Section 38 of the *Health Act 2004*. In 2020, the SCA had delegated to it the management of claims against several bodies under both the Clinical and General Indemnity Schemes relating to these arrangements.

The graph below shows the increase in the number of State authorities on whose behalf the SCA manages claims.

Increase in Number of State Authorities



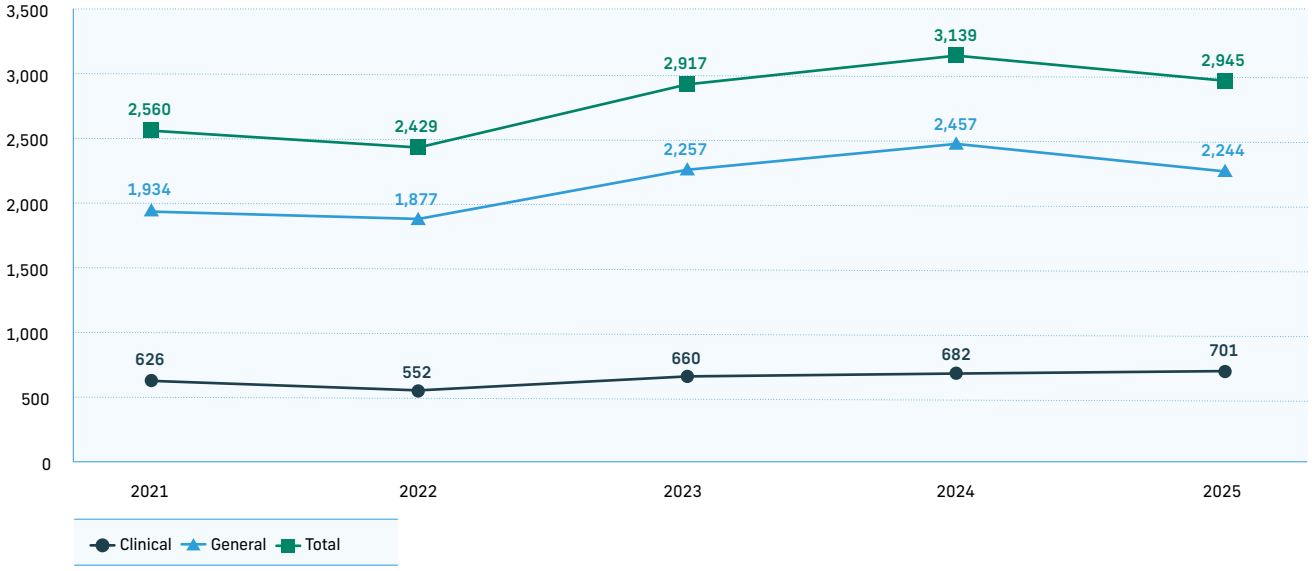
26 Property damage recovery (PDR) claims are excluded.

Claims Received and Resolved

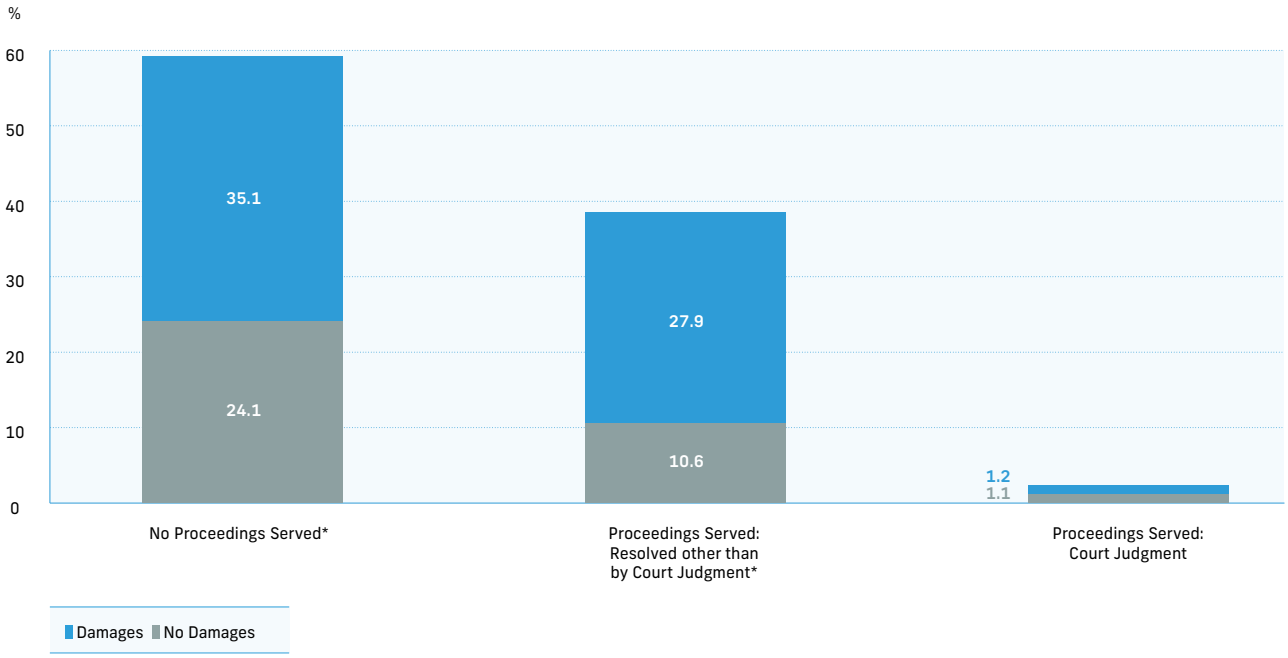
The SCA received 3,053 claims and resolved 3,570 claims in 2025[27].

