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Central Bank of Ireland

Eurosystem

Private Motor Insurance Report 7

National Claims Information Database

October 2025

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Introduction

The Central Bank is publishing the National Claims Information Database (NCID) Private Motor Insurance Report in an effort to improve the overall transparency of the private motor claims environment. This is the seventh publication of the annual Private Motor Insurance Report.

Overview of the Report

Part 1 considers premiums for private motor insurance between 2010 and 2024 and is based on data from firms that collected 97% of the private motor insurance premiums in Ireland in 2024 (market coverage)¹.

Part 2 examines claims related to motor accidents that occurred between 2010 and 2024 and is based on 94% market coverage.

Part 3 gives a breakdown of insurers' income and expenditure for private motor insurance in financial years 2010 to 2024 and is predominantly based on 98% market coverage (with some highlighted exceptions).

Part 4 analyses how claims were settled between 2015 and 2024 and the various associated costs (claimant compensation, legal fees and other costs) and is predominantly based on 88% market coverage (with some highlighted exceptions).

Part 5 analyses the impact of the Personal Injuries Guidelines on claims settlements and is predominantly based on 85% market coverage (with some highlighted exceptions).

Part 6 analyses the change in the ultimate claim costs from reporting years 2018 to 2024, and provides information on claim development patterns and large claims from 2010 to 2024 and is based on 94% market coverage.

Appendices provide further information on the background to the NCID and reporting population.

Data Contained within the Report

All insurers selling private motor insurance in Ireland were required to meet the same data submission requirements, regardless of country of authorisation. The insurers that submitted a return for year ending 31

¹ As measured by the ratio of 2024 gross earned premium of included submissions to the 2024 gross earned premium of all submissions.

December 2024 are listed in the appendices. The data collected for the purpose of this report relates to the time period up to 31 December 2024.

The market coverage varies across the report based on the availability and granularity of the data required for different analyses. Data is excluded where it is not deemed to be of sufficient quality.

It should be noted that market coverage is calculated based on gross earned premium in 2024. The proportion of the market captured in this data may be different for 2024 compared to earlier years in the time series.

Note on the Grouping of Claims

Throughout this report, claims are shown on three different bases, as explained below:

Accident year (Parts 2 and 6): the year in which the accident occurred. It may take several years for all claims relating to a particular accident year to be fully paid. In the interim period, insurers need to estimate how much it will ultimately cost to pay all claims that occurred in a particular accident year. This estimate is called the ultimate claim cost². Estimates of ultimate claim costs are regularly updated based on the most recent data available.

Financial year (Part 3): the year for which financial accounts are stated. When stating the claims incurred in a financial year, insurers include: claims which were paid in the year; reserves that they put aside for claims that happened that year; and changes to the reserves put aside for claims that happened in previous years.

Settlement year (Parts 4 and 5): the year in which the final payment is made in respect of a claim. Claims settled in a particular settlement year may be in respect of accidents that happened in prior years.

Additional Factors to Consider

Personal Injuries Guidelines

A statutory review of the Personal Injuries Guidelines was conducted by the Board of the Judicial Council in December 2024 (in line with the Judicial Council Act 2019). The Council published Draft Amendments, which recommended an uplift of 16.7% to the 1st Edition of the Personal Injuries Guidelines to reflect inflation experienced since the original introduction of the Guidelines.

² Follow the link to Key Concepts in Appendix 1 to find an explanation of ultimate claim costs.

However, proposed amendments cannot come into operation until a Resolution approving them is passed by both Houses of the Oireachtas. In July 2025, the Minister for Justice, Home Affairs and Migration confirmed the decision to not seek Oireachtas approval for the amendment. Therefore, no uplift will be applied, and the 1st Edition of the Guidelines will remain in place.

Given the data collected for this report has a reporting date of 31 December 2024, the draft amendments to the Guidelines provide important context. Any expectation of an increase to the Personal Injuries Guidelines may have been reflected in insurer's estimates of ultimate claim costs as at 31 December 2024.

Inflationary Environment

In recent years there have been higher levels of inflation in Ireland and many other countries, driven by a range of factors including disruptions to supply chains from the COVID-19 pandemic, the Russian invasion of Ukraine and general economic uncertainty. As reported by the CSO³, the Consumer Price Index (CPI) rose by 19.9% between 2020 and 2024.

Inflation will impact the motor insurance sector through higher costs for replacement vehicle parts and repair for damage claims. Injury claims will be impacted through inflation to special damages, legal and other costs. The high inflationary environment provides an important context to the cost of premiums and claims in 2024 and is referenced at times in this report.

³ CSO website, Consumer Price Index December 2024 release. Please see link in Appendix 1.

Executive Summary

Private Motor Insurance Report 7 - Key Findings 2024

Cost of Insurance

Premium: The average written premium per policy increased by 9% to €623 in 2024.

Claims cost per policy increased by 3% in 2024 to €397. This is now higher than the years before COVID-19 and is the highest it has been since 2014.

- **Damage claims** cost per policy has increased to €192 in 2024, which is the highest it has been in the time series. This compares to €102 for the pre-COVID 2015-2019 average.
- **Injury claims** cost per policy has stabilised at around €200 between 2022 and 2024. This compares to €257 for the pre-COVID 2015-2019 average.

Claims as % of premiums decreased to 68% in 2024 from 70% in 2023.

Income & Expenditure

Operating profit was 4% of total income in 2024.

Investment income was 5% of total income.

The Combined Operating Ratio (COR)⁴ was 95% gross, and 99% net of reinsurance.

The net cost of reinsurance was 4% of total income.

Reserve releases on prior year claims contributed 4% to the operating profit in 2024.

⁴ The Combined Operating Ratio is a key measure of the profitability of an insurance business. It is defined in Part 3.

Claim Settlements

The total cost of claims settled in 2024 was **€792m** across **166,000 claims**.

- Both the number (**+6%**) and average cost (**+18%**) of **damage claims** increased in 2024 relative to 2023.

The number of **injury claims** settled in 2024 increased by **16%** relative to 2023. This was still **23%** lower than the pre-COVID average.

For injury claims that settled for less than €100,000:

- Average total cost increased by **5%** in 2024. It was **11%** less than the average for injury claims settled in 2020.
- Average compensation costs were **23%** less in 2024 compared to 2020, offset by an increase of **22%** in legal and other costs combined.

Including **all injury claims**, the average cost has been relatively stable between 2020 and 2024.

For injury claims settled in 2024:

- **48%** settled directly with an insurer where the average time taken to settle was **1.8 years**.
- **16%** settled through the Injuries Resolution Board where the average time taken to settle was **2.7 years**.
- **36%** settled through litigation where the average time taken to settle was **5.0 years**.

Personal Injuries Guidelines

For injury claims settling directly or through the Injuries Resolution Board, virtually all claims settling in 2024 settled under the Guidelines.

For injury claims settled through litigation in H2 2024:

- **57%** settled under the Guidelines.
- **43%** settled with reference to the Book of Quantum.

The average cost of claims that settled under the Guidelines in 2024 were:

- **33%** lower for claims that settled directly before the Injuries Board;
- **8%** lower for claims settling through Injuries Resolution Board; and
- **26%** lower for claims settling directly after the Injuries Board,

when compared to claims that settled in the same channel under the Book of Quantum in 2020.

An analysis of smaller claims settled through litigation suggests that those settled under the Guidelines have average compensation costs that are 25% lower, and total costs that are 10% lower, than similar claims settled under the Book of Quantum.

PART 1 - Premiums

Data was collected on premiums and the number of policies between 2010 and 2024.

Key Insights and Findings

2024 Findings

The average written premium per policy was €623 in 2024. This was 9% higher than in 2023.

Premium Trends 2010 – 2024

The proportion of policies that include comprehensive cover, rather than third party cover, has increased over recent years, from 83% of policies in 2017 to 93% in 2024.

For the average written premium, there are four distinct periods of pricing behaviour leading up to 2024:

- A period of falling premiums from 2010–2013, when annual premiums decreased by 16%;
- A period of increasing premiums from 2013–2017, when annual premiums increased by 67%;
- A period of falling premiums from 2017–2022, where annual premiums decreased by 23%; and
- A period of increasing premiums from 2022 – 2024, when annual premiums increased by 12%.

The average written premium has increased by 21% since 2010.

Total Premiums

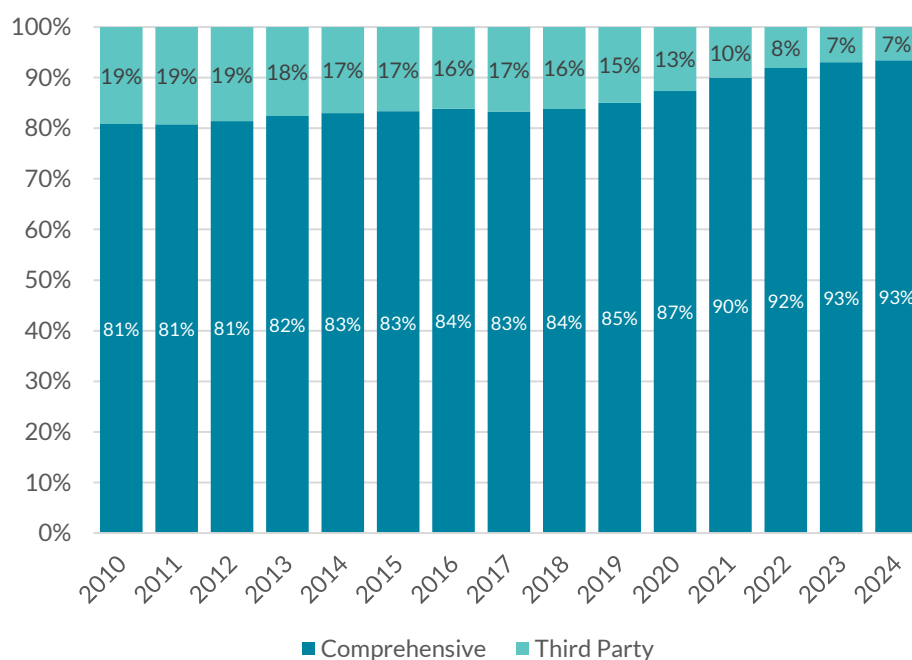
Table 1 shows that for firms that collected 97% of the private motor insurance premiums in 2024, there were approximately 2.35 million written policies and €1.46bn in gross written premium.

Table 1: The total written policy count and gross written premium, 2010 to 2024.

Year	Written Policy Count (000's)	Gross Written Premium (€m)
2010	1,740	894
2011	1,852	889
2012	1,891	843
2013	1,871	807
2014	1,864	852
2015	1,832	960
2016	1,835	1,203
2017	1,859	1,340
2018	1,895	1,321
2019	2,045	1,362
2020	2,134	1,323
2021	2,196	1,301
2022	2,228	1,243
2023	2,270	1,293
2024	2,353	1,465

Figure 1 shows the proportion of written comprehensive policies compared to third-party policies (i.e., third party only and third party fire and theft combined). Policies that provide comprehensive cover accounted for at least 80% of policies in each year since 2010. Since 2017, there has been an increasing trend in the proportion of comprehensive policies, from 83% of policies in 2017 to 93% of policies having comprehensive cover in 2024. This has occurred during a period of decreasing average premiums between 2017 and 2022.

Figure 1: The proportion of comprehensive policies written compared to third party policies from 2010 to 2024.



Trends in Written Premium

Figure 2 shows the trend in the average written premium over time. The average written premium is the average premium of policies which start during a particular year. This contrasts with the average premium of policies earned in the year⁵ which provides a more useful comparison to claims costs analysed in Part 2. Trends in the average premium are reflected more quickly in written premium than in earned premium.

Overall, annual average written premiums per policy increased by 21% from 2010 to 2024. This was characterised by four distinct periods:

- 16% decrease in written premiums, 2010 to 2013.
- 67% increase in written premiums, 2013 to 2017.
- 23% decrease in written premiums, 2017 to 2022.
- 12% increase in written premiums, 2022 to 2024.

The average written premium increased by 9% to €623 in 2024 compared to 2023.

⁵ See appendix for 'Key Concepts' link for an explanation of these terms.

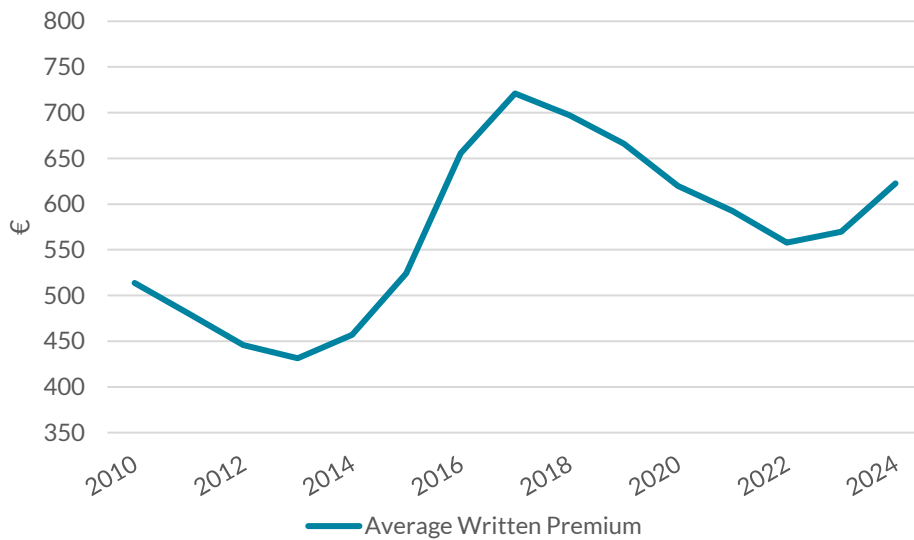
Figure 2: Average written premium for years 2010 to 2024.

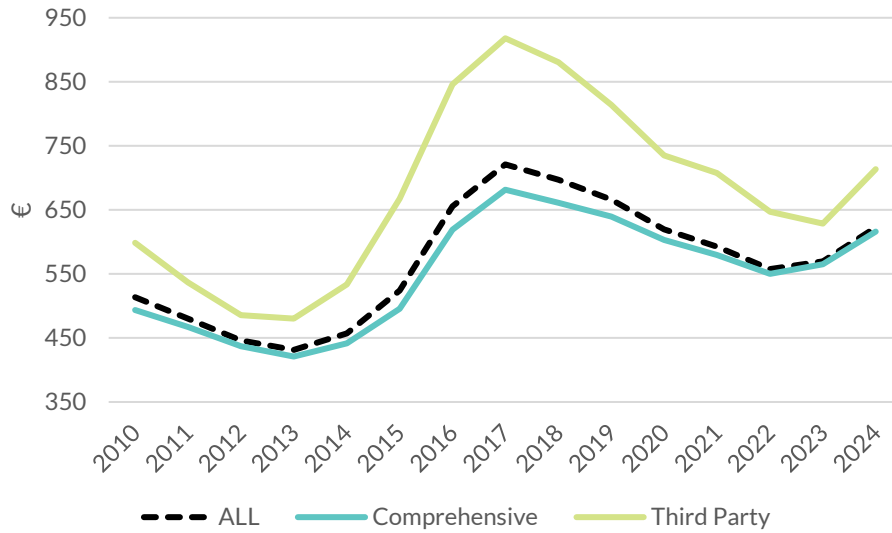
Figure 3 shows the quarterly average written premium between 2016 and 2024. The dip in average written premiums in Q2 2020 is due to insurers issuing rebates because of the COVID-19 restrictions. The highest average written premium was €738 in Q3 2017. Average written premiums then declined by 26% to €547 in Q4 2022 before increasing by 16% to €635 in Q4 2024.

Figure 3: Quarterly average written premium per policy for all policy types, 2016 to 2024.

Figure 4 shows the average written premium per policy for different levels of cover. As the majority of policies are comprehensive, the average written premium for all policies is significantly weighted by the average premium paid for comprehensive policies. Average annual written premiums peaked in 2017 at €721 for all policies; €681 for comprehensive policies; and €918

for third party policies (third party fire and theft and third party only policies combined).

Figure 4: The average annual written premium per policy for different levels of cover for years 2010 to 2024.



PART 2 - Claims

Data was collected on insurer's estimates of the ultimate number and cost⁶ of private motor insurance claims relating to accidents that occurred between 2010 and 2024. Data was collected separately for different types of claims: third party injury; accidental damage; fire & theft; third party damage; and windscreen.

Key Insights and Findings

Insurers' ultimate cost of claims per policy increased by 3% in 2024 to €397. This is now higher than the years before COVID-19 and is the highest it has been since 2014.

However, the make-up of the cost of claims per policy has changed compared to before the pandemic:

- The cost per policy of damage claims has increased to €192 in 2024, which is the highest it has been in the time series. This compares to €102 for the pre-COVID 2015-2019 average.
- The average cost per policy of injury claims has stabilised at around €200 between 2022 and 2024. This compares to €257 for the pre-COVID 2015-2019 average.
- The average cost of smaller injury claims has reduced in recent years, but this has been offset by an increase in the average cost of larger injury claims.

This change is as a result of:

- Increasing average cost of damage claims, impacted by inflation.
- The frequency of injury claims has not returned to pre-COVID levels.
- The introduction of the Personal Injuries Guidelines and their impact on smaller injury claims.

Loss Ratio

The industry gross loss ratio (claims as a percentage of premiums) averaged 63% between 2010 and 2024. The gross loss ratio decreased from 70% in 2023 to 68% in 2024.

⁶ As calculated at 31 December 2024.

Total Claims

Table 2: Total ultimate claim numbers and ultimate claim costs split by injury and damage claims, for accident years 2010–2024.

Accident Year	Ultimate Claim Numbers (000's)			Ultimate Claim Costs (€m)		
	Damage	Injury	Total	Damage	Injury	Total
2010	241	13	254	249	386	636
2011	216	12	229	214	453	667
2012	208	14	222	203	482	685
2013	209	13	222	204	488	692
2014	205	14	219	215	537	753
2015	186	13	199	205	503	708
2016	168	13	180	180	499	679
2017	157	12	169	178	495	673
2018	162	12	174	188	465	654
2019	158	12	170	202	429	630
2020	126	8	134	158	346	505
2021	146	9	155	204	377	581
2022	178	11	188	328	448	776
2023	195	11	206	414	440	854
2024	193	12	205	432	464	896

Table 2 shows the total ultimate claim numbers and ultimate claim costs for 94% of the private motor insurance market in 2024. It is estimated that the total claims cost for 2024 will be approximately €896m across 205,000 claims. This represents an increase of approximately €42m in claim costs and a decrease of approximately 1,000 in the number of claims compared to the 2023 accident year.