The ratio of claims resolved to claims received (excluding mass action claims) in 2025 was 1.11.

Claims Received 2021-2025 (excluding Mass Action Claims)



How Claims Resolved 2025

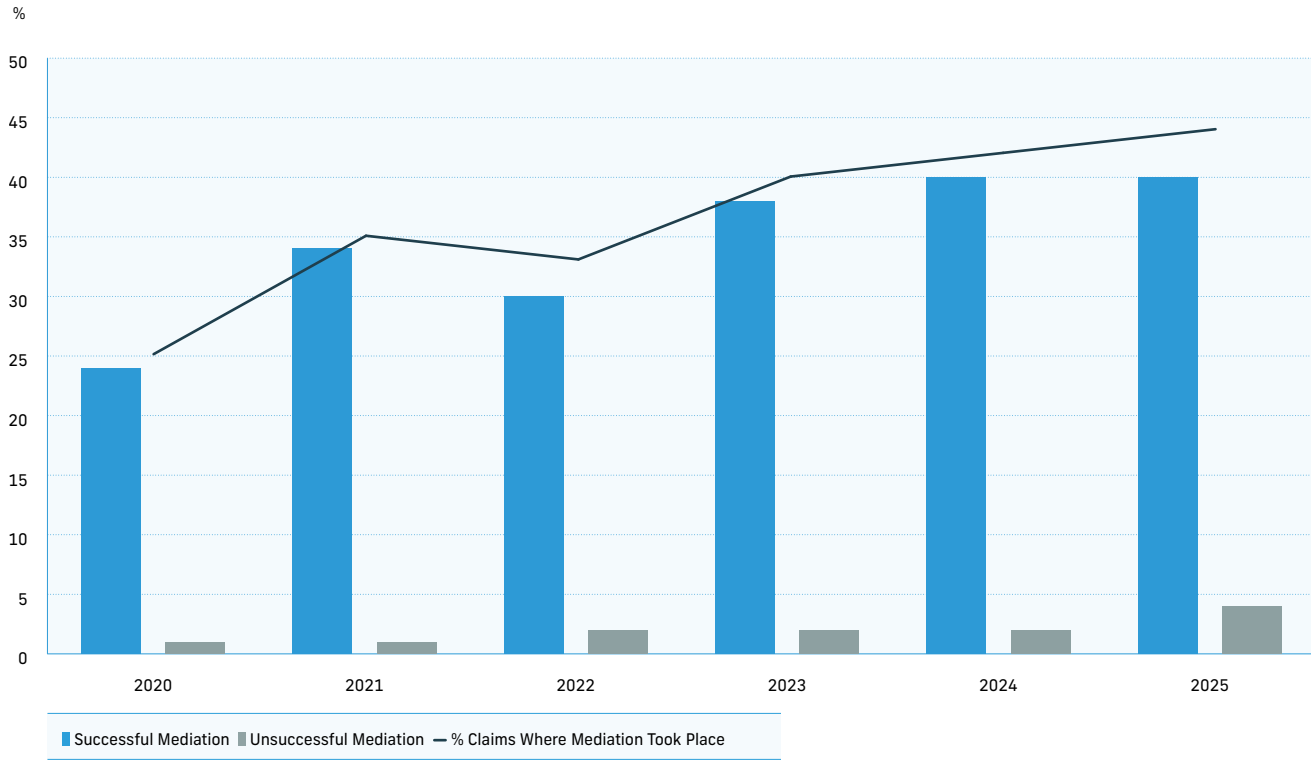


*Claims with a case outcome of 'outside SCA Remit' have been excluded.

Fifty-nine per cent of claims resolved by the SCA in 2025 were resolved without court proceedings being served, compared with 56% in 2024. The SCA paid damages in 64% of all cases resolved in 2025, compared with 59% in 2024. Just over 2% of cases resolved by the SCA in 2025 were the subject of a court judgment.

27 PDR claims are excluded

Alternative Dispute Resolution



The SCA strongly favours mediation, wherever possible to resolve claims, as an alternative to the formal court process. Mediation is particularly suitable for clinical claims. Forty-four per cent of claims concluded by the clinical claims team in 2025, where damages were paid, involved a mediation process[28], compared with 42% in 2024 and 40% in 2023. Mediation also forms an integral part of the Scheme of Settlement put in place by the SCA to resolve H1N1 flu vaccination claims (for further information on this Scheme of Settlement see the Mass Actions section of this Report on page 60) and the Kerry CAMHS claims (for further information on this Compensation Scheme, see page 61).

28 Concluded claims are claims where damages, if any, have been agreed, whether through settlement discussions or court award, but where costs may still be outstanding.

Mass Action Claims

The SCA is managing a number of different mass actions against the State. Of the total 10,658 active claims at end-2025, 986 (9%) were in relation to mass actions.

A summary of the position in relation to particular mass action claims is set out in the table below.

Mass Action	Active Claims at Year End-2025	Active Claims at Year End-2024
General Indemnity Scheme		
Historical Day School and Residential Institution Abuse These are legal cases taken by persons who allege they were physically and/or sexually abused by persons whilst at school or in residential institutions. By way of background, in July 2021, the Government established a revised ex-gratia scheme for certain persons who had pursued day school sexual abuse claims against the State, to implement the European Court of Human Rights Judgment in O'Keeffe v Ireland. Successful applicants receive a payment of €84,000 plus costs, as agreed. The Scheme was open for two years and closed in July 2023. The SCA administered the Scheme and made determinations on all 193 applications received. Those who entered into the Scheme discontinued proceedings.	**58**	63
H1N1 Flu Vaccine These are cases taken by child and adult plaintiffs primarily alleging the development of narcolepsy and cataplexy following vaccination against the H1N1 flu virus. Following the settlement of a precedent case through mediation in November 2020, the SCA established a Scheme of Settlement for the other cases on similar terms to those agreed in that case. Settlement of claims under the Scheme, through mediation in each case, progressed well through 2025 with 138 plaintiffs having entered the Scheme by year-end. Eighteen claimants, who have not progressed their cases, remain outside the Scheme. One hundred and thirty-eight claims were finalised by end-2025.	**23**	36
Lack of In-Cell Sanitation These are cases taken in 2014 and subsequently by prisoners (current and former) against the Irish Prison Service alleging, inter alia, breach of their constitutional rights due to the lack of in-cell sanitation. The Supreme Court judgment in the lead case, Gary Simpson v the Governor of Mountjoy Prison & Others, was delivered on 14 November 2019. The case was originally heard in the High Court, which held that the State breached the plaintiff's constitutional right to privacy/ dignity. No award of damages was made to the plaintiff, notwithstanding the Court finding in his favour on the privacy issue. On appeal, the Supreme Court found that the plaintiff should be paid compensatory damages of €7,500. Arising from this judgment, the SCA put in place a Scheme of Settlement under which offers of damages and measured legal costs were made to qualifying claimants/plaintiffs. The Scheme of Settlement has been successful. As of end-2025, 2,817 claims associated with the Simpson case had been received and, of these, 95% had been settled, discontinued or otherwise concluded, while 5% remained open and ongoing.	**143**	188
Lariam These are cases taken by current and former members of the Defence Forces, alleging various physical and psychological symptoms, following their ingestion of Lariam, an antimalarial prophylactic drug prescribed for their use whilst on duty in sub-Saharan Africa.	**32**	70
Mother and Baby Institutions These cases arise from ex-residents of various mother and baby institutions who have sued the Department of Education, Túsla, the HSE, the Department of Foreign Affairs and other non-State defendants as a result of time spent by them in institutional care settings over various periods from the 1940s to the 1980s. The cases allege physical, verbal and emotional abuse and breaches of constitutional rights for adoption or fostering and, also, that person's natural rights were affected due to allegedly false birth certificates having issued. A case also arises from a mother who alleged she was given the wrong child at birth, this having been established following DNA testing of the now adult child. Claims have also been received from persons who allege that the then Adoption Board was negligent in the oversight of various adoption societies which allegedly facilitated the illegal registration of their births. *The Mother and Baby Institutions Payment Scheme Act 2023* was signed into law in July 2023. Many of those who initiated legal claims are discontinuing their claims, having accepted redress under the Scheme.	**54**	71