The increase in 2024 has been driven by an increase in the cost of both damage and injury claims. The expected ultimate cost of damage claims in 2024 is the highest in the time series at €432m.

Frequency of Claims

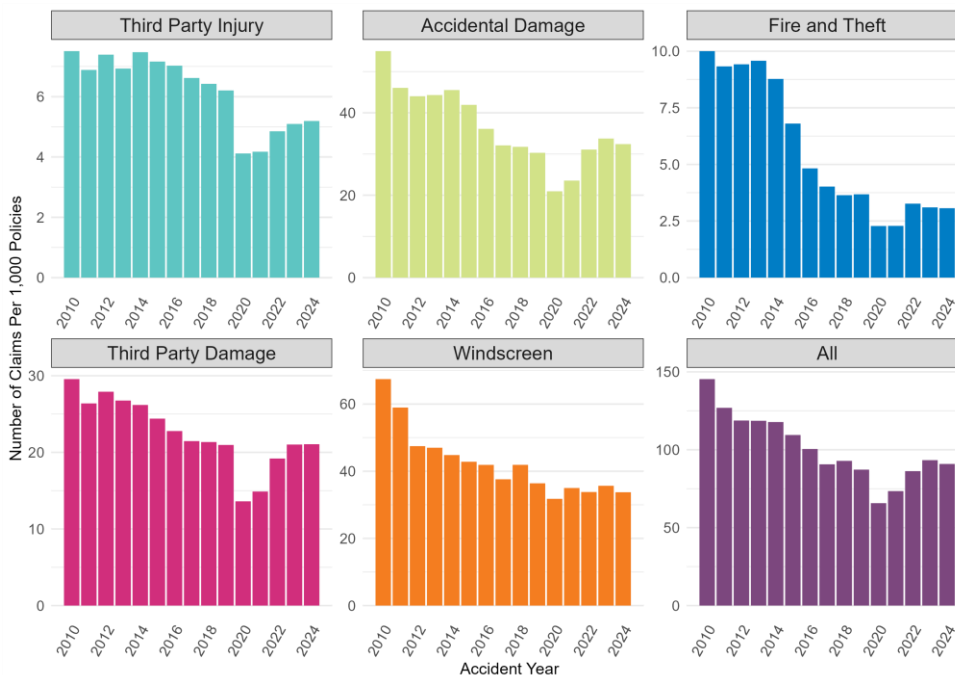
Figure 5 shows the number of each type of claim per 1,000 policies⁷. Claims frequency has been reducing for all claim types and overall is down 37% from 2010 to 2024. Over the course of the time series the combined frequencies of injury and damage claims:

⁷ Note that not every policy will cover each claim type – e.g., accidental damage is only covered by comprehensive policies. The frequency by cover has been calculated as the average number of claims per policy that covers the claim type in question. The overall frequency per policy has been calculated as the average number of claims per policy, including all policies, regardless of coverage.

- Reduced by 40% from 2010 to 2019:
 - Driven by a 41% reduction in damage claim frequency.
 - Injury claims decreased by 17% from 7.5 per thousand policies in 2010 to 6.2 in 2019.
- Decreased by 25% between 2019 and 2020:
 - As a result of the COVID-19 pandemic in 2020 the frequency of both injury (-34%) and damage claims (-24%) decreased significantly.
- Increased by 38% from 2020 to 2024:
 - Injury claims by 26% and damage claims by 39%.

The frequency of claims has generally shown a decreasing trend since 2009. However, the frequency of claims stabilised somewhat from 2017 to 2019 before the impact of COVID-19 in 2020. Comparing 2024 to this period, injury claim frequency in 2024 was 19% lower than the average over 2017 to 2019. Damage claim frequency was 2% higher than the 2017 to 2019 average, driven primarily by accidental damage claims.

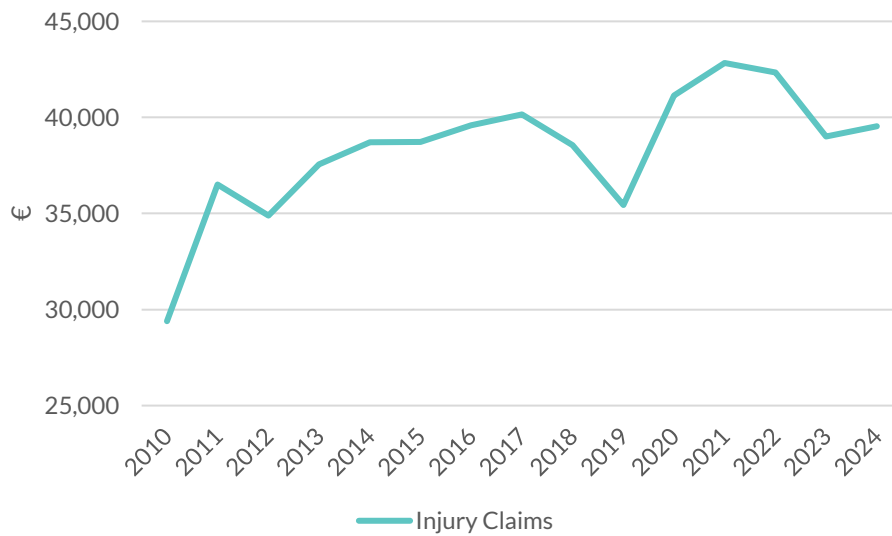
Figure 5: Number of claims per 1,000 policies by claim type for accident years 2010–2024.



Average Cost of a Claim

Overall, the average cost of a claim (injury and damage claims combined) increased by 75% between 2010 and 2024, from €2,498 to €4,369. The trend in average injury claim costs can be seen in Figure 6 and Figure 7, and the trend for damage claims in Figure 8.

The average cost of an injury claim in 2024 was €39,537. This was a 1% increase from the 2023 figure, which was the lowest figure since 2019.

Figure 6: Average cost per injury claim for accident years 2010 to 2024.

To understand the trend in average injury claim costs, it is useful to separate the smaller number of large claims from the majority of injury claims. This is shown for claims valued above and below €250,000 in Figure 7 and is analysed in more detail in the Large Claims section of Part 6.

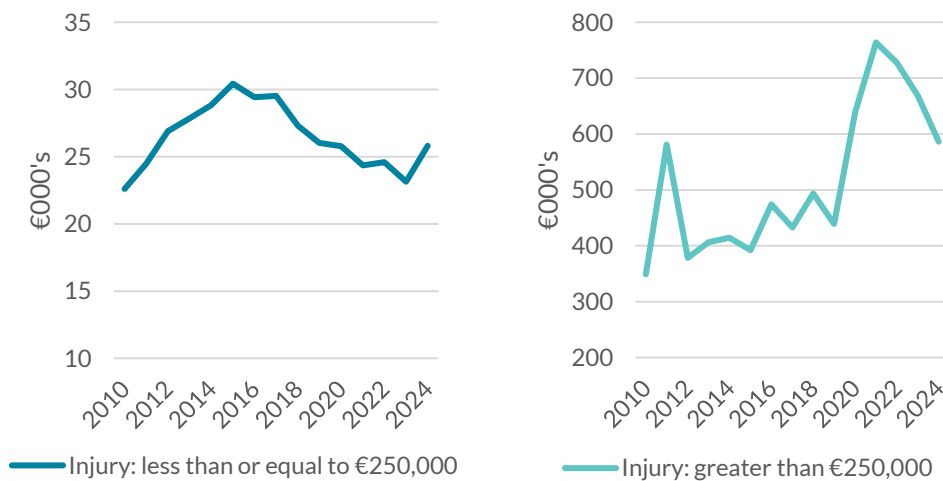
Figure 7: Average ultimate cost per injury claim for claims valued less than or equal to €250,000 and claims valued for greater than €250,000 for accident years 2010 to 2024.

Figure 7 shows separately the average ultimate cost per claim for claims valued for less than or equal to €250,000 and those valued for greater than €250,000. This shows that:

- The average cost for injury claims less than €250,000 increased by 35% from €22,604 in 2010 to €30,430 in 2015; it then decreased by 24% from 2015 to 2023, to €23,148. Before increasing by 12% in 2024 to €25,817.

- The average cost for injury claims greater than €250,000 has been volatile over the time series, but was significantly higher over the 2020 to 2024 accident years than it was in previous years.

The average cost of an injury claim in 2020, 2021 and 2022 were the highest values in the time series, as shown in Figure 6. The average cost of large claims was higher over this period while the frequency of all injury claims was lower. The subsequent claim averages were influenced by fewer claims and a higher proportion of large claims. As driving activity has increased since 2021, the average cost of injury claims began to decrease before increasing slightly from 2023 to 2024.

The proposed uplift to the Personal Injuries Guidelines, as discussed in the introduction of the report, gives important context in relation to insurer's estimates for the ultimate claim costs as at year-end 2024. Any expected increase to the Guidelines would have applied to a portion of claims in the 2024 accident year and a smaller portion in the 2023 accident year.

The introduction of the Personal Injuries Guidelines in April 2021 has also had an impact on the average cost of injury claims in this period, and in particular can be seen in the reduction to the average cost of injury claims for those less than €250,000 since 2020.

Figure 8: Average cost per claim of damage claims for accident years 2010 to 2024.

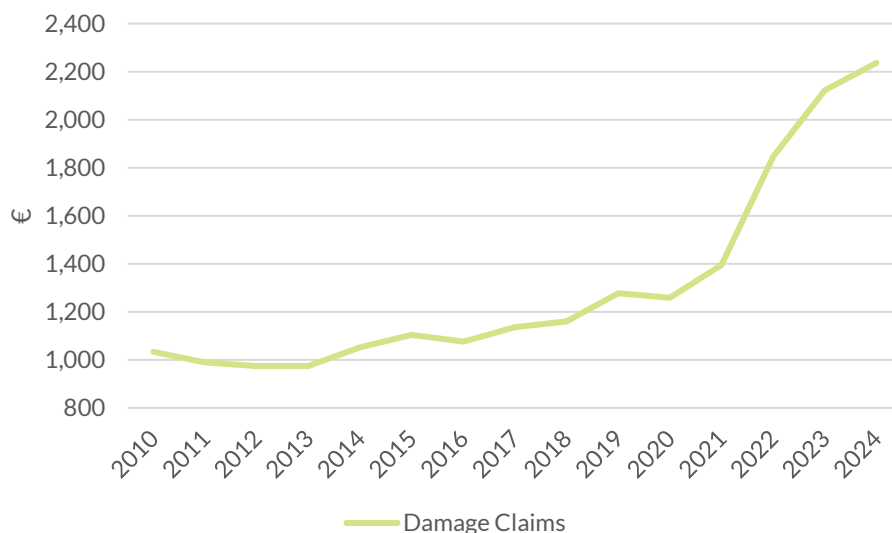


Figure 8 shows that the average cost of a damage claim increased by 116% overall between 2010 and 2024, from €1,033 to €2,236. The average cost of a damage claim:

- Remained relatively stable over the period 2010 to 2013;
- Increased steadily by 29% between 2013 and 2020; before

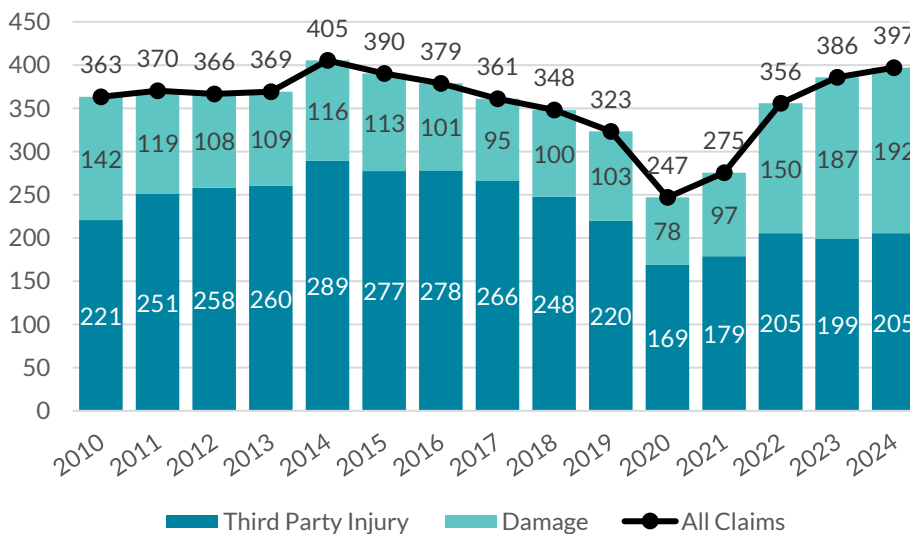
- Increasing significantly by 78% from 2020 to 2024; which included an 11% increase in 2021, a 32% increase from 2021 to 2022, a 15% increase from 2022 to 2023, and a further 5% increase to the average cost of a damage claim in 2024.

The high inflationary environment in recent years has affected the average cost of damage claims across all claim types. The proportionally higher increase in the number of accidental damage, third party damage and fire and theft claims relative to windscreen claims in recent years, which are typically lower in value, would further increase the overall average.

Average Cost of Claims per Policy

Figure 9 shows the average cost of claims per policy split between injury and damage claims, while Figure 10 shows this in more detail breaking out damage claim types⁸.

Figure 9: Average cost of claims per policy split by injury and damage claims, for accident years 2010 to 2024.



As can be seen from Figure 9, the average cost of claims per policy was €397 in 2024. The cost of claims per policy has been increasing since the impact of COVID in 2020 led to the lowest cost of claims per policy over the time series. The cost of claims per policy increased by 3% in 2024 compared to 2023. It was 61% higher in 2024 than the cost per policy in 2020 and is now higher than what was seen in pre-COVID years. The average cost of claims per policy for both injury and damage claims:

- Remained relatively stable between 2010 and 2013;

⁸ The average cost is per the policy that covers the claim type in question, e.g., accidental damage is only covered by comprehensive policies.

- Slightly increased in 2014 before showing a downward trend between 2014 and 2019, decreasing by 20% to €323;
- Sharply decreased in 2020 and 2021 compared to pre-COVID levels, with a 24% decrease between 2019 and 2020; before
- Showing an upward trend between 2021 and 2024, with a 44% increase from 2021 to 2024.

However, the increase in claims cost per policy since 2020 can primarily be seen in damage claims. The combined effect of an increase in the frequency and average cost of damage claims is an increase to the cost per policy of damage claims to €192 in 2024, which is the highest over the time series and almost double what was seen in the pre-COVID years.

There was a downward trend in the average cost of injury claims between 2014 and 2019, with a decrease of 24% in the average cost of injury claims to €220 in 2019. The average then decreased significantly over 2020 and 2021 during COVID. Following COVID, the average cost of injury claims stabilised to €203 between 2022 and 2024, which is below the 2015 to 2019 pre-COVID average of €257.

Figure 10: Average cost of claims per policy of each claim type for accident years 2010 to 2024.

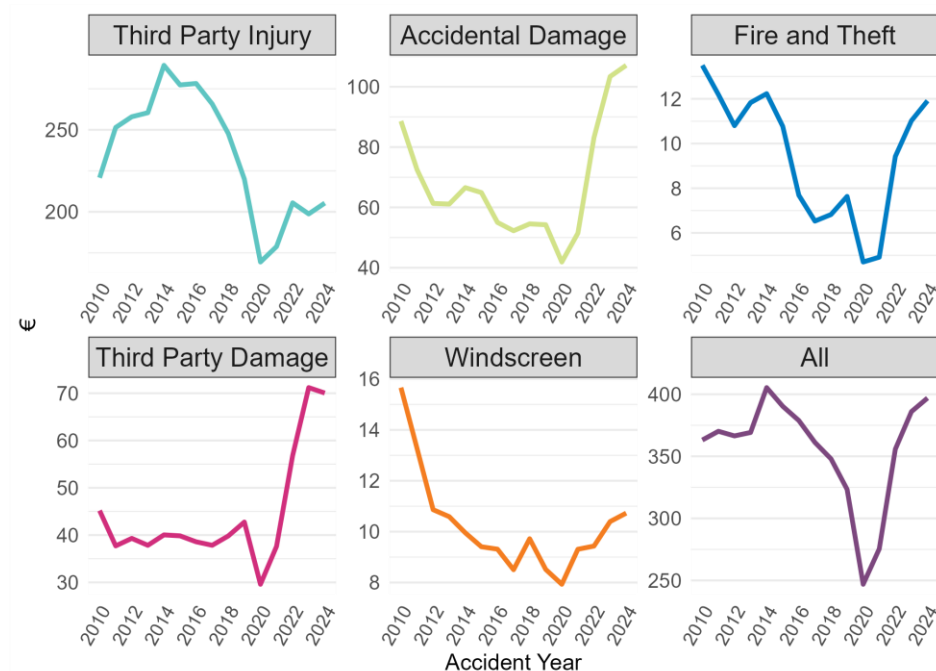


Figure 10 provides further detail on the average cost of claims per policy by claim type. It can be seen that accidental damage and third party damage

claims make up the largest cost for damage claims and have seen the largest increase relative to pre-COVID levels.

The significant increase to the average cost per policy in recent years is likely influenced by both increased driving activity following COVID-19 restrictions in 2020 and 2021 and the high inflationary environment experienced in recent years. The impact of inflation will primarily be seen on damage claims.

The 2021 to 2024 accident years will also include the impact of the introduction of the Personal Injuries Guidelines in April 2021. The Guidelines are expected to reduce overall injury claim costs. The Personal Injuries Guidelines are discussed in more detail in Part 5.

Premiums and Claims Costs

The trends in claims costs shown in this section are based on an estimate of ultimate claim costs calculated as at 31 December 2024. This may differ from the estimates that insurers made when setting their premium levels. The difference between the estimates calculated between 31 December 2018 and 31 December 2024 are shown in Part 6.

Figure 11 shows claims cost as a percentage of earned premiums, known as the loss ratio. Between 2010 and 2024, claims costs have been, on average, 63% of premiums earned. The loss ratio peaked in 2014 at 91%. It then exhibited a downward trend, reaching 40% in 2020, before increasing to 70% in 2023, and 68% in 2024.

Figure 11: The ratio of ultimate claim costs to earned premiums (loss ratio) for accident years 2010 to 2024.



The volatility in loss ratio seen in Figure 11 is mainly driven by changes in premium over the time series as opposed to movements in claim costs, which have been relatively stable (excluding 2020 and 2021, which were impacted by COVID-19 related restrictions).