Mass Action	Active Claims at Year End-2025	Active Claims at Year End-2024
Thalidomide These are cases taken by persons born with physical disabilities whose mothers had ingested the thalidomide preparation during pregnancy. In addition to cases being case managed by a judge of the High Court, which are at discovery stage, there are also a number of cases being taken by persons not officially acknowledged by the Contergan Foundation, Germany as suffering from a thalidomide-related injury.	**37**	37
Clinical Indemnity Scheme		
Epilim (Valproate) These cases relate to the prescription of Epilim, a drug used to treat epilepsy. The SCA is currently managing a number of claims in which it is alleged that the plaintiffs were wrongfully exposed to the drug in their mothers' wombs and suffered damage, in the form of birth defects, as a result. The SCA is also managing a further group of claims relating to alleged sodium valproate toxicity in adults.	**22**	21

National Screening Services: Cervical Cancer Litigation

The SCA had received notification of 411 claims against CervicalCheck at end-2025 (compared with 402 claims at end-2024). This includes psychological injury claims from members of the families of the women concerned. The claims primarily relate to the reading of smear tests by the independent laboratories providing services to the HSE and to non-disclosure by the HSE of the results of a clinical audit of smear tests. The cases are complicated by the fact that there can be multiple defendants: the laboratories themselves regarding the reading of the smear tests, which are contractually obliged to provide an indemnity to the State in relation to the reading of the tests, the HSE (represented by the SCA) regarding the non-disclosure of the audit results and, on occasion, a third party such as a treating doctor.

In these cases, the SCA is committed to working with the laboratories and the third parties to resolve the cases through mediation, to the greatest possible extent. In a small number of cases, the HSE is the defendant in relation to the reading of the smear test (where the test was read in a hospital laboratory). The claims include both those arising from the internal audit carried out by CervicalCheck and from the Independent Expert Panel Review of Cervical Screening by the Royal College of Obstetrics and Gynaecology, and also claims where the smear test was not subject to a review or audit.

The total number of claims concluded as at end-2025 was 337, with 30 claims concluded during 2025.

South Kerry Child and Adolescent Mental Health Services (CAMHS)

The Kerry CAMHS Compensation Scheme was announced by Government in April 2022. The Scheme was established to address the findings of the look back review into Child and Adolescent Mental Health Services in South Kerry, which examined the treatment of more than 1,300 young people by a Non-Consultant Hospital Doctor in South Kerry Mental Health Service. The Scheme, founded upon a mediation process, is designed to provide full compensation without the need for families to take part in court proceedings. As at end-2025, the SCA had received 231 applications to the Kerry CAMHS Scheme. One-hundred and twenty mediations have taken place, the majority of which have been successful in resolving individual cases. Under the Scheme, liability/breach of duty is not contested by the State.

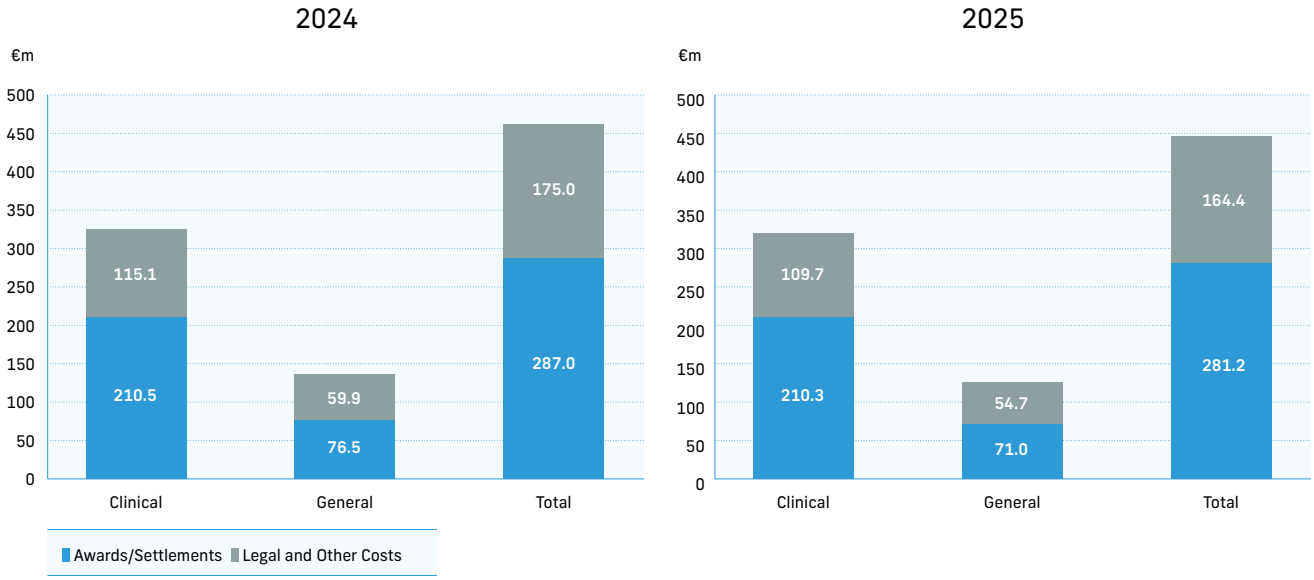
An Garda Síochána Compensation Scheme

The An Garda Síochána Compensation Scheme was incepted in April 2023 by the *Garda Síochána (Compensation)* Act 2022. The Scheme has received 883 claims to end-2025. The majority of the claims received are legacy claims arising from incidents that pre-date the inception of the Scheme. Four hundred and eighty-two claims have been finalised to end-2025, 307 of which were finalised in 2025.

Cost of Claims

The costs incurred in 2025 in resolving and managing ongoing active claims were €446m, a decrease of 4% on the 2024 out-turn of €462m.

Costs of Resolving and Managing Ongoing Active Claims 2024 and 2025



Awards/settlements decreased by €5.7m in 2025 compared with 2024 (a decrease of €0.2m in respect of clinical claims and a decrease of €5.5m in respect of general claims).

Legal and other costs (including both the SCA's own costs and plaintiffs' costs) decreased by €10.6m from €175m in 2024 to €164m in 2025. Legal and other costs decreased by €5.4m in respect of clinical claims and €5.2m in respect of general claims.

Plaintiffs' legal costs in 2025 (€97.0m) comprised 59% of overall legal and other costs, and 22% of total costs incurred. In 2024, plaintiffs' legal costs (€106.5m) comprised 61% of overall legal and other costs and 23% of total costs incurred.

Breakdown of Legal and Other Costs 2024-2025*

	Clinical		General		Total	
	2024 €m	2025 €m	2024 €m	2025 €m	2024 €m	2025 €m
SCA Legal and Other Costs	44.6	44.8	23.8	22.6	68.5	67.4
Plaintiff Legal Costs	70.5	64.9	36.0	32.1	106.5	97.0
Grand Total	**115.1**	**109.7**	**59.9**	**54.7**	**175.0**	**164.4**

*Damages are excluded from this table.