Figure 12: Comparison of the average earned premiums per policy and the average cost of claims per policy for accident years 2010 to 2024.

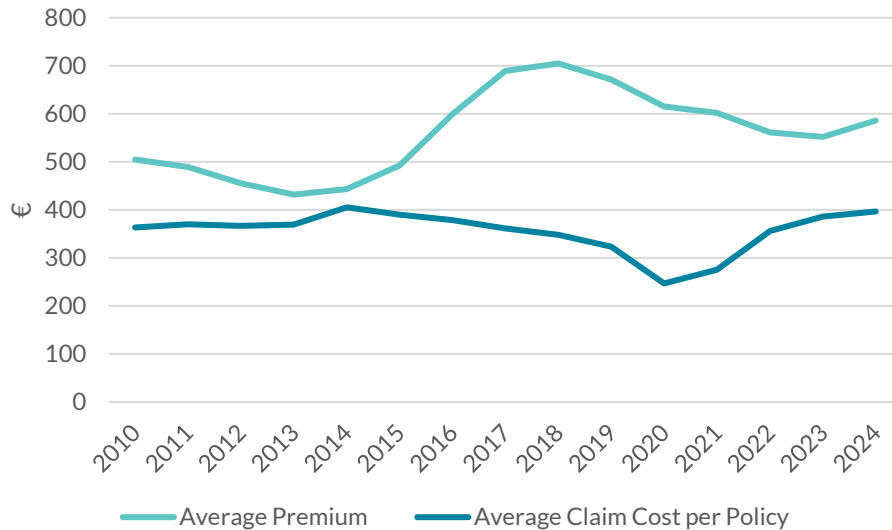


Figure 12 is an alternative view of ultimate claim costs and earned premiums over time. It can be seen that in 2024 both the average premiums (when calculated on an earned premium basis⁹) and claim costs increased compared to 2023.

⁹ Average premiums shown on an earned basis lag average premiums on a written basis as shown in Part 1. Earned premiums allow for a consistent comparison of premiums and ultimate claim costs for each accident year.

PART 3 - Income and Expenditure

Statements of income and expenditure for private motor insurance were collected from firms across financial years 2010 to 2024.

Key Insights and Findings

2024 Findings

- Insurers' operating profit was 4% of total income.
- Investment Income was 5% of total income.
- Overall, the Combined Operating Ratio (COR) for 2024 was 95% gross of reinsurance and 99% net.
- Reserve releases on prior year claims contributed 4% towards the operating profit.

2010-2024

Over the period 2010 to 2024 insurers' operating profit was 5% of total income:

- 2010 to 2012, the operating profit was 9% of total income;
- 2013 to 2016 there was an operating loss of 9%;
- 2017 to 2021 there was a 11% operating profit; and
- 2022 to 2024 there was an 8% operating profit.

Across all years the Combined Operating Ratio was:

- 95% gross of reinsurance
- 99% net of reinsurance.

The net cost of reinsurance across all years has averaged 4% of total income:

- 3% for related reinsurance
- 1% for third party reinsurance.

Investment income has averaged 5% of total income across all years, decreasing from 11% in 2010 to 1% in 2020 before increasing to 5% in 2024.

Breakdown of Income and Expenditure

Table 3 and Table 4 provide a breakdown of the income and expenditure components for the latest financial year 2024. From Table 3, it can be seen that the profit for the 2024 financial year was 4% of total income.

The remainder of the income and expenditure section will concentrate on the financial performance of firms providing private motor insurance cover from 2010 to 2024.

Table 3: Breakdown of total income and expenditure for 2024.

Category	2024
Income (€m)	
Gross Earned Premium / Insurance Revenue	1,392
Investment Income	72
Other Earnings	35
Expenses (€m)	
Gross UW Expenses	-1,320
Reinsurance Impact	-61
Other Expenses	-24
Interest & Tax	-20
Adjustment for IFRS 17 ¹⁰	-14
Profit (€m)	
Profit	61
Profit (%)	4%

Table 4: Breakdown of gross underwriting expenses for 2024.

Category	2024
Gross Underwriting Expenses (€m)	
Gross Claims Incurred	-840
Claims Management Expenses	-80
MIBI Expenses	-50
Gross Commission	-109
Management Expenses	-239
Total (€m)	
Total - Gross UW expenses	-1,320

¹⁰ The Adjustment for IFRS 17 includes the impact of differing treatment of reinsurance, Net Insurance Finance Expenses and Other Expenses captured under IFRS 17.

Profitability of Private Motor Insurance

Figure 13 shows the total income and total expenses across all firms over the period 2010 to 2024. These results are limited to firms that have written private motor insurance in Ireland since 2018 i.e., it does not include firms that exited the market prior to the introduction of the NCID.

Operating profit as a percentage of total income is also shown. The aggregate operating profit for private motor insurance across all years 2010 to 2024 was 5% of total income.

Figure 13: Breakdown of total income and expenditure from 2010-2024.

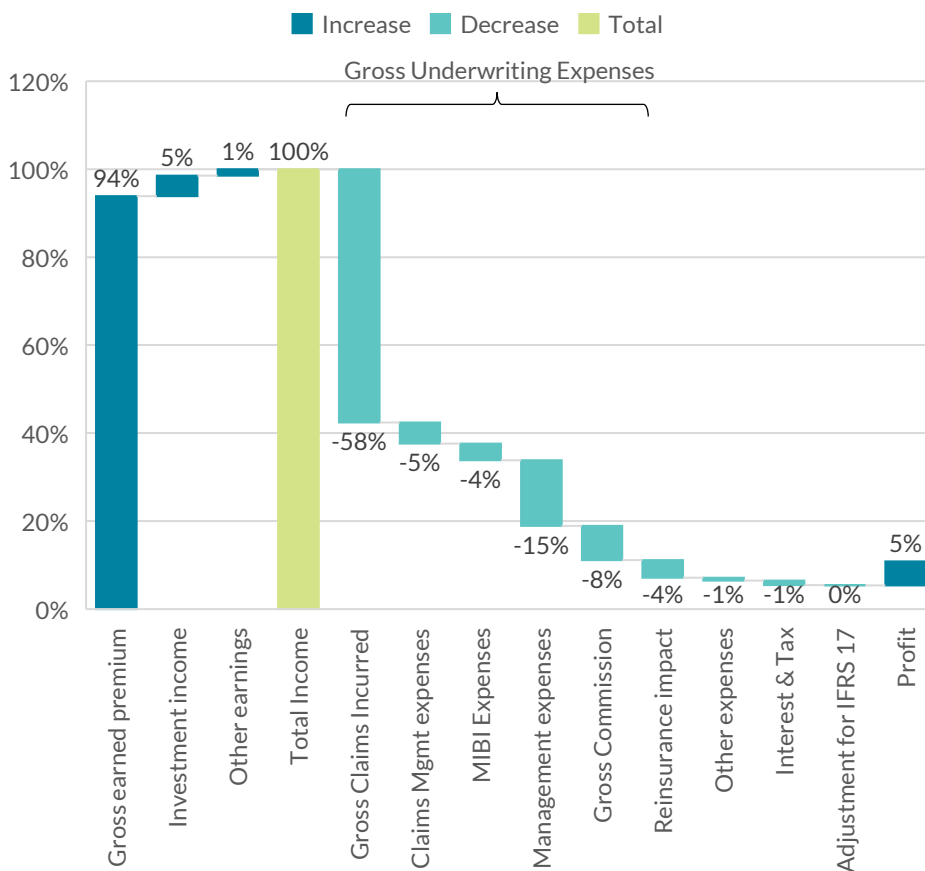


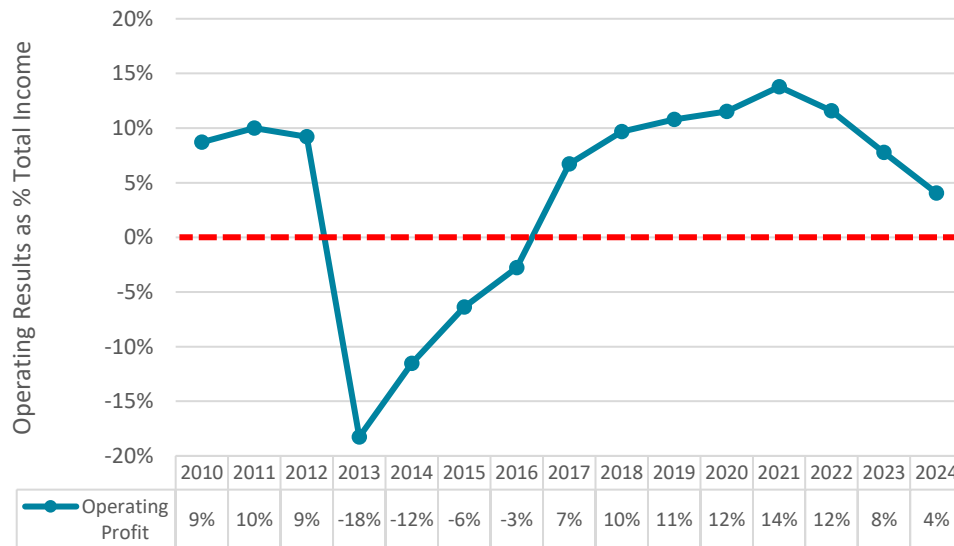
Figure 14 shows how insurers' operating results varied across the time series for private motor insurance. There are four distinct periods in the data: 2010-2012, 2013-2016, 2017-2021 and 2022-2024.

From 2010 to 2012, private motor insurance was predominantly profitable, with an operating profit of 9% of total income across this period. From 2013 to 2016, it was predominantly unprofitable and the market had an operating loss of 9% of total income across these years.

The private motor market was profitable again from 2017 to 2021 with a combined operating profit of 10% of total income. Finally, following 2021,

there has been a decreasing trend in operating profit, with the average over 2022 to 2024 being 8%. In summary, over the time-period from 2010-2024, there has been an average operating profit of 5% across all firms for private motor insurance.

Figure 14: Operating result by financial year from 2010 to 2024.



As highlighted previously, the data collection includes any firm that has written private motor business since 2018. The profitability figures will have an element of survivor bias; they will not include the results of those firms that exited the market prior to 2018.

Operating Performance split by Key Components

Overview

The key income components are gross earned premium and investment income; the key expense components are gross underwriting expenses and reinsurance.

Table 5 shows the key components of operating performance as a percentage of total income split between the net insurance-related result (including reinsurance impact), investment income and other earnings, tax, expenses and adjustment for IFRS 17.

Table 5: Profit, investment income and other earnings and expenses
2010-2024 as proportion of total income.

Year	*Gross Insurance Related Result	Reinsurance	Net Insurance Related Result	Investment Income	**Other Earnings / Expenses	Operating Result
2010	-1%	-1%	-2%	11%	0%	9%
2011	6%	-2%	4%	8%	-2%	10%
2012	-1%	0%	0%	9%	0%	9%
2010-2012	1%	-1%	0%	10%	-1%	9%
2013	-27%	0%	-27%	8%	1%	-18%
2014	-19%	-1%	-20%	7%	2%	-12%
2015	-17%	2%	-15%	6%	3%	-6%
2016	-8%	0%	-8%	4%	1%	-3%
2013-2016	-17%	0%	-17%	6%	1%	-9%
2017	8%	-4%	4%	4%	0%	7%
2018	16%	-8%	8%	3%	-1%	10%
2019	17%	-7%	10%	2%	-1%	11%
2020	22%	-10%	12%	1%	-1%	12%
2021	19%	-7%	12%	3%	-1%	14%
2017-2021	16%	-7%	9%	2%	-1%	11%
2022	11%	-4%	7%	4%	0%	12%
2023	12%	-5%	7%	3%	-1%	8%
2024	5%	-4%	1%	5%	-1%	4%
2022-2024	9%	-4%	5%	4%	-1%	8%
Total (2010-2024)	5%	-4%	1%	5%	0%	5%

* Gross Insurance-related result:

(Gross Earned Premium or Insurance Revenue) - Gross UW Expenses

Total Income (including Investment Income)

**Other Earnings / Expenses = Other Earnings, Expenses, Interest, Tax and IFRS 17 Adjustment

Insurance-related results

The gross insurance-related result indicates if there is a profit or loss in relation to insurance activities gross of reinsurance, we have shown this as a percentage of total income. This includes premiums, claims, and expenses related to writing insurance business. Across all years, there has been a gross insurance-related profit of 5% as a proportion of total income (1% from 2010-2012, -17% from 2013-2016, 16% from 2017-2021 and 9% from 2022-2024).

The net insurance-related result indicates if there is a profit or loss in relation to insurance activities net of reinsurance, also shown as a percentage of total income. This calculates the insurance-related result using premiums, claims and expenses net of reinsurance. Across all years, there has been a net insurance-related result of 1% as a proportion of total income (0% from 2010-2012, -17% from 2013-2016 and 9% from 2017-2021 and 5% from 2022-2024).

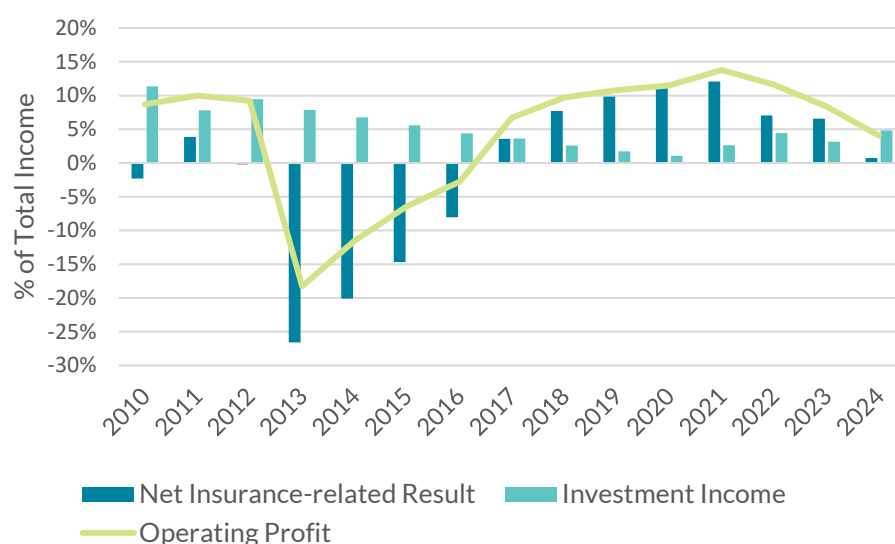
From 2010-2016, the market experienced an insurance-related loss each year with the exception of 2011, both gross and net of reinsurance. From 2017 to 2024, there was an insurance-related profit each year both gross and net of reinsurance.

Movements in reserves also contribute to the insurance-related results. These will be discussed in more detail in the Reserve Movements section.

Investment Income

Investment income as a proportion of total income across all years has averaged 5%. As detailed in Table 5, investment income as a percentage of total income gradually reduced across the time-period; from a high of 11% in 2010 to a low of 1% in 2020, subsequently increasing to 5% in 2024.

Figure 15: Interaction between profit and investment income for 2010-2024.



Investment income reported through insurer's income and expenditure does not include unrealised gains or losses to investments. Therefore, fluctuations in the overall value of insurer's asset are not reflected here. For example, the impact of rising interest rates in 2022 on the value of insurer's assets is not reflected within this data.

Figure 15 shows the interaction of the net insurance-related result, investment income and operating profit for the 2010 to 2024 financial years.

- For the 2010 financial year, the net insurance-related result was negative, but this was offset by investment income leading to a positive operating result.
- For the 2011 and 2012 financial years, 4% and 0% net insurance-related results respectively combined with investment income, resulted in positive operating results.
- For the 2013 to 2016 financial years, the operating result was negative as a result of negative net insurance-related results which falling levels of investment income could not offset fully.
- For the 2017 to 2023 financial years, both investment income and the net-insurance related result are positive, leading to an operating profit over this period.
- For the 2024 financial year, it should be noted that, similar to 2011, investment income outperformed the net insurance-related result, leading to a positive operating profit.

Reinsurance

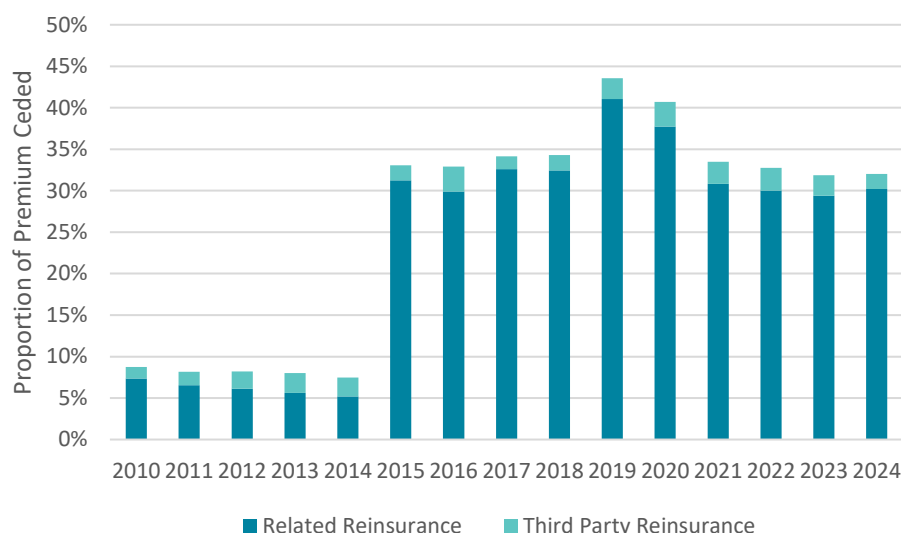
Figure 16 shows how the proportion of premium ceded to reinsurers has changed from 2010-2024. Premium ceded refers to the premium paid by an insurer for a reinsurance contract. In exchange, the reinsurer covers an agreed level of claim experience therefore reducing the claims risk borne by an insurer. The reinsurer may also cover a proportion of the expenses incurred by the insurer in writing the business. Premiums can be ceded to a third party reinsurer, i.e., an external provider of reinsurance cover; or through a reinsurer within the same group as the firm, which is defined here as related reinsurance.

The percentage of premium ceded by insurers increased from an average of 8% for 2010-2014 to 35% for 2015-2024. This increase is driven by the increase in related reinsurance cover, which has increased from 6% on average for 2010-2014 to 33% for 2015-2024. The proportion of premium ceded was at its highest at 44% in 2019 and has since reduced to 32% in 2024.

This metric can be influenced by one-off reinsurance arrangements that are put in place to cover losses for previous accident years e.g., following a merger or re-structure. This would result in firms ceding large volumes of

premium compared to the actual premium received for a particular financial year.