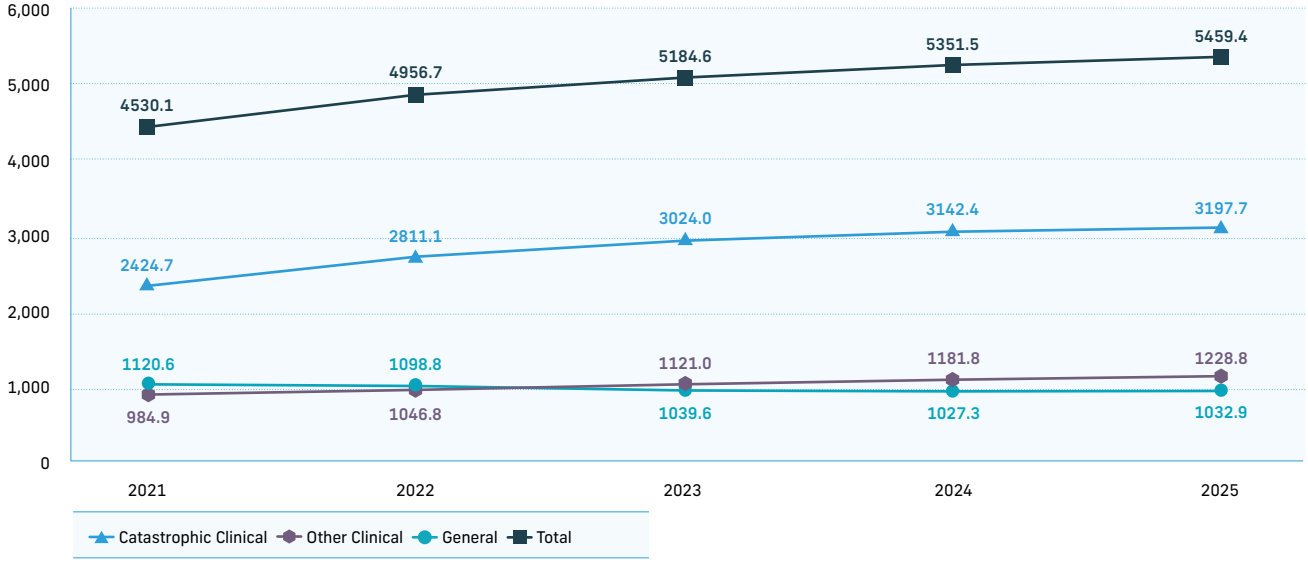
Counterclaims – Property Damage Recovery Claims

The SCA manages property damage recovery (PDR) claims in instances where third parties cause damage to the property of a State authority. The SCA seeks to recover the repair costs from the third-parties, or their insurers, and, when successful, reimburses the relevant State authority. In 2025, the SCA received 174 PDR claims (2024: 93). In 2025, the SCA finalised 113 PDR claims, recovering €418,629 over the life of these claims.

Estimated Outstanding Liability

The total estimated outstanding liability associated with the SCA's claims portfolio at end-2025 was €5.46bn, up €0.11bn from end-2024. As noted in previous annual reports, the estimated outstanding liability continues to increase year on year for the reasons set out below.

Estimated Outstanding Liability for Active Claims at End-2021-2025



*The Estimated Outstanding Liability figures are for active claims only and are run as of year-end for each year.

Figures may not total due to rounding.

While the number of active claims being managed by the SCA has decreased by 7% over the last five years – from 11,408 at end-2021 to 10,658 at end-2025, the estimated outstanding liability over the same period has increased by 21%. As noted in previous annual reports, catastrophic injury claims, including some new categories of claims, due to their high value, are the main driver behind this increase. Other factors contributing to the increase in estimated outstanding liability are the increase in claims numbers and general claims inflation, the effect of significant mass actions, the reduction in the Real Rate of Return[29] which affects most clinical claims and, in relation to catastrophic injuries, increased life expectancy as a result of improved medical and pharmacological care.

29 Real Rate of Return (RRR) by the Court of Appeal Decision in Gill Russell v HSE.

Risk Management

The SCA advises and assists State authorities on the management of litigation risks in order to enhance the safety of employees, service users/patients and other third parties and minimise the incidence of claims. Responsibility for managing risk and setting risk management priorities remains in all cases a matter for the State authority concerned and the SCA's risk management role is an advisory one.

The SCA implements its risk mandate through two specialist risk units: the Clinical Risk Unit and the Enterprise Risk Management Unit. Both risk units' work programmes involve drawing on data analysis and evidence to identify emerging trends and issues in order to categorise and prioritise risk initiatives. This information is primarily obtained from claims analysis and from data reported on the National Incident Management System (NIMS) - the end-to-end risk management tool developed by the SCA that allows the SCA and State authorities to manage incidents throughout the incident lifecycle.

Enterprise Risk Management

The Enterprise Risk Management Unit provides risk management advice and assistance to State authorities to assist them in limiting their claims exposures under the General Indemnity Scheme. The Unit works with risk, safety, facilities, fleet and human resources managers and other personnel in State authorities to help them better understand their litigation risk profile and target their risk management activities to prevent incidents which could lead to claims. The programme is concentrated on audit and review of risk governance, provision of risk guidance, and client-specific initiatives. Close interaction with State authorities through education, training and client networks and events is an integral part of the programme. Specific activities in 2025 included:

- The encouragement of incident reporting which has resulted in a significant improvement across State authorities on engagement with incident reporting and investigation;
- Responding to the organisational changes in the health sector, that were brought about by Sláintecare;
- Publication of a Risk Research Report, "Work Related Violence and Aggression in the Health and Social Care Sector 2019-2023";
- The provision of advisory support to Government Departments regarding insurance and indemnity arrangements associated with Ireland's hosting of the EU Presidency in 2026; and
- Special risk review reports setting out "lessons learned" from claims and incident analysis and periodic audits, inspections and reviews for the HSE, Defence Forces, Tusla, An Garda Síochána and Community & Comprehensive Schools.

National Incident Management System (NIMS)

NIMS is a confidential end-to-end risk management tool developed by the SCA that allows the SCA and State authorities to manage incidents throughout the incident lifecycle.

State authorities are required to use NIMS to fulfil their statutory requirement to report incidents to the SCA and may also use the system for their own risk management purposes.

NIMS provides State authorities' risk managers and the SCA's own risk teams with rich adverse incident data analysis and reporting capabilities. This enables risk management and mitigation responses that will help to improve the safety of State employees, patients, and service users, and minimise the cost of claims against the State in the future.

The accurate reporting of incidents on NIMS is critical to the SCA's risk management function and the SCA works actively with State authorities to improve the level and quality of reporting. The SCA supports State authorities and, particularly, the HSE in the implementation of electronic point of entry, through NIMS, allowing for faster, paperless reporting. In 2025, the number of staff with access to the system increased from 36,000 to 60,000.

In 2024, following commencement of certain parts of the *Patient Safety (Notifiable Incidents and Open Disclosure)* Act 2023, NIMS was adapted to enable the mandatory reporting of notifiable incidents to the Health Information and Quality Authority (HIQA), the Mental Health Commission and the Chief Inspector of Social Services. This considerably expanded the use of NIMS to enable both the public healthcare sector and all private health service providers to report notifiable incidents.

In 2025, NIMS was further enhanced to support the management of new claims schemes including the Garda Compensation Scheme and the South Kerry CAMHS Scheme.

Clinical Risk Management

The SCA implements its statutory clinical risk management role through the Clinical Risk Unit (CRU). The unit's activities include reviewing, analysing and extracting learning from incident and claims data; advising health and social care services on risk mitigation; sharing learning from claims and incident analysis with health and social care services; and providing advice at national level to inform the development of legislation, policies, standards and guidelines.

The CRU's analysis of claims and incidents informs advice and recommendations to the HSE, hospitals and other health and social care services. The CRU seeks reassurance that risks identified are being mitigated. Learning from incidents and claims is shared widely through a variety of channels including published reports, articles in the SCA's Clinical Risk Insights newsletter, educational videos and educational events such as webinars and conferences. The CRU also provides education directly to health and social care services, undergraduate and postgraduate training institutions.

Specific activities in 2025 included:

- Issuing of claims analysis reports to hospitals and health and social care services in order to share lessons learned from claims, provide risk management advice and seek reassurance in relation to risk mitigation;
- The dissemination of learning from claims and incidents through a variety of channels including reports, infographics, patient safety notifications and Clinical Risk Insights newsletter articles;
- Hosting the SCA Clinical Risk Conference on the theme of *Understanding and Improving Diagnosis in Healthcare*;
- Hosting two Clinical Risk Matters webinars, the first spotlighting transfer of care and the second spotlighting medication;
- The production of educational videos on *Documentation and recording in clinical practice* and *Enhancing safety in clinical handover*;
- Ongoing work with the National Neonatal Encephalopathy Action Group (NNEAG)[30], which seeks to identify, learn from, and implement strategies to mitigate risk relating to avoidable incidents of neonatal encephalopathy, the brain injury which precedes the development of cerebral palsy; and
- Provision of advice at national level through membership of a number of fora, including the Independent Patient Safety Council, the National Clinical Effectiveness Committee, and membership of the Rising Cost of Health Related Claims Report Implementation Group.