Figure 16: Proportion of premium ceded by insurers for reinsurance, split between related and third party reinsurers for years 2010-2024.



For the most part, the increase in related reinsurance cover from 2015 is attributable to the use of quota share reinsurance arrangements which are used to share premiums, claims and expenses between the insurer and a reinsurer in pre-determined proportions. This facilitates the sharing of losses in poor-performing years and profits in well-performing years. These arrangements can reduce the level of risk within each firm and provide benefit through a reduction in the amount of capital that an individual firm, or a group, has to hold to satisfy regulatory requirements.

Figure 17 illustrates the net cost of reinsurance for each year from 2010 to 2024 for related and third party reinsurance. The total net cost across all financial years 2010-2024 equates to a cost of 4% of total income. This is shown as -4% in Table 5 to signify that reinsurance was an expense to the insurer. This is the case where the insurer paid more to a reinsurer in premium than they received back in claims and expense payments. This varies across the time-period for related and third party reinsurance. Where the net cost is positive, this signifies that reinsurance was an income to the insurer, with claims and expense payments from the reinsurer being larger than the premium paid to them.

Figure 17: Net cost of related and third party reinsurance cover for years 2010-2024.

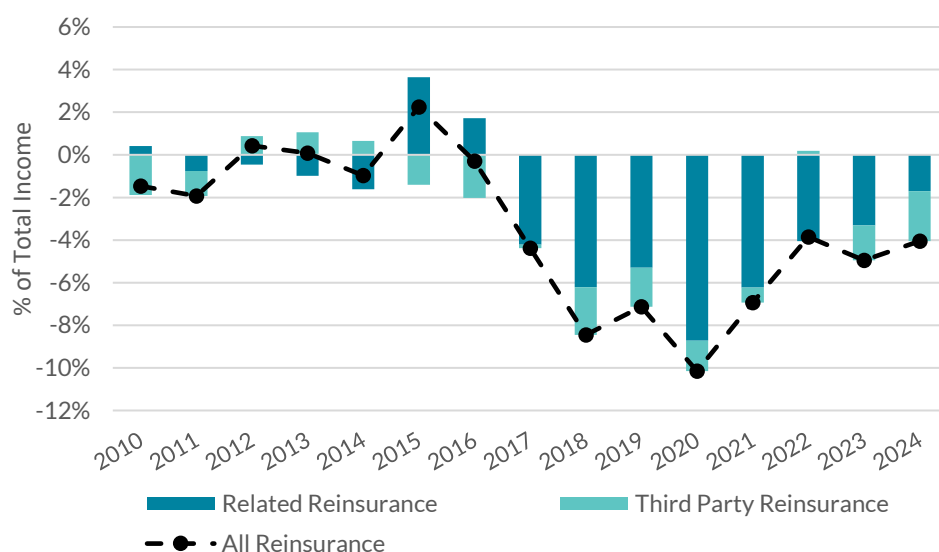


Table 6 shows how the net cost of reinsurance varies for related and third party reinsurance cover across various time-periods. At a total level, the impact of third party reinsurance was -1% across all years and this has been relatively stable across the time-period. For related reinsurance, the total impact was -3% across all years and this has varied across the time-period.

Table 6: Net cost of related and third party reinsurance cover.

Year	Third Party Reinsurance	Related Reinsurance
2010-2012	-1%	0%
2013-2016	-1%	1%
2017-2021	-1%	-6%
2022-2024	-1%	-3%
Total	-1%	-3%

Combined Operating Ratio (COR)

The operating result in the earlier section looked at the split of the key components of income and expenditure as a percentage of total income, with a particular focus on the net cost of reinsurance. However, a key ratio used by insurers to measure the underlying performance of their insurance related activities is the Combined Operating Ratio (COR). The COR describes insurance related outgoings as a proportion of earned premium.

This is defined as:

$$\text{COR} = \frac{\text{Claims Incurred}^{11} + \text{Other Underwriting Expenses}^{12}}{\text{Earned Premium or Insurance Revenue}}$$

This metric is an important performance indicator used by insurers in making pricing and underwriting decisions. The COR can be calculated either gross (before the effect) or net (after the effect) of reinsurance, and is unchanged by standard quota share reinsurance arrangements described previously in the Reinsurance section. The Net COR will differ from the Gross COR as a result of other types of reinsurance arrangements.

Further information on gross underwriting expenses is provided in subsequent sections.

From an insurer's perspective, a high COR represents an unfavourable result. A COR greater than 100% represents a higher level of insurance related outgoings than insurance-related income.

Figure 18 provides the Gross and Net COR from 2010 to 2024. The total Gross COR was 95% across all financial years; the Net COR was 99%. Between 2010 and 2016, 2011 was the only year where the Gross and Net COR were less than 100%, i.e., where underwriting was profitable. From 2017 to 2024 the COR has been less than 100%.

Figure 18: Gross and Net COR for 2010-2024.

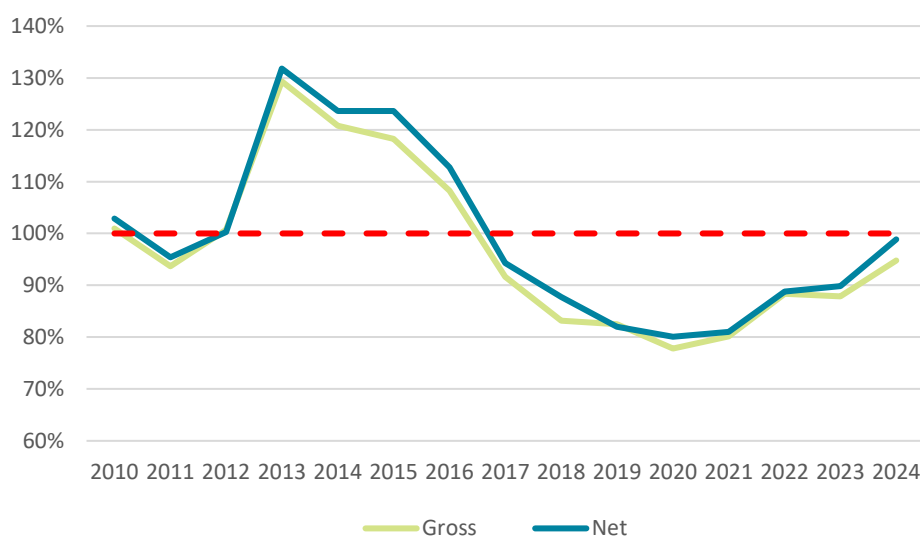


Table 7 shows the Gross and Net COR across the distinct periods of profit and loss. For 2010 and 2012, the Gross and Net COR were slightly above 100%, which meant insurance outgoings slightly exceeded premium income

¹¹ Incurred claims include: claims paid in the year; reserves for claims which occurred in the year; and changes in reserves for claims which occurred in prior years.

¹² Other underwriting expenses include: commissions; other acquisition costs; policy administration; and claims handling expenses.

for this period, while in 2011 the Gross and Net COR were slightly below 100%. For the period between 2013 and 2016 the ratio was high, with a Gross COR of 118% and a Net COR of 123%, indicating that the insurance business was loss making.

From 2017 to 2021 the Gross and Net CORs averaged 83% and 85% respectively, indicating that the insurance business has been profitable. The lowest COR results were achieved during 2020, which had a Gross COR of 78% and a Net COR of 80%. In 2024, the Gross COR increased to 95% while the Net COR increased to 99%.

Table 7: Gross and Net COR for various time-periods.

Year	Gross COR	Net COR
2010-2012	98%	99%
2013-2016	118%	123%
2017-2021	83%	85%
2022-2024	90%	93%
All Years	95%	99%

Underwriting Expenses

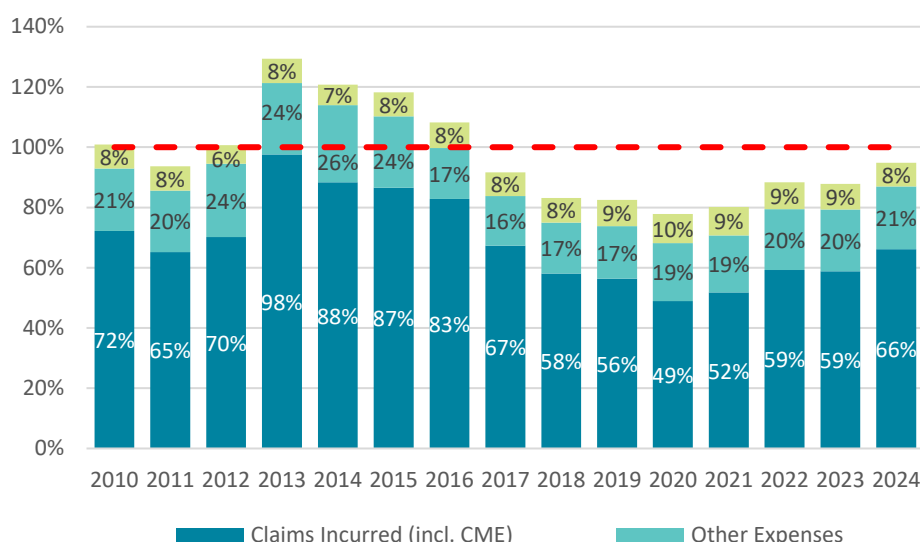
Figure 19 provides a breakdown of the underwriting costs as shown in the Combined Operating Ratio section above. Gross claims-related costs (i.e., claims incurred and claims handling expenses) were the greatest expenditure accounting for 66% of gross earned premium between 2010 and 2024.

Other expenses are a combination of management expenses and MIBI¹³ expenses. These amounted to 20% of gross earned premium across 2010-2024, while commission expenses amounted to 8% of gross earned premium over the same period.

Management expenses are the expenses related to product development, system improvements, salaries, auditing costs and regular day-to-day costs i.e., electricity bills, rent for accommodation, and IT costs. Claims management expenses (CME) are the expenses related to the processing and resolving of claims, including certain legal and adjusters' fees and internal costs of processing claims payments.

¹³ MIBI expenses are amounts payable to the Motor Insurance Bureau of Ireland (MIBI). MIBI's principal role is to compensate victims of road traffic accidents caused by uninsured and unidentified vehicles and is funded by all companies underwriting motor insurance in Ireland.

Figure 19: Breakdown of the gross underwriting costs for 2010-2024 as a percent of gross earned premium or insurance revenue.



Reserve Movements¹⁴

Over time insurers will revise their estimates of the ultimate claim costs for a given accident year as more information becomes available and the results become more certain. When the ultimate claim costs are revised upwards or downwards for a given accident year, or across multiple accident years, this will lead to an overall increase or decrease in reserves for prior years. Movements in reserves for prior years will contribute to the profit or loss for the financial year in which those movements occur.

A reduction in the estimate of ultimate claim costs for prior years will increase profitability (or reduce losses) in a given financial year as reserves are released, while an increase in the estimate of ultimate claim cost for prior years will reduce profitability (or add to losses) in a given financial year as reserves would be increased to match the revised ultimate claim cost.

Movements in reserves for prior years are reported alongside the expected cost of claims for the current accident year and in total are reported as claims incurred in the financial year. An enhancement made in 2023 to the NCID has allowed current year claims cost and the movement in reserves for prior years to be shown separately.

¹⁴ This section is based on 95% market coverage for the 2016-2024 financial years.

Figure 20: Movement in reserves for prior years that were recognised in financial years 2016-2024, split between the insurer's or reinsurer's share of the reserves.

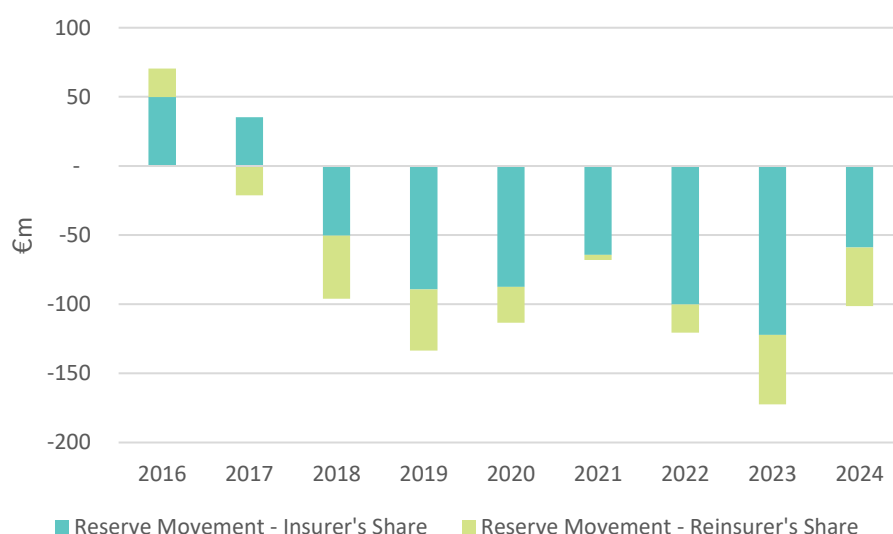


Figure 20 shows the movement in reserves for prior years that occurred in each financial year from 2016 to 2024. The total movement in reserves is split into the reinsurer's share, i.e. claim costs that are expected to be covered by the reinsurer, and the insurer's share, i.e. the movement in reserves net of reinsurance. A positive movement implies an increase to reserves, and a negative movement implies a reserve release.

The largest movement in prior year reserves occurred in 2023 where insurers had a combined reserve release of €122m net of reinsurance. This followed reserve releases of between €50m and €100m net of reinsurance in each financial year since 2018. Insurers increased their reserves by €50m in 2016 and €35m in 2017, net of reinsurance. In 2024, insurers had a combined reserve release of €59m net of reinsurance.

COVID-19, the Personal Injuries Guidelines and provisions for large claims have all contributed to reserve releases in recent years. Part 6 provides detail on how insurer's estimates of the ultimate claim costs for each accident year have changed over time

Figure 21: Operating profit split between operating profit based on claims for the current year and the contribution of the movement in reserves for prior years to operating profit, for 2016-2024 financial years.

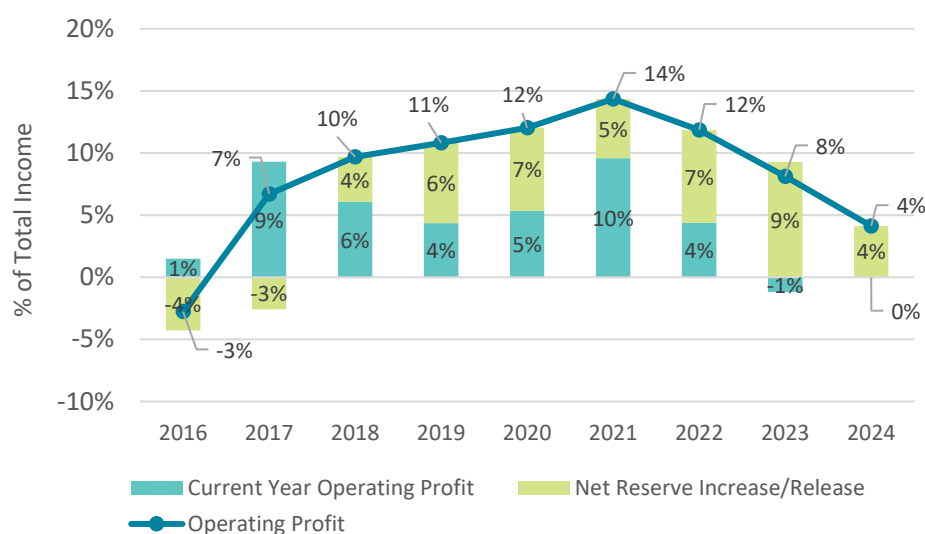


Figure 21 and Table 8 show how movements in reserves have contributed to profitability from 2016 to 2024. The operating profit in each financial year is split into the operating profit based on current year claims only, and the contribution of the movement in reserves to profit or loss.

Over recent years, current year profitability has reduced from 10% in 2021, to 4% in 2022 and was loss making at -1% for the 2023 financial year, the only time it was loss making between 2016 and 2024.

Reserve releases have supported profitability over 2018 to 2024. The reserve release of €59m in 2024, along with the current year operating profit of €1m led to a 4% operating profit overall.

Increases to reserves led to an operating loss in 2016 and reduced profitability in 2017. However, since 2018 reserve releases have contributed between 4% and 9% to operating profit each year.

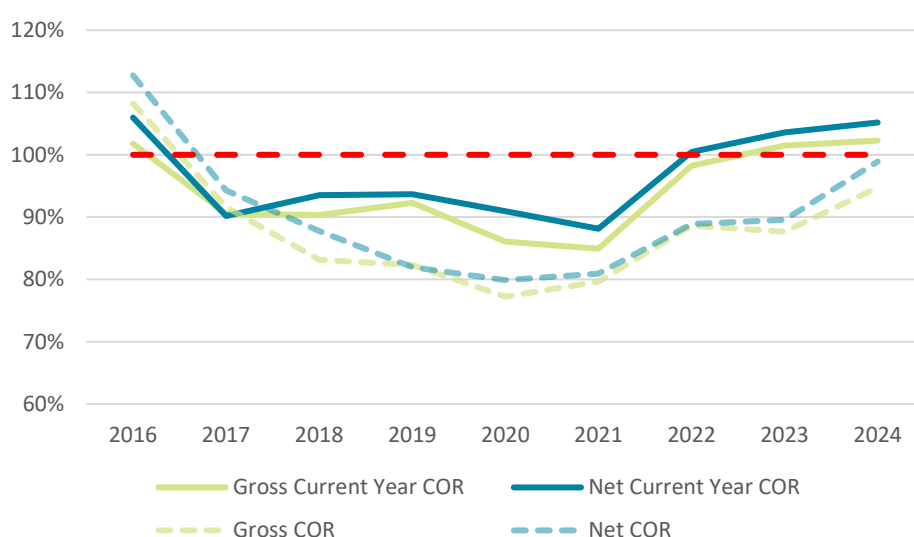
Table 8: Operating profit split between operating profit based on claims for the current year and the contribution of the movement in reserves for prior years to operating profit, for 2016-2024 financial years.

Years	2016	2017	2018	2019	2020	2021	2022	2023	2024
Current Year Profit (€m)	17.5	127.2	84.6	60.0	70.3	129.5	58.7	(15.5)	0.8
Reserve Movements (€m)	(49.8)	(35.4)	50.3	89.3	87.5	64.4	100.2	122.1	59.0
Operating Profit (€m)	(32.3)	91.8	134.9	149.4	157.8	193.8	158.9	106.7	59.8

Figure 22 shows the gross and net COR for current year claims only, stripping out the impact of movements in reserves. This shows that the COR for the current year in 2024 was 102% gross of reinsurance and 105% net of reinsurance.

The gross current year COR was at its lowest at 86% and 85% in 2020 and 2021 before increasing to 98% in 2022. The net current year COR increased from 91% and 88% respectively in 2020 and 2021 to 100% in 2022.

Figure 22: Gross and Net COR based on current year claims only and for all claims, including reserve movements.



Commission

Figure 23 provides a breakdown of gross earned premium by distribution channel between third party distribution, i.e., brokers and comparison websites; direct distribution, i.e., the firm's own distribution networks; and related distribution, i.e., distribution through companies related to the firm. Policies sold through third party intermediaries made up 46% of gross earned premium across all years, 2010 to 2024. The proportion sold through this channel increased from 38% of premium in 2012 to 48% in 2017 and has remained relatively stable between 2017 and 2024.

Policies sold through related distribution and direct distribution made up 17% and 37% of gross earned premium respectively across all years, 2010 to 2024.

Figure 23: Split of gross earned premium between third party, direct and related distribution channels¹⁵.

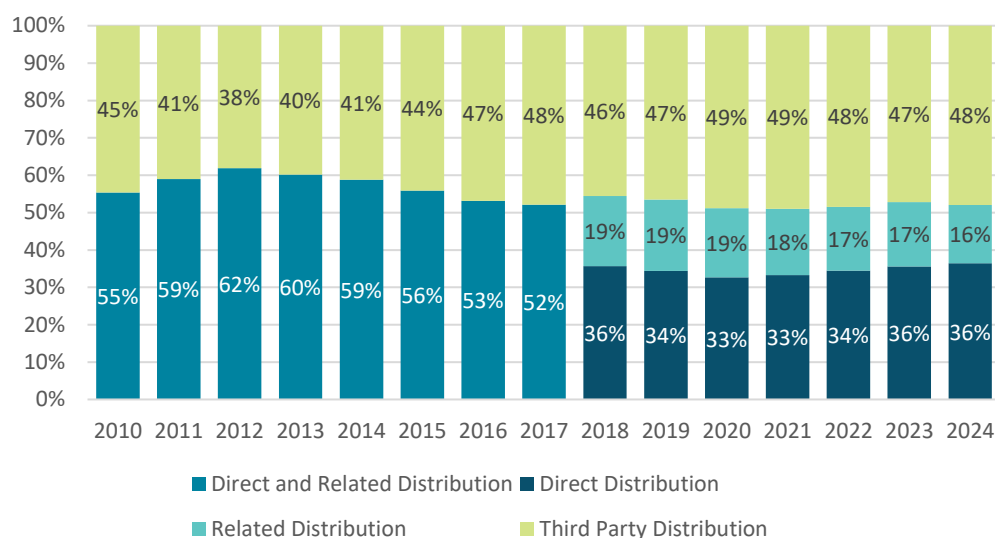
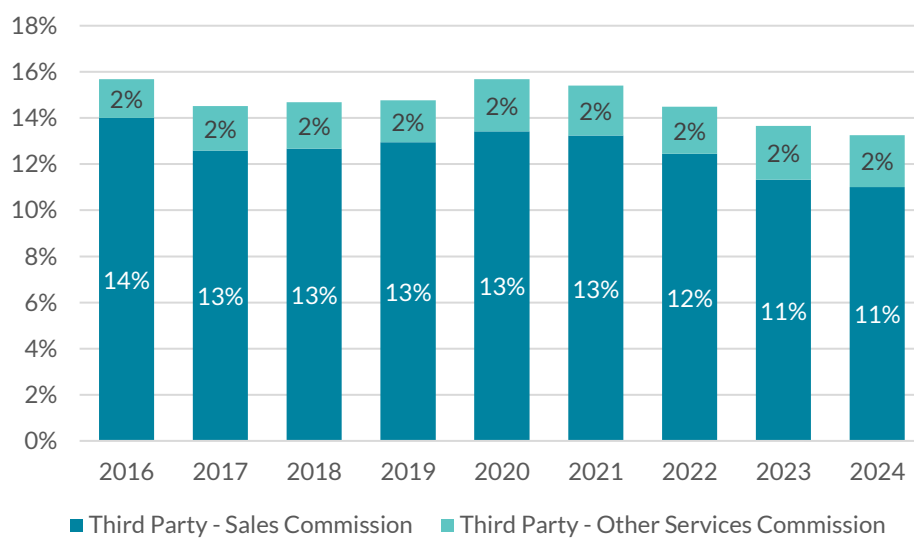


Figure 24 highlights commission costs as a percentage of premium on policies sold through third party intermediaries. On average, the total amount of commission as a percentage of premium sold through third party intermediaries was 15% from 2016 to 2024. This remained relatively stable across the time series, reducing to 13% in 2024.

Figure 24 also provides the split of commission costs between sales commission, i.e., amounts paid to a distributor in respect of the sale of a policy; and other services, i.e., all other amounts paid to the intermediary that are not related to the selling of a policy. On average, the total amount of sales commission as a percentage of premium sold through third party intermediaries was 13% from 2016 to 2024; costs for other services were 2% of premium sold through third party intermediaries.

¹⁵ It is not possible to publish direct and related distribution percentages separately for 2009-2017 due to statistical confidentiality rules applied to the data.

Figure 24: Commission as a percentage of earned premium for policies sold through third party intermediaries¹⁶.



¹⁶ Based on 94% of market coverage in 2024.

PART 4 – Claim Settlements

Data was collected on claimants who settled claims between 2015 and 2024. The number of claimants and the aggregate cost of settling their claims was collected by claim type and settlement channel.

Key Insights and Findings

The total settled claim cost in 2024 was 31% higher than the 2015 to 2019 pre-COVID average.

This is primarily driven by damage claims, as the total cost of damage claims settled in 2024 was 154% higher than the 2015 to 2019 average, while the number of settled damage claims was 29% higher.

The total cost of injury claims settled in 2024 was 16% lower than the 2015 to 2019 average, while the total injury claim numbers were 23% lower.

However, total injury claim costs have increased in recent years with injury claim costs in 2024 being 22% higher than 2023, while injury claim numbers were 16% higher.

Background

Grouping of Claims

Private motor insurance claims are discussed in this section. These claims were collected and are discussed on a settlement year basis i.e., the settlement year refers to the year in which the final payment is made in respect of a claim. Claims settled in a particular settlement year may be in respect of accidents that happened in prior years.

Structure of Part 4

In this part of the report, information is first provided on the total number and cost of settled claims, before damage and injury claims are then analysed separately.

The cost of damage claims increased noticeably in 2022 and continue to rise – this is discussed later in this chapter.

Injury claims are then analysed in detail, exploring differences in the number and cost of claims settled across the various settlement channels, the distribution of the cost of these claims and the time taken to settle.

Settlement Channels

The Personal Injuries Assessment Board (PIAB) changed its name to the Injuries Resolution Board in December 2023 in recognition of their enhanced role and expansion of their service to include mediation.

Where the Injuries Resolution Board or the Injuries Board is used to describe a settlement channel this includes claims settled through PIAB or the Injuries Resolution Board.

Data Collected

The settlement channels analysed in this report are of two types. For claims settled in 2019 onwards, claims are collected in five settlement channels:

- **Direct before Injuries Board:** Claims settled directly between claimant and insurer before Injuries Resolution Board involvement and before the initiation of legal proceedings.
- **Direct after Injuries Board:** Claims settled directly between claimant and insurer after Injuries Resolution Board involvement but before the initiation of legal proceedings.
- **Injuries Resolution Board:** Claims settled through the Injuries Resolution Board.
- **Litigated before Court Award:** Claims settled following the initiation of legal proceedings, but which did not proceed to an award set by a judge.
- **Litigated with Court Award:** Claims settled following the initiation of legal proceedings, for which the compensation award was set by a judge.

For years 2015 to 2018, claims are collected in three settlement channels only:

- **Direct:** both before and after Injuries Resolution Board.
- **Injuries Resolution Board**
- **Litigated:** both before and with court award.

Settlement of Claims

The least complex claims are expected to be settled early between a claimant and insurer. If settlement is not reached, all injury claims then pass through the Injuries Resolution Board.

The Injuries Resolution Board releases cases where an insurer does not consent to them assessing the case, the injury is of a nature that is not appropriate for the Injuries Board to assess, or an insurer/claimant rejects the Injuries Board's award. In these instances, the claimant may pursue the case through litigation. It is common for complex cases or claims where liability is contested to be settled through litigation.

Basis for Compensation Award

For data collected in this report until April 2021, the Injuries Resolution Board calculated compensation amounts using the ranges set out in the Book of Quantum¹⁷, with additional consideration given to any financial loss incurred by the claimant. From April 2021, the Book of Quantum was replaced by Personal Injuries Guidelines adopted by the Judicial Council. This is discussed in more detail in Part 5 of the report.

For years 2021 to 2024, some claims were settled under the Personal Injuries Guidelines and some with reference to the Book of Quantum. A particular injury assessed under the Personal Injuries Guidelines may be awarded a different compensation amount than if it was assessed using the Book of Quantum.

Settlement of Claims

Total Claims

Table 9 shows the total number of claimants that settled and the total cost of claims in each year, based on firms that collected 88% of the private motor insurance premiums in 2024. It can be seen that the cost of claims that settled in 2024 totalled approximately €792m, and this was spread across 166,000 claims.

Table 9: Total number of claimants settled and total cost of settlements for settlement years 2015 to 2024.

Settled Year	Total Claimants (000's)	Sub Costs (€m)			Total Cost (€m)
		Compensation Cost	Legal Cost	Other Cost	
2015	143	485	102	13	600
2016	133	473	101	14	588
2017	119	485	113	16	614
2018	127	472	111	16	599
2019	124	489	117	9	616
2020	110	425	98	10	534
2021	110	408	92	7	506
2022	126	404	79	5	488
2023	152	537	94	7	639
2024	166	667	111	13	792

¹⁷ The Book of Quantum provided data on the range of compensation payments for an assortment of injuries, based on actual figures from court cases, insurance company settlements, State Claims Agency cases and Injuries Resolution Board data. It provided compensation ranges for six categories and 34 sub-categories of injury, and for four levels of injury severity.

Table 9 also allocates the total cost of settled claims into the amount of compensation, legal and other costs incurred in the course of settling those claims. An example of other costs incurred by an insurance firm would be the cost of medical assessment. In aggregate, compensation costs are the largest component of claims costs.

Nil Compensation Claims

Table 10 shows that for the 2024 settlement year, approximately 16,900 claimants settled without receiving compensation with a total cost to insurers of €8.5m. This was 10% of total claim settlements and 1% of total settlement costs.

Table 10: Total number of claimants that settled without compensation and the total cost of settling those claims, for settlement years 2015 to 2024.

Settled Year	Number of Claimants Settled (000's)	Legal Cost (€m)	Other Cost (€m)
2015	10.4	2.3	2.3
2016	8.9	2.3	2.1
2017	8.4	2.4	2.3
2018	8.6	3.2	2.8
2019	9.1	3.1	2.9
2020	7.4	2.4	2.3
2021	7.0	2.5	2.5
2022	9.4	2.8	3.6
2023	12.9	3.1	4.3
2024	16.9	3.1	5.4

These claims will be removed for the remainder of the claim settlement analysis to focus on claims where compensation was paid, which is consistent with previous reports.

Injury vs. Damage

Table 11 shows that both the number and overall cost of settled damage claims increased in 2024 and is high relative to previous periods. Indeed, more damage claims were settled in 2024 (approximately 139,000) than any other year in the dataset. Furthermore, the total cost of these damage claims in 2024 (€422m) was significantly higher than any other year.

The number and overall cost of injury claims are still below the 2015-2019 pre-COVID average, but this did increase in 2024. Approximately 9,200 injury claims were settled in 2024 with a total cost of €362m.

It is important to note that damage claims settle much faster than injury claims. In 2024 the average time taken to settle damage claims was 0.4 years compared to 3.1 years for injury claims. Therefore, trends seen in the number of claims being reported to insurers will take longer to emerge in injury claim settlements compared to damage claims. This is relevant considering the impact of COVID-19 on reported claim numbers in 2020 and 2021.

Table 11: Total number of damage and injury claimants settled and total cost of these settlements for settlement years 2015 to 2024, excluding nil compensation claims.

Settled Year	Settled Claimant Numbers (000)			Settled Claim costs (€m)		
	Damage	Injury	Total	Damage	Injury	Total
2015	120.6	12.4	133.0	182	413	595
2016	112.1	12.3	124.3	167	417	583
2017	98.7	11.7	110.4	146	463	609
2018	107.2	11.4	118.6	165	428	593
2019	103.1	11.6	114.7	168	441	610
2020	92.5	9.7	102.2	155	374	529
2021	95.2	8.2	103.4	155	346	501
2022	110.0	6.7	116.7	227	255	482
2023	131.2	7.9	139.1	335	296	631
2024	139.4	9.2	148.6	422	362	783

From Table 12, it can be seen that the proportion of claims related to damage remained stable at 94% in 2024, up from 92% of claimants in 2021. The proportion of settled costs related to damage claims increased from 31% to 54% of total settled costs over the same period. Settled damage claim costs have been greater than injury settled claim costs since 2023.

Table 12: Breakdown of claimant numbers and claim costs for injury and damage claims for 2015 to 2024.

Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	All
Settled Claimant Numbers											
Injury	9%	10%	11%	10%	10%	10%	8%	6%	6%	6%	8%
Damage	91%	90%	89%	90%	90%	90%	92%	94%	94%	94%	92%
Settled Claim Costs											
Injury	69%	71%	76%	72%	72%	71%	69%	53%	47%	46%	64%
Damage	31%	29%	24%	28%	28%	29%	31%	47%	53%	54%	36%

Settlement Channels

Table 13 provides a breakdown of claimant numbers and claimant costs between the different settlement channels. This table shows the results for both injury and damage claims.

Table 13: Breakdown of claimant numbers and claim costs, for all claim types, between the different settlement channels for settlement years 2015 to 2024.

Years	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	All
Settled Claimant Numbers											
Direct	95%	94%	94%	94%	94%	95%	95%	97%	97%	96%	95%
Injuries Board	2%	2%	2%	2%	2%	2%	1%	1%	1%	1%	2%
Litigated	3%	4%	4%	4%	4%	4%	3%	2%	2%	3%	3%
All	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Settled Claim Costs											
Direct	45%	44%	39%	43%	44%	46%	44%	55%	60%	61%	49%
Injuries Board	9%	10%	9%	8%	8%	7%	6%	4%	5%	5%	7%
Litigated	46%	46%	52%	49%	48%	47%	49%	40%	35%	34%	44%
All	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

During the period from 2015 to 2024, 95% of claimants settled directly with the insurer, 2% settled through the Injuries Resolution Board and 3% settled through litigation. Over this period, 49% of total claim costs were settled through the direct channel, 7% through the Injuries Resolution Board and 44% through litigation.

From Table 13 it can also be seen that since 2022, there has been an increasing trend in the proportion of total claim costs settling directly, with 61% settling directly in 2024. This is due to the noted increase in the total cost of damage claims, which are predominately settled directly with the insurer and do not require the Injuries Resolution Board involvement or litigation.

Damage Claims

The total cost of damage claims settled in 2024 was €422m across approximately 139,000 claims, which was significantly higher than any other year in the data set.

Annual settled damage costs started to increase sharply in 2022 and are now 154% higher than the 2015 to 2019 pre-COVID average, driven by an increase in both the number and average cost of damage claims

Both the number of settled damage claims and the average cost of those claims increased in 2024 compared to previous years.

Table 14: Number of damage claims settled by claim type, from 2015 to 2024.

Settled Year	Accidental Damage	Fire and Theft	Third Party Damage	Windscreen	All Damage Claims
2015	33,683	4,901	26,686	55,288	120,558
2016	27,818	3,257	23,857	57,138	112,070
2017	22,593	2,666	21,958	51,476	98,693
2018	24,394	2,700	22,635	57,463	107,192
2019	23,317	3,375	23,150	53,257	103,099
2020	20,326	2,941	19,547	49,675	92,489
2021	19,320	2,300	17,091	56,478	95,189
2022	25,790	3,136	21,629	59,459	110,014
2023	34,609	4,041	28,017	64,581	131,248
2024	41,041	4,549	32,927	60,916	139,433

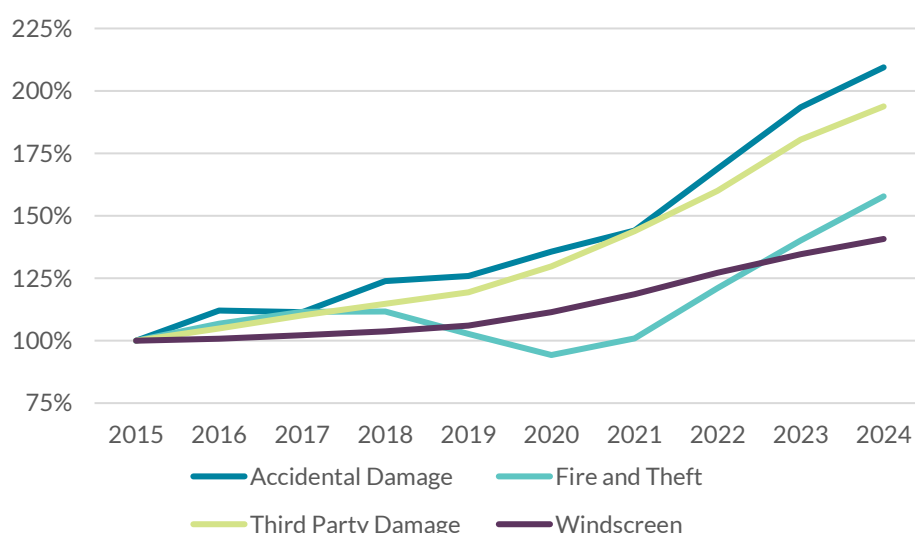
Table 14 shows the trend in the number of damage claims settled by claim type. The number of accidental damage, third party damage and fire and theft claims have increased by 19%, 18% and 13% respectively between 2023 and 2024, following an increasing trend since 2021. This trend is not adjusted for any changes to the number of policies over time. An increase in the number of policies written, as can be seen in Part 1, would naturally lead to an increase in the number of claims. Windscreen claim numbers have decreased by 6%, the first decrease since 2020.