Legal Costs Management

The SCA's statutory claims for legal costs management mandate is to manage claims for legal costs in such a manner as to ensure that the liability of the State and State authorities is contained at the lowest achievable level. The SCA's claims for legal costs management function is delivered by the Legal Costs Unit (LCU), which deals with third-party legal costs of the State and State authorities, however so incurred.

This means that the LCU deals with third-party claims for legal costs in relation to the State and State authorities, whether they arise in the course of the SCA's own claims management work or in respect of other legal costs incurred by the State or State authority concerned.

The level of legal costs paid to claimants' legal representatives is carefully examined and, wherever possible and by means of negotiations, the SCA seeks to achieve the maximum possible reduction in legal costs to be paid by the State. If the SCA cannot successfully agree the level of legal costs to be paid to plaintiffs' legal representatives, the matter is determined by the Office of the Legal Costs Adjudicator, subject to a right of appeal to the High Court.

The LCU settled 2,080 bills of costs in 2025. The total amount claimed was €240.5m. These bills were settled for €143.4m – a reduction of 40.4% on the amount claimed.

30 NNEAG was established in 2019 by the National Women and Infants Health Programme in partnership with the SCA and the Department of Health.

Legal Cost Unit Claims Settled 2025

	Number of Cost Claims Negotiated	Total Claimed €m	Cost of Total Agreed €m	Cost Saving %
SCA Clinical	370	98.57	61.21	37.9
SCA General	197	21.75	13.62	37.4
Tribunals of Inquiry	8	16.07	9.17	42.9
Other	1,505	104.15	59.36	43.0
Grand Total	**2,080**	**240.54**	**143.37**	**40.4**

Legal Costs Recoveries

In 2018, the functions of the Legal Costs Unit were extended with the addition of over 100 State authorities and the commencement of the legal costs' recovery function. Legal costs recoveries arise in circumstances where the State is successful in obtaining an order for costs in its favour.

The SCA makes an assessment in all cases as to whether there are reasonable prospects of recovery, and whether it makes economic sense to pursue the recovery of costs in any individual case when exercising its recovery of legal costs function.

Legal Cost Recoveries Settled in 2025

Number of Cost Recoveries Negotiated	Amount Claimed €m	Cost of Claim Agreed €m	Recovered %
13	0.34	0.23	67.6

Functions In Relation to the Insurance Compensation Fund

Insurance Compensation Fund (ICF)

Under the *Insurance (Amendment) Act 2018*, in the event of the liquidation of an insurance company necessitating a request for the payment of monies from the ICF, the SCA makes applications to the High Court, on behalf of the liquidator[31], to approve such payments, on completion of a due diligence examination of the relevant claims.

In respect of insurance companies authorised in an EU Member State other than Ireland, the SCA also distributes sums released from the ICF to claimants, pursuant to Section 3(B) of the *Insurance Act 1964 (as amended)*.

Four applications to the President of the High Court for disbursements from the ICF were successfully made during 2025 with a combined value of approximately €5m. In addition, the SCA audited claim files relating to Prometheus Insurance Company Ltd.[32] (in liquidation) in respect of which the liquidator brought the ICF Court application. This application had a value of approximately €0.93m with these sums being disbursed by the liquidator.

Motor Insolvency Compensation Act 2024

The National Treasury Management Agency (Amendment) Act 2000, as amended by the Motor Insurance Insolvency Compensation Act 2024, legislates for the SCA's audit role in respect of claims of the Irish Motor Compensation Body, which commenced in 2025. There was no insurer insolvency to trigger the work of the Irish Motor Compensation Body, and the audit role of the SCA, in 2025.

31 In the case of an insolvent insurer authorised in another EU Member State, the person who performs the equivalent functions to a liquidator in the Member State concerned.

32 This insolvent insurer was authorised and licensed to carry out services in Gibraltar and the application was brought pursuant to Section 3(A) of the Insurance Act 1964 (as amended).