There have also been significant increases to the average cost of damage claims over this period, across all claim types. Table 15 and Figure 25 show the average cost of damage claims and the trend in these values, by claim type. The average cost of settled accidental damage, third party damage and fire and theft claims increased by 8%, 7% and 13% respectively in 2024 compared to 2023, while the average cost of windscreen claims increased by 5%. This follows similar large increases to average costs in 2023.

Table 15: Average cost of settling damage claims in the years 2015 to 2024, by claim type.

Settled Year	Accidental Damage (€)	Fire and Theft (€)	Third Party Damage (€)	Windscreen (€)	All Damage Claims (€)
2015	2,555	3,592	2,459	227	1,508
2016	2,864	3,839	2,579	228	1,488
2017	2,848	4,008	2,707	232	1,483
2018	3,165	4,011	2,821	235	1,543
2019	3,217	3,687	2,933	240	1,631
2020	3,465	3,386	3,191	252	1,679
2021	3,680	3,623	3,536	269	1,629
2022	4,314	4,350	3,934	288	2,064
2023	4,942	5,033	4,436	305	2,555
2024	5,350	5,668	4,765	319	3,024

Figure 25: Index of the average cost of settled damage claims by claim type, compared to 2015.



The combined effect of increases to both the number and average costs of damage claims is that the total cost of damage claims settled in 2024 was 154% or €256m higher than the 2015-2019 average. This is likely reflective of the high inflationary environment over this period and may also be influenced by an increased willingness of policyholders to make damage claims due to changes in the uptake of no claims discount protection, cost of living pressures and lower average premiums.

The increase in comprehensive policies in the market will also contribute to the increased number of accidental damage claims as these claims are only covered under comprehensive policies. Accidental damage claims account

for €143m of the €256m increase in total damage claim costs in 2024 compared to the 2015-2019 average.

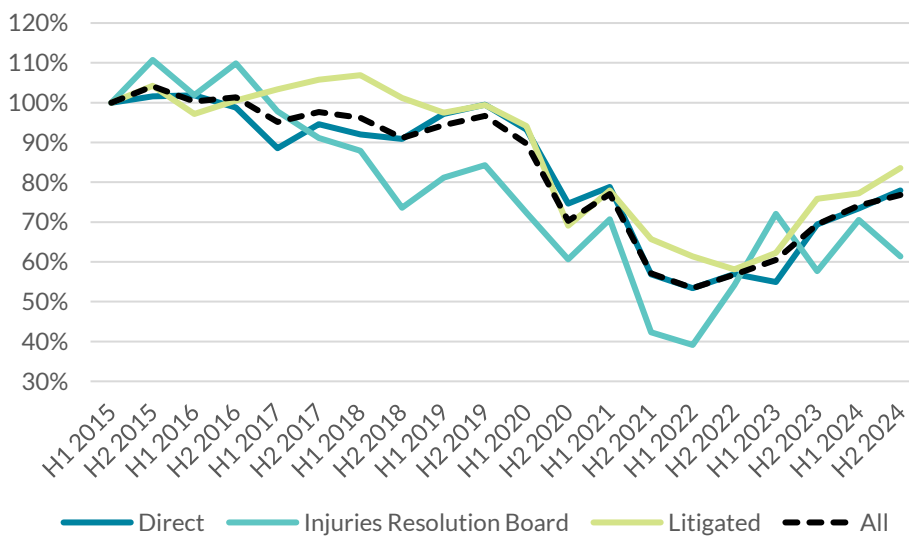
Injury Claims

Settlement Channels

From Table 11 it can be seen that the number and total cost of injury claims settled in 2024 are lower compared to 2015 to 2020. However, the number and total cost of injury claims settled in 2024 have increased by 16% and 22% respectively since 2023. The number and total costs of injury claims have increased 37% and 42% respectively since 2022, when injury claim volumes were at their lowest following the COVID-19 pandemic.

Figure 26 provides further insight on this, showing an index of the number of injury claims settled in each channel per half year period, relative to H1 2015. For context, the total number of injury claims settled through the Direct, Injuries Resolution Board and Litigation settlement channels in H2 2024 was 2,319, 681 and 1,671 claims respectively.

Figure 26: Index of the number of injury claims settled in each channel in each settlement period, compared to H1 2015.



Overall, the number of injury claims settled in H2 2024 was 23% lower than in H1 2015; there was a 16% decrease in the number settling through litigation, a 22% decrease in the number settling directly and a 39% decrease in the number settling through the Injuries Resolution Board.

Across all settlement channels, fewer claims settled in H1 2022 than in any other half year period in the time series. Between H1 2022 and H2 2024, there was a 46% increase in the number of claims settling directly, a 57%

increase in the number of claims settling through the Injuries Resolution Board and a 36% increase in the number of claims settling through litigation.

Similar to the comparison between injury and damage claims, it is important to note the different time taken to settle injury claims through these channels. In 2024, the average time taken to settle claims directly was 1.8 years, it was 2.7 years for claims settling through the Injuries Resolution Board and 5.0 years for claims settling through litigation.

Figure 27: The proportion of settled claimants and total cost of injury claims through each of the five settlement channels from 2019 to 2024.

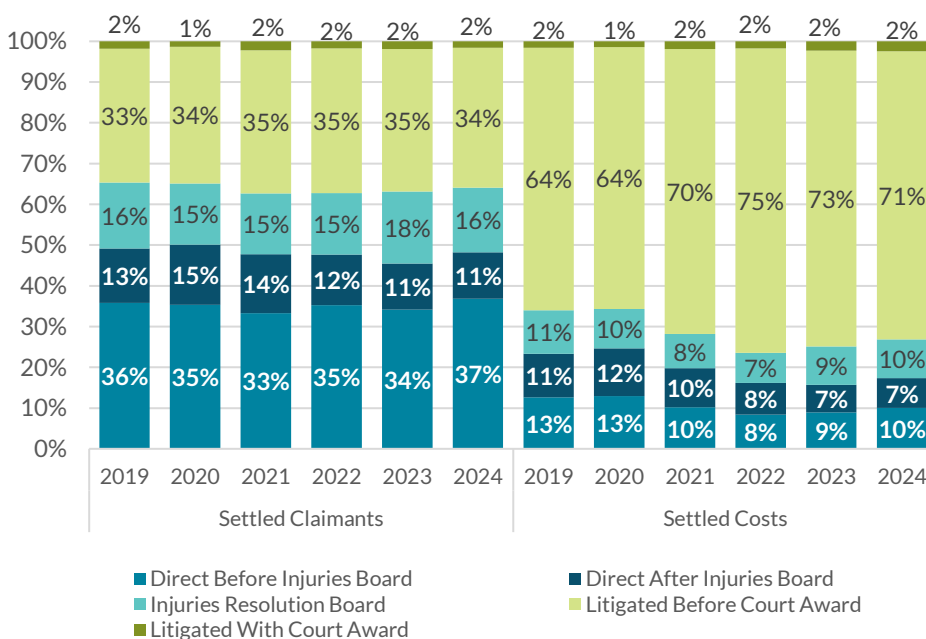


Figure 27 shows the proportion of settled injury claims and costs by settlement channel. This shows that the proportion of injury claims settled through the Injuries Resolution Board decreased from 18% in 2023 to 16% in 2024, while the proportion settling directly before the Injuries Resolution Board has increased from 34% to 37% in the same period.

Figure 27 also shows the proportion of settled costs by channel. Litigated injury claims make up a much larger proportion of costs than they do numbers as a result of larger claims tending to settle in this channel, and the higher associated legal costs.

Following a stable period for the proportion of litigated claim costs in 2019 and 2020, there was an increasing trend in 2021 and 2022, rising to 77% between the two litigated channels. Since 2022, there has been a decreasing trend in the litigated channels, sitting at 73% of claim costs in 2024. This is likely related to the introduction of the Personal Injuries Guidelines in April 2021.

Table 16: Average cost of settling injury claims in the years 2015 to 2024 for claims less than €100,000.

Year	Compensation €	Legal €	Other €	Total €
Direct				
2015-2019	13,742	1,349	569	15,660
2020	14,995	2,142	709	17,846
2021	13,658	2,232	682	16,572
2022	9,721	2,075	483	12,280
2023	9,901	2,054	712	12,668
2024	10,278	2,093	945	13,315
Injuries Resolution Board				
2015-2019	22,015	629	977	23,621
2020	21,593	730	954	23,277
2021	20,590	1,010	1,088	22,688
2022	15,572	755	1,227	17,553
2023	16,446	648	1,529	18,623
2024	18,791	820	1,847	21,458
Litigated				
2015-2019	24,053	15,320	874	40,247
2020	25,080	16,509	623	42,211
2021	24,460	16,224	639	41,323
2022	22,536	17,869	751	41,156
2023	20,380	18,167	829	39,377
2024	19,959	19,390	1,036	40,385
All Channels				
2015-2019	18,435	5,512	738	24,685
2020	19,037	6,176	722	25,936
2021	18,155	6,395	735	25,284
2022	14,722	6,839	690	22,250
2023	14,417	6,800	905	22,122
2024	14,739	7,327	1,123	23,190

Table 16 shows the average costs of settled injury claims by channel, for claims that settled for less than €100,000. The average cost is split into compensation paid to the claimant, legal fees and other costs (e.g., the cost of medical assessment).

Across the time series, 94% of claims across all channels settled for a total cost less than €100,000. This was 99% of claimants that settled directly or through the Injuries Resolution Board and 84% of claimants that settled through litigation.

Following an increasing trend in the average cost of claims settled directly, where it increased from €13,810 in 2015 to €17,846 in 2020, the average cost for claims less than €100,000 has decreased by 25% to €13,315 in 2024.

The average cost of claims less than €100,000 settling through the Injuries Resolution Board is down 8% in 2024 compared to 2020, while the average cost of these claims settling through litigation is down 4% compared to the 2020 figure.

It is important to note that the types of claims settled in each channel may change over time, particularly as a result of changes to the claims environment such as the introduction of the Personal Injuries Guidelines. For example, the Motor Liability Injuries Resolution Board report¹⁸ for 2024 shows that the proportion of moderate and serious and/or severe injuries assessed by the Injuries Resolution Board for Motor Liability awards has increased from 14% in 2022 to 20% of awards in 2024. This likely explains the increase in average claim cost for claims settled through the Injuries Resolution Board in 2023 and 2024, as seen in Table 16 and Table 17.

The average legal cost for litigated claims has increased over the period and was 27% higher in 2024 compared to the 2015-2019 average. For litigated claims that settled for less than €100,000 in 2024, legal costs made up 48% of the total claim cost (or 97% of the compensation cost) on average. This increase in legal costs has offset to some extent the 17% decrease in average compensation costs for litigated claims when comparing 2024 to the 2015-2019 average.

This compares with claims settled directly where legal costs were 16% of total cost and the Injuries Resolution Board where legal costs were 4% of total costs.

¹⁸ See appendix 1.

Table 17: Average cost of settling injury claims in the years 2015 to 2024, for all claims.

Year	Compensation €	Legal €	Other €	Total €
Direct				
2015-2019	14,458	1,495	585	16,537
2020	15,551	2,272	712	18,535
2021	14,484	2,370	712	17,565
2022	10,345	2,183	506	13,033
2023	10,339	2,087	732	13,158
2024	10,967	2,227	979	14,174
Injuries Resolution Board				
2015-2019	23,050	679	1,002	24,731
2020	23,120	760	1,013	24,893
2021	21,584	1,047	1,130	23,761
2022	16,515	752	1,309	18,576
2023	17,964	647	1,678	20,290
2024	21,150	851	2,042	24,042
Litigated				
2015-2019	45,527	23,365	1,502	70,394
2020	48,040	25,354	1,505	74,900
2021	56,622	27,113	1,831	85,565
2022	50,568	28,332	1,905	80,805
2023	47,484	29,445	2,010	78,939
2024	49,509	29,697	2,501	81,707
All Channels				
2015-2019	26,585	8,829	971	36,385
2020	27,591	9,782	1,024	38,397
2021	30,401	10,873	1,170	42,444
2022	25,628	11,279	1,128	38,035
2023	24,712	11,387	1,351	37,450
2024	26,084	11,625	1,681	39,390

Table 17 shows the average settled cost of injury claims for all claims. This will be influenced by settlements of large claims which are less consistent year on year. The main difference to Table 16 can be seen in the Litigated settlement channel as the majority of claims that settle for greater than €100,000 settle in this channel.

When including claims greater than €100,000, the average cost of Litigated claims was higher over 2021 to 2024 than in each year previous to this. Therefore, we do not see a reduction in the overall average settled cost of injury claims in 2024 compared to 2020 when including all claims rather than claims less than €100,000 only.

Table 18: The number and total cost of injury claims greater than €100,000 in the years 2015-2024.

Settled Year	Number	Total Cost (€m)	Average Cost (€)
2015-2019	666	155	233,369
2020	601	137	227,716
2021	531	153	289,044
2022	438	116	263,894
2023	484	132	272,277
2024	550	161	293,594

Table 18 provides information on the total cost of injury claims that were greater than €100,000, split by year. When comparing 2024 to the 2015 to 2019 average, the number of injury claims that were greater than €100,000 has decreased by 17%, while the total cost of these claims has increased by 4%. Claim numbers increased by 14% between 2023 and 2024 while claim costs increased by 23%. The average cost of large claims was 26% higher in 2024 than the 2015 to 2019 average.

Table 18 shows the scale of these large claims in comparison to the average claim costs shown in Table 16 (claims less than €100,000). It can be deduced that these claims will impact the averages greatly when included in any averages, such as that shown in Table 17 above.

As mentioned previously, legal costs are most significant for claims settled through litigation and have shown an upward trend in recent years. Legal costs made up 36% of total claim costs (or 60% of the compensation award) for all litigated claims in 2024.

Table 19 shows the average legal costs for claims settling via litigation, split between third party (claimant) legal costs and own (insurer) legal costs between 2019 and 2024. Third party legal costs increased by 16% from €17,664 in 2019 to €20,454 in 2024. Over the same period insurers own legal costs increased by 21% from €7,617 to €9,243.

Table 19: Average legal costs for claims settling via litigation across years 2019-2024.

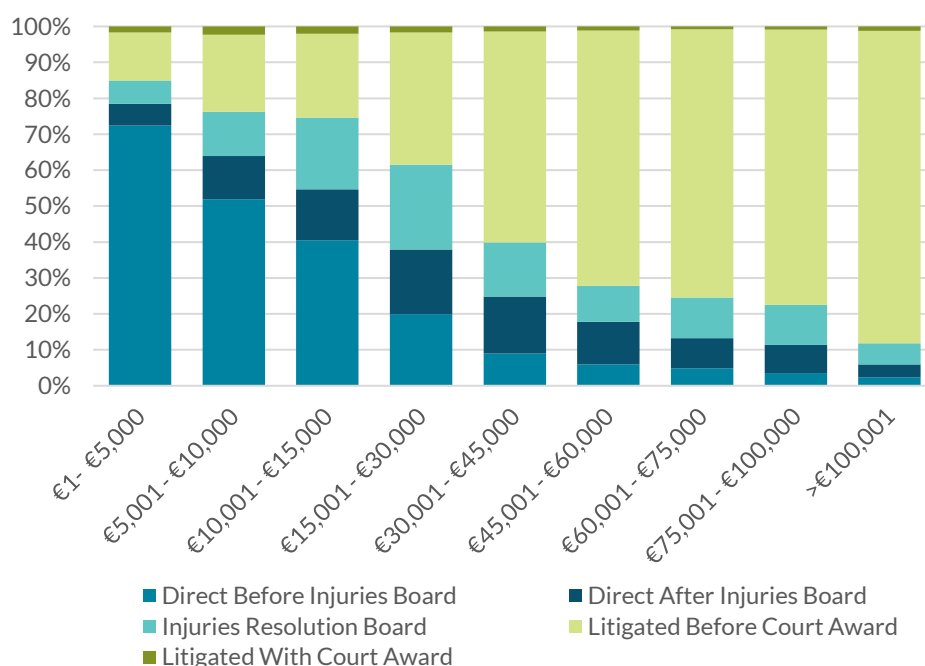
Legal Cost	2019	2020	2021	2022	2023	2024
Average Legal Own Costs (€)	7,617	7,600	8,331	8,695	9,386	9,243
Average Legal Third Party Costs (€)	17,664	17,754	18,781	19,637	20,059	20,454

Distribution of Injury Claims

Figure 28 provides the distribution of claimants across compensation cost bands between 2019 and 2024 combined, split between the five settlement channels. It can be seen that a high proportion of claims in the lowest compensation cost band are settled directly before the Injuries Resolution Board, which decreases as claim compensation amounts increase. The proportion of claimants that settled through the Injuries Resolution Board is at its highest at 24% of settlements in the €15,001 - €30,000 band.

The proportion of claimants that settled through litigation before a court award increased as claim settlement amounts increased, with more than 60% of claimants settling through this channel for each compensation cost band above €30,000. Claimants who settled through litigation with a court award accounted for between 1% and 2% of claimants in each band.

Figure 28: The proportion of injury claimants that settled in each channel, by compensation cost band in 2019 to 2024 collectively¹⁹.



¹⁹ Based on 94% of market coverage in 2024.

Duration of Injury Claims

Settlement duration in this report is the time lag between the accident being reported to the relevant insurer and the claim being settled by the insurer. These are calculated based on the quarters in which the claim is reported and settled.

Overall, 87% of all claimants (damage and injury claimants) have their claims settled within 12 months of the accident being reported, and 93% within 24 months of the accident being reported. However, certain claims, and in particular litigated injury claims, can take significantly longer to settle.

Table 20 shows the average number of years after the accident was reported to the insurer that claims were settled in years 2015 to 2024. Damage claims settled much faster than injury claims, with an average settlement duration after reporting of 0.4 years compared to 3.1 years on average for injury claims settled in 2024. Of the injury claims, those settled directly took the shortest time to settle, with an average duration of 1.8 years for claims settled in 2024. Injury claims that settled via the Injuries Resolution Board in 2024 had an average duration of 2.7 years, whilst those settled via litigation took the longest time to settle, with an average duration of 5.0 years. Settlement durations increased for injury claims over the period 2015 to 2024 in all settlement channels.

Table 20: The average time (years) between claims being reported to the insurer and claims being settled between 2015 and 2024 by channel.

Channel	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	All Years
Injury Claims											
Direct	1.1	1.3	1.3	1.3	1.4	1.6	1.7	1.8	1.9	1.8	1.5
Injuries Board	1.8	1.8	2.0	2.0	2.1	2.3	2.6	2.7	2.7	2.7	2.2
Litigated	3.6	3.7	3.8	3.8	4.0	4.1	4.5	4.8	5.1	5.0	4.2
All Claims											
Injury	2.1	2.2	2.3	2.3	2.4	2.5	2.8	3.0	3.2	3.1	2.5
Damage	0.3	0.3	0.3	0.3	0.3	0.4	0.3	0.3	0.4	0.4	0.4

Table 21 shows the average number of years after the accident was reported that claims were settled in years 2019 to 2024 for the 5-way settlement channel split. As can be seen across all years, claims settled directly before the Injuries Resolution Board had the shortest settlement duration. This was 1.4 years in 2024. Claims settled directly after the Injuries Resolution Board in 2024 had a slightly longer settlement duration (3.1 years) compared to those that were settled through the Injuries

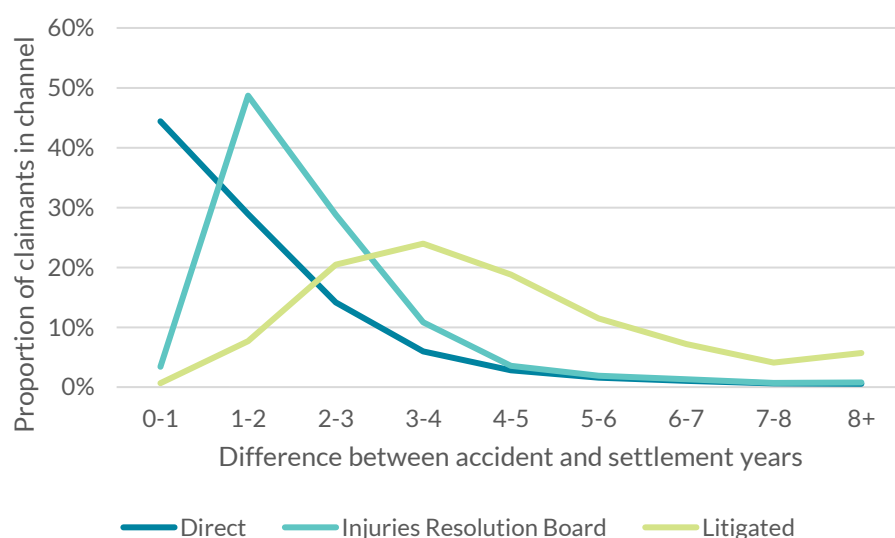
Resolution Board (2.7 years). On average, claims settled through litigation before a court award in 2024 had a slightly shorter duration of 5.0 years compared to claims settled with a court award at 5.2 years.

Table 21: The average time (years) between injury claims being reported to the insurer and claims being settled between 2019 and 2024 by channel.

Settlement Channel	2019	2020	2021	2022	2023	2024	All
Direct before Injuries Board	1.1	1.2	1.3	1.3	1.5	1.4	1.3
Direct after Injuries Board	2.2	2.4	2.5	3.0	3.2	3.1	2.6
Injuries Board	2.1	2.3	2.6	2.6	2.7	2.7	2.5
Litigated before Court Award	3.9	4.1	4.4	4.7	5.0	5.0	4.5
Litigated with Court Award	3.7	3.8	4.4	4.8	5.2	5.2	4.5

Figure 29 shows the distribution of injury claimants in each of the settlement channels across different reported to settlement durations. 73% of claimants who settled directly and 52% of claimants who settled through the Injuries Resolution Board had their claim settled within two years of the accident being reported. However, only 9% of claimants who settled through litigation had their claim settled by this time.

Figure 29: Distribution of injury claimants by duration of settlement process, for injury claims settled between 2015 and 2024.



Litigated claims also have a greater spread of settlement durations. Although 29% of claimants who settled through litigation had their claim settled in the first three years after the accident was reported, 17% of claimants took six or more years to have their claim settled.

It is also worth noting that over this time period, 92% of claims settled through the Injuries Resolution Board settle between 1 and 4 years. 93% of claims settled directly are settled within 4 years also.

PART 5 – Personal Injuries Guidelines

Claim settlement data was collected identifying claims that settled with reference to the Personal Injuries Guidelines following their introduction in April 2021.

Key Findings

Across all channels, 78% of claims settled in 2024 settled under the Personal Injuries Guidelines, including 57% of litigated claims.

The average cost of claims that settled under the Guidelines in 2024 were:

- 33% lower for claims that settled directly before the Injuries Resolution Board
- 8% lower for claims settling through Injuries Resolution Board and
- 26% lower for claims settling directly after the Injuries Resolution Board.

when compared to claims that settled in the same channel under the Book of Quantum in 2020.

Claims that settled via litigation for less than €100,000 compensation in the last 5 years under the Guidelines have been compared to similar claims settled under the Book of Quantum. The average compensation cost was 25% lower under the Guidelines, while the average total cost was 10% lower. Claims settled via litigation represent the largest proportion of the total injury claims cost.

Background

Grouping of Claims

Similar to Part 4, claims discussed in this section have been collected on a settlement year basis i.e., the settlement year refers to the year in which the final payment is made in respect of a claim. Claims settled in a particular settlement year may be in respect of accidents that happened in prior years.

Background to the Guidelines

The Personal Injuries Guidelines were adopted by the Judicial Council on the 6th of March 2021 and implemented with effect from the 24th of April 2021. They provide the basis for determining compensation awards. Additional background to the Personal Injuries Guidelines can be obtained in the appendices.

Important Points to Note

Given the relative recency of the introduction of the Personal Injuries Guidelines, there are limitations to the insight that can be derived from the data as at 2024 which should be considered when looking at the results.

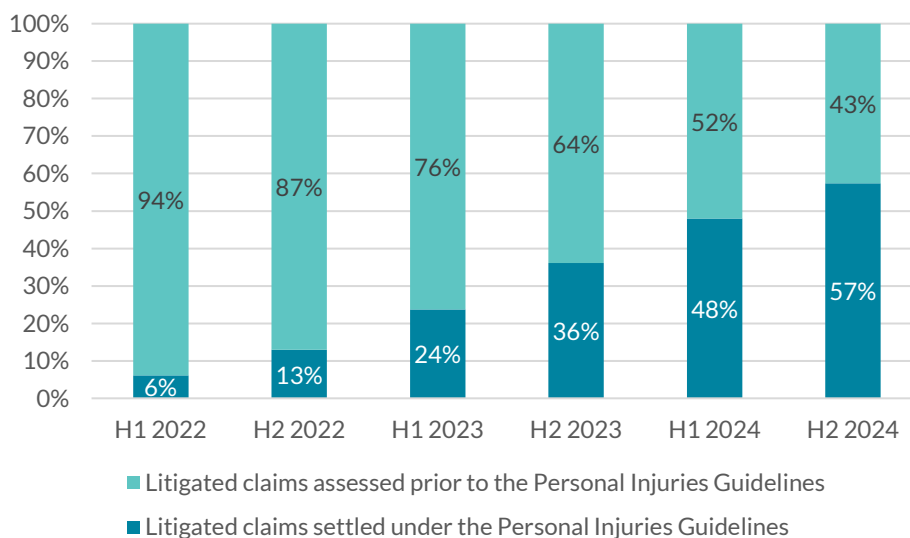
- (1) A comparison is provided for the cohort of litigated claims that took less than 5 years to settle. There is an insufficient number of claims settled through litigation under the Guidelines to provide a consistent comparison against all litigated claim settlements prior to the Guidelines.
- (2) The current sample of claims that settled under the Guidelines in 2021 to 2024 is biased towards claims that took less time to settle, which may be an indication of less severe or less complex cases.
- (3) A high proportion of injury claims that have occurred since the introduction of the Guidelines may not have been settled by 2024, and so will not yet feature in this data

Settlements under the Guidelines

The average time to settle injury claims varies significantly by settlement channel, as seen in Figure 30. It may take many years for injury claims to settle and therefore many of the claims that have been assessed under the Guidelines may not have settled by 2024, and so will not yet feature in this data. It will take some time for insight on the impact of the Guidelines to be fully available.

For claims settled directly with insurers or via the Injuries Resolution Board, where claims settle faster compared to litigation, virtually all settled claims in 2024 had awards set using the Guidelines. As can be seen from Figure 30, the proportion of litigated claims settling under the Guidelines has been increasing since their introduction, from 13% of claims in H2 2022 to 57% in H2 2024.

Figure 30: Proportion of litigated injury claimants settled over 2022-2024 under the Personal Injuries Guidelines and the Book of Quantum, i.e., assessed prior to the Guidelines.



Impact of the Guidelines on average claim costs

To assess the impact of the Guidelines, the average cost of claims settled under the Personal Injuries Guidelines is compared to the average cost of claims settled under the Book of Quantum in 2020, prior to the introduction of the Guidelines.

As the Guidelines apply to claims reported after April 2021, the average claim that settled under the Guidelines between 2021 and 2024 is likely biased towards claims that are less complex or severe when compared to the average across all claims that settled in 2020. Claims that take less time

to settle would generally be expected have lower average awards compared to claims that take longer to settle.

For this reason, the average settlement time has been used as a proxy to determine how reasonable it is to compare the average settled costs of claims settled under the Guidelines against all claims settled under the Book of Quantum in 2020. The time taken to settle claims has increased across all channels since 2020, therefore the average time taken to settle all claims is also shown for 2024.

Table 22: The average time (years) between a claim being reported to the insurer and settled, for all claims settled in 2020 and 2024 and for claims settled under the Personal Injuries Guidelines only in 2021-2024.

Settlement Channel	All Claims		Claims Settled under Personal Injuries Guidelines			
	2020	2024	2021	2022	2023	2024
Direct before Injuries Board	1.1	1.4	0.7	0.8	1.0	1.1
Injuries Board	2.1	2.7	2.0	2.1	2.2	2.3
Direct after Injuries Board	2.3	3.0	1.5	2.1	2.4	2.4
Litigated before and with Court Award	4.0	4.9	1.5	2.5	3.2	3.5

Table 22 shows that for claims settling under the Guidelines in 2021, the average settlement time was lower than for claims settling in 2020. As a higher proportion of claims have settled under the Guidelines in 2022 to 2024, the average settlement time has trended back towards the 2020 and 2024 averages across all claims. By 2024, the average settlement time for claims settled directly or through the Injuries Resolution Board is similar to those settled under the Book of Quantum in 2020. This suggests that the comparison may be reasonable for these channels.

The average settlement time for litigated claims that have settled under the Guidelines is still lower than the average for litigated claims settled in 2020 and is much lower than the average for all claims settled via litigation in 2024. This would suggest that the sample of litigated claims settling under the Guidelines is biased towards claims that took less time to settle and are possibly less severe.

Table 23: Comparison of the average cost of claims settled under the Personal Injuries Guidelines in 2021-2024 and those settled under the Book of Quantum in 2020.

Settlement channel	Settled under Book of Quantum	Settled under Personal Injuries Guidelines					% Difference 2024 vs 2020
	2020	2021	2022	2023	2024		
Direct before Injuries Board	13,920	7,481	7,417	8,649	9,283	-33%	
Injuries Resolution Board	24,892	17,461	17,098	19,485	23,010	-8%	
Direct after Injuries Board	30,655	16,637	18,259	18,898	22,735	-26%	

Table 23 provides a comparison of the average cost of claims that settled through the Direct before Injuries Board, the Injuries Resolution Board, and the direct after Injuries Resolution Board settlement channels under the Personal Injuries Guidelines from 2021 to 2024 against those that settled in 2020 with reference to the Book of Quantum.

While the average time taken to settle claims is similar, there may still be differences between the claims settled under the Book of Quantum in 2020 and those settled under the Personal Injuries Guidelines in 2024. As such, the comparison shown in Table 23 provides an indication of the impact of the Guidelines only.

The average cost of settled claims was 33% lower for claims that settled directly before the Injuries Resolution Board, 26% lower for claims settling directly after the Injuries Resolution Board and 8% lower for claims settling via the Injuries Resolution Board under the Personal Injuries Guidelines in 2024 compared to claims settled under the Book of Quantum in 2020.

It will take time for the full effect of the Personal Injuries Guidelines to be seen in the Litigated settlement channel which account for 71% of all injury costs in 2024. This is due to the long duration between the accident being reported and the settling of a claim (5.0 years on average for claims settled in 2024).

As highlighted in Part 4, the change in the mix of claims settling under the Guidelines is likely to impact the average claim costs.

It is important to note decreases in the average compensation costs for the 84% of claimants whose claims settled for less than €100K in the litigated channel as shown in Table 16.

Figure 31: Average total claim cost for litigated claims with compensation less than €100,000, by time taken to settle.

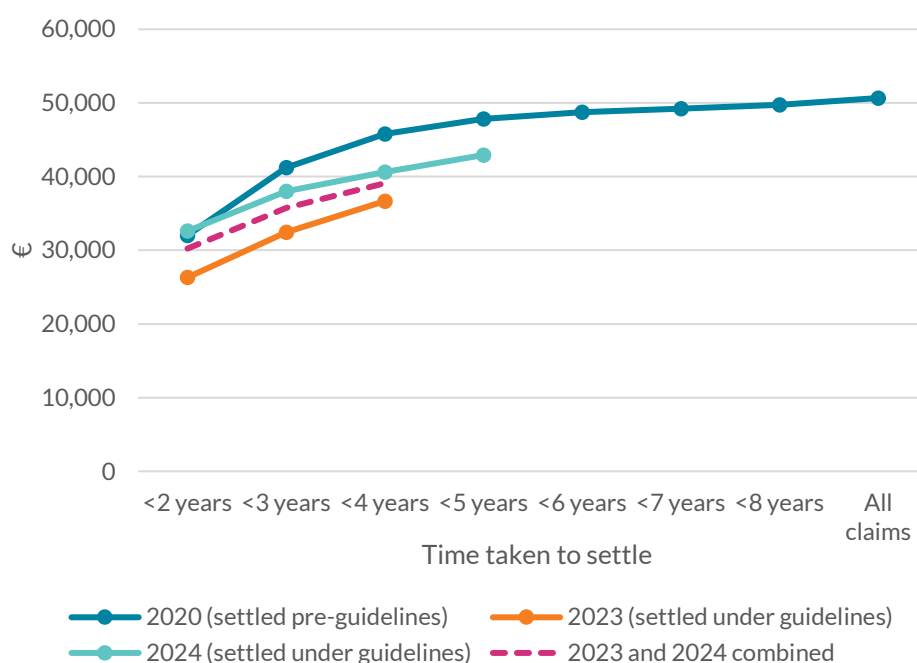


Figure 31 shows for litigated claims settled in 2020 that the average cost of claims increases as the time taken to settle those claims increases. For claims settled under the Personal Injuries Guidelines in 2023 and 2024, the average claim cost shows a similar pattern.

Claims with compensation costs greater than €100,000 have been excluded from this analysis in order to reduce distortion caused by a small number of large claims. Between 2020 and 2024, 93% of all litigated claims had compensation costs less than €100,000.

Table 24: Comparison of the average total cost and compensation cost of litigated claims settled under the Personal Injuries Guidelines and those settled under the Book of Quantum in 2020, for claims that settled with less than €100,000 compensation cost and within 4 or 5 years from reporting

Litigated Claims	Settled under Book of Quantum in 2020		Settled under Personal Injuries Guidelines in 2023 and 2024		Difference (%)	
	<4 years	<5 years	<4 years	<5 years	<4 years	<5 years
Average Total Cost (€)	45,780	47,842	39,101	42,931	-15%	-10%
Average Compensation Cost (€)	28,303	29,223	20,211	21,955	-29%	-25%

Table 24 shows a comparison of the average costs of these litigated claims for claims settled within 4 or 5 years of being reported. For claims settled through litigation and under the Personal Injuries Guidelines in 2024, the average compensation cost was 25% lower than for claims settled in 2020 within the same timeframe.

However, as shown in Table 16 and Table 17, legal and other costs also contribute a significant proportion to the total cost of a litigated claim and these will not be directly impacted by the Guidelines. Therefore, the reduction in the average total cost of a litigated claim in 2024 is smaller at 10% when compared to claims settled in 2020.

It is also important to note that this reduction would be expected to be smaller if large claims were included in the analysis. This is because compensation for general damages, which are the component impacted by the Guidelines, generally make up a smaller proportion of the total claim cost for larger claims.

The comparison provided here assumes that for similar claims, the time taken to settle a claim through litigation has not changed between 2020 and 2024. Given that the overall average time taken to settle a claim has increased, as shown in Table 21, this may still not be a consistent comparison.

PART 6 – Claim Development and Large Claims

Data on the development of claims was collected for accident years 2010-2024. This data forms the basis for insurers' estimates of claim numbers and costs, as discussed in Part 2. As new data emerges, estimates are updated. Part 6 discusses how estimates of ultimate claim costs have changed from 2018 to 2024. It also provides insight into the underlying claims development patterns.

Key Insights and Findings

In 2024, insurers' best estimate of total gross claims cost reduced by approximately €59m across accident years 2010 to 2023. This made a significant contribution to the industry's profit as reported in Part 3.

As at 31 December 2024, 2% of the expected ultimate injury claim costs for accident year 2024 are paid, 47% are claim reserve estimates and 51% are estimates of the cost for claims that have not yet been reported or have been under-reported.

As at 31 December 2024, 74% of the expected ultimate damage claim costs for accident year 2024 are paid, 18% are claim reserve estimates and 8% are estimates of the cost for claims that have not yet been reported or have been under-reported.

Premium and Claims Cost by Reporting Year²⁰

The trends in claims costs shown in Part 2 of this report are based on estimates of ultimate claim cost²¹ for each accident year, calculated as at 31 December 2024. Not all of these claims will be paid yet. Some claims, injury claims in particular, can take many years to be fully paid.

In order to calculate the ultimate claim costs for a particular accident year, insurers estimate the cost of claims that have not yet been paid. This is added to the paid claims to give an ultimate claim cost, which represents the insurers' best estimate of total claims cost for a given accident year.

The ultimate claim cost is recalculated regularly, based on the most up-to-date information available. The more time that has passed since the accident year, the more certain the ultimate claim cost. For more recent accident years, the ultimate cost is more reliant on estimates and there is greater uncertainty.

Figure 32: Comparison of the average cost of claims per policy across accident years 2010-2024 as at 31 December 2018-2024.

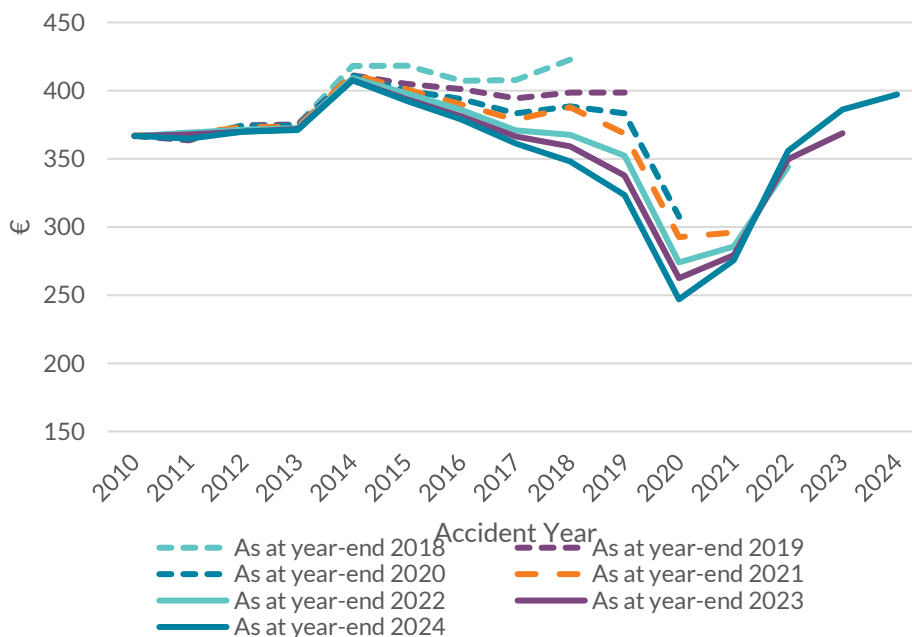


Figure 32 compares the average claims cost per policy using ultimate claim costs calculated at each year-end from 2018 to 2024. Insurers' estimates of the average cost per policy decreased between year-end 2023 and year-end 2024 for the years 2013 to 2021, while the average cost per policy

²⁰This section is based on 94% market coverage to provide a consistent comparison against the ultimate claim cost reported for previous NCID Private Motor Insurance Reports.

²¹See appendix for 'Key Concepts' link for an explanation of these terms.

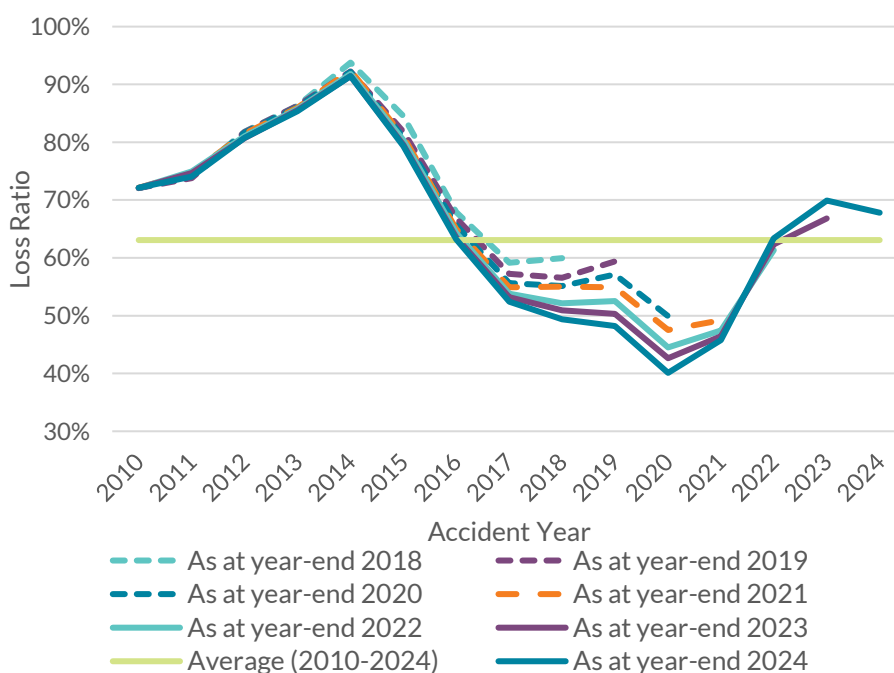
increased in 2022 (2%) and 2023 (5%). The reductions were most pronounced for the 2019 (-4%) and 2020 (-6%) years.

Over the last four years, the estimated average cost per policy for the 2020 accident year has reduced by 20% from €307 at year-end 2020 to €247 at year-end 2024. The estimated average cost per policy for the 2018 and 2019 accident years has decreased 18% and 19% respectively also.

The estimated average cost per policy has reduced over time for the 2015 to 2021 accident years, but more recently there has been a trend of increasing estimated average costs for 2022 and 2023. It is important to reiterate that estimates are most uncertain for these years and they may still be revised downwards in future years. Figure 33 shows the impact of the change in ultimate claim costs on the loss ratio, as first discussed in Part 2. The loss ratios for accident years 2018 to 2021 have all reduced by between 0% and 3% from year-end 2023 to year-end 2024, while for the 2022 and 2023 accident years, the loss ratios have increased by 1% and 3% respectively.

The decreases were most pronounced for the 2019 and 2020 accident years whose loss ratios reduced from 50% to 48% and from 43% to 40% respectively. The loss ratio for the 2022 accident year increased from 62% at year-end 2023 to 63% at year-end 2024, while the 2023 accident year increased from 67% to 70% over the same period.

Figure 33: The ratio of ultimate claim costs to premiums (loss ratio) as at 31 December 2018-2024 for accident years 2010-2024.

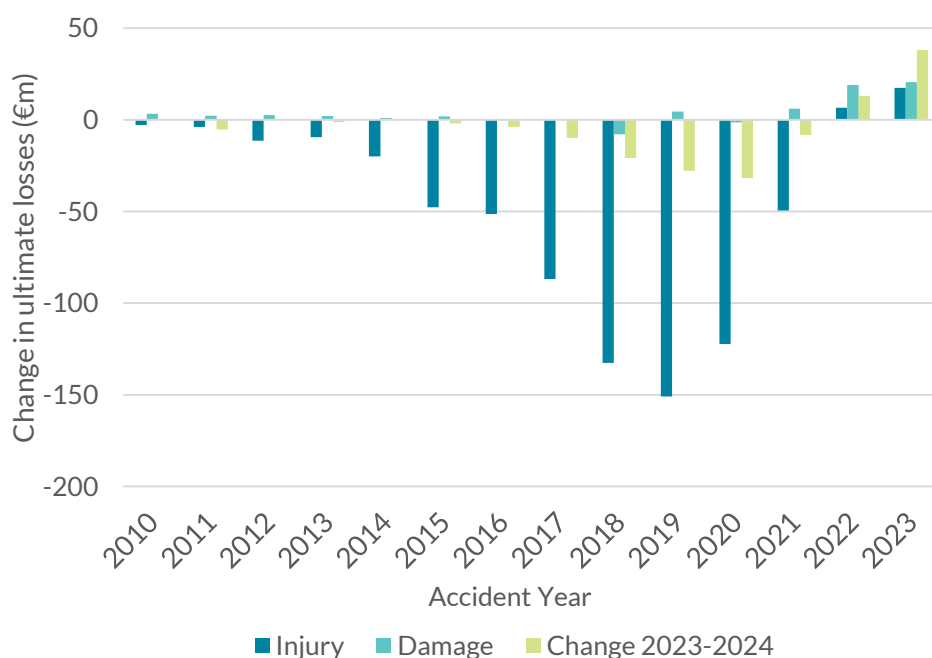


Between year-end 2018 and year-end 2024 there has been a reduction in the estimated ultimate claim cost on accident years between 2013 and 2021, and an increase in estimated costs for the 2022 and 2023 accident years.

For the 2010 to 2023 accident years combined, there has been an overall reduction of €610m in ultimate claim cost estimates, as insurers have, on average, revised down their estimates of the total cost of settling claims. This is a reduction of 6% compared to initial estimates of ultimate claim costs for these accident years.

Figure 34 shows how this change in the estimated ultimate claim cost can be broken down between each accident year and between injury and damage claims. As can be seen, the reduction in estimated ultimate losses for accident years 2015-2021 has been driven by injury claims. Insurers estimate that the ultimate cost of settling these injury claims will be lower than originally expected. The increase in the estimate of ultimate losses for the 2022 and 2023 accident year were driven by both injury and damage claims.

Figure 34: The change in ultimate loss estimates between 31 December 2018 and 31 December 2024 split between injury and damage, and the change between 2023 and 2024 only, for accident years 2010-2023



Between year-end 2023 and year-end 2024, the estimated gross ultimate claim cost for all accident years reduced by €59m in total. This made a significant contribution to the 2024 financial year profit noted in Part 3.

Table 26: Incurred claims as a percent of ultimate injury claim costs for each accident year across development years.

Accident Year	Development Year														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2010	59%	80%	94%	99%	101%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011	56%	76%	88%	95%	98%	98%	98%	98%	97%	98%	100%	100%	100%	100%	
2012	59%	82%	95%	101%	103%	101%	101%	101%	101%	101%	100%	100%	100%		
2013	62%	85%	97%	102%	101%	100%	101%	100%	100%	100%	100%	100%			
2014	59%	82%	98%	101%	102%	100%	100%	100%	100%	100%	100%				
2015	62%	86%	100%	105%	102%	101%	101%	100%	100%	100%					
2016	63%	85%	100%	103%	101%	101%	100%	100%	99%						
2017	64%	89%	101%	101%	99%	99%	99%	98%							
2018	68%	89%	99%	100%	97%	97%	96%								
2019	72%	90%	91%	91%	91%	91%									
2020	65%	71%	79%	82%	85%										
2021	51%	60%	75%	85%											
2022	54%	68%	82%												
2023	51%	66%													
2024	49%														

Table 27: Paid claims as a percent of ultimate damage claim costs for each accident year across development years.

Accident Year	Development Year														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2010	81%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011	83%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
2012	84%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
2013	82%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%			
2014	83%	99%	100%	100%	100%	100%	100%	100%	100%	100%	100%				
2015	82%	99%	100%	100%	100%	100%	100%	100%	101%	101%					
2016	83%	99%	100%	100%	101%	101%	101%	101%	101%						
2017	81%	99%	100%	101%	101%	101%	101%	101%							
2018	81%	99%	100%	100%	100%	101%	101%								
2019	78%	97%	99%	99%	100%	101%									
2020	80%	99%	99%	100%	100%										
2021	74%	98%	100%	100%											
2022	72%	98%	99%												
2023	74%	97%													
2024	74%														

It can be seen from Table 25 and Table 26 that paid and incurred development patterns for injury claims appear to have slowed between

2010 and 2023. Claims for more recent accident years are less developed than older accident years were at the same development year. This is particularly pronounced for the 2021, 2022 and 2023 accident years.

It should be noted here that the ultimate claim costs for more recent accident years are uncertain and that the percentages shown above may change if the expected ultimate claim costs were revised upwards or downwards in future.

Table 27 and Table 28 show the proportion of ultimate damage claims cost that are paid and incurred for each accident year across development years. From these, it can be easily seen that development patterns are significantly faster for damage claims compared to injury claims reflecting the much shorter claims settlement times. Consequently, there is greater certainty on the ultimate cost of damage claims.

Table 28: Incurred claims as a percent of ultimate damage claim costs for each accident year across development years.

Accident Year	Development Year														
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
2010	104%	103%	101%	101%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
2011	105%	103%	101%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	
2012	104%	102%	101%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%		
2013	102%	102%	101%	101%	100%	100%	100%	100%	100%	100%	100%	100%			
2014	102%	101%	101%	100%	100%	100%	100%	100%	100%	100%	100%				
2015	100%	102%	101%	101%	100%	100%	100%	100%	100%	100%					
2016	102%	102%	101%	101%	100%	100%	100%	100%	100%						
2017	101%	102%	101%	101%	100%	100%	100%	100%							
2018	101%	102%	101%	101%	101%	100%	100%								
2019	98%	101%	100%	100%	100%	100%									
2020	97%	101%	101%	100%	100%										
2021	95%	101%	101%	101%											
2022	92%	101%	101%												
2023	92%	101%													
2024	92%														

Large Claims²²

In Part 2, injury claim costs and frequency were analysed using the ultimate claim costs and numbers. However, additional insight can be gained by splitting injury claims into two categories based on their size and analysing their trends separately. In this report, we have defined large injury claims as

²² This section is based on 94% market coverage based on 2024 gross earned premium.

those having a value greater than €250,000, with all other injury claims less than or equal to €250,000 being grouped together as attritional claims.

The number of large claims that occur in a given year and the overall cost of those claims can be volatile and difficult to predict. As a result of their size, the total ultimate claim cost in a given year can be significantly impacted by unusually high or low large claims experience in that year.

Figure 35: Ultimate claim costs per policy for third party injury claims split between claims for less than or equal to €250k and claims for greater than €250k for accident years 2010 to 2024.

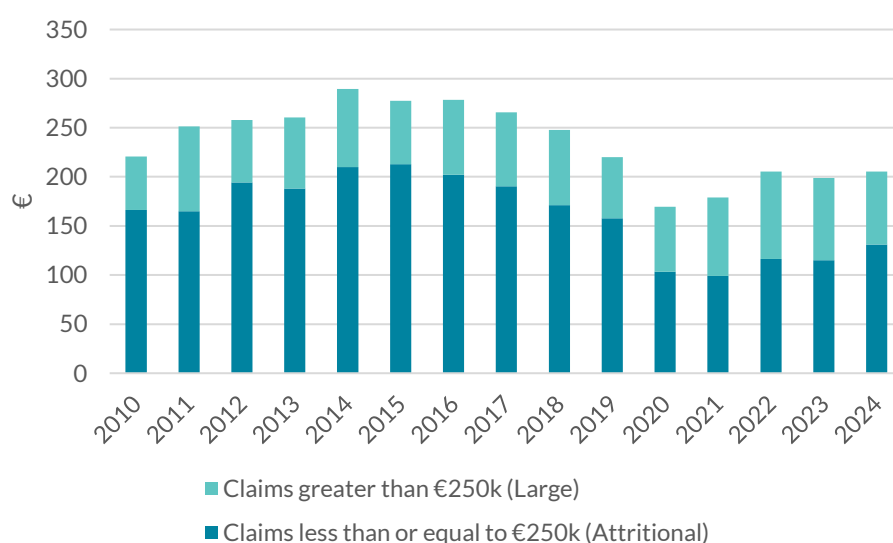


Figure 35 shows that, from 2010 to 2024, the ultimate claim cost per policy for attritional injury claims has averaged €162. This reduced from a peak of €213 in 2015 before decreasing to €99 in 2021. Since 2022, the ultimate claim cost per policy for attritional injury claims has increased to €131 in 2024.

The ultimate claim cost per policy for large injury claims has averaged €74 over 2010 to 2024. The ultimate claim cost per policy for large claims was higher in recent years with the maximum being €89 in 2022. The ultimate claim cost per policy was €205 in 2024, with attritional and large claims accounting for €131 and €74 of the total respectively. However, the estimate of ultimate costs for large claims will be very uncertain for recent years.

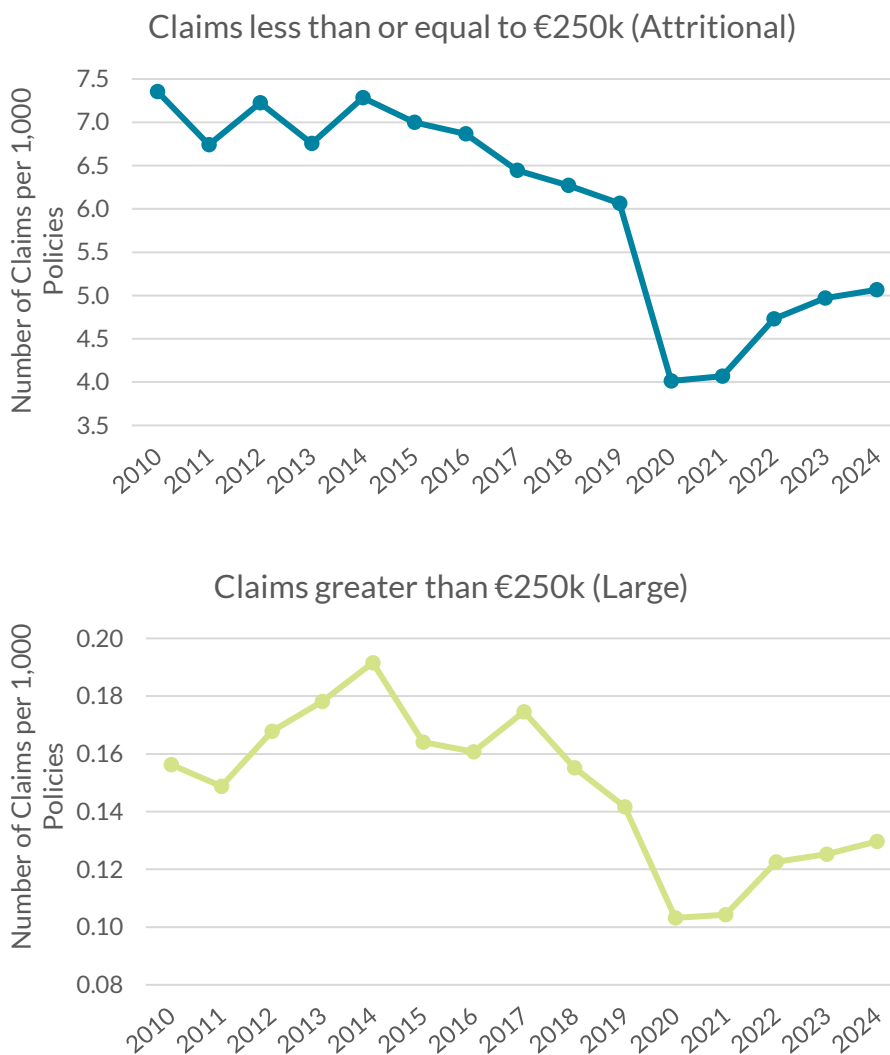
The proportion of the ultimate claim cost per policy relating to large claims has been higher in recent years. It was greater than 40% over the years 2021 to 2023, and 36% in 2024.

The ultimate cost of large claims as a percentage of total injury claims cost was relatively stable between 2010 and 2019, at an average of 28%. This

increased to an average of 41% of total injury claim costs between 2020 and 2024.

It can be seen in Figure 36 that the frequency of large injury claims is low compared to attritional injury claims and the other claim types shown in Part 2. Across all years 2010 to 2024 there were 6.21 injury claims per 1,000 policies, of which 0.15 were large claims and 6.06 were attritional claims.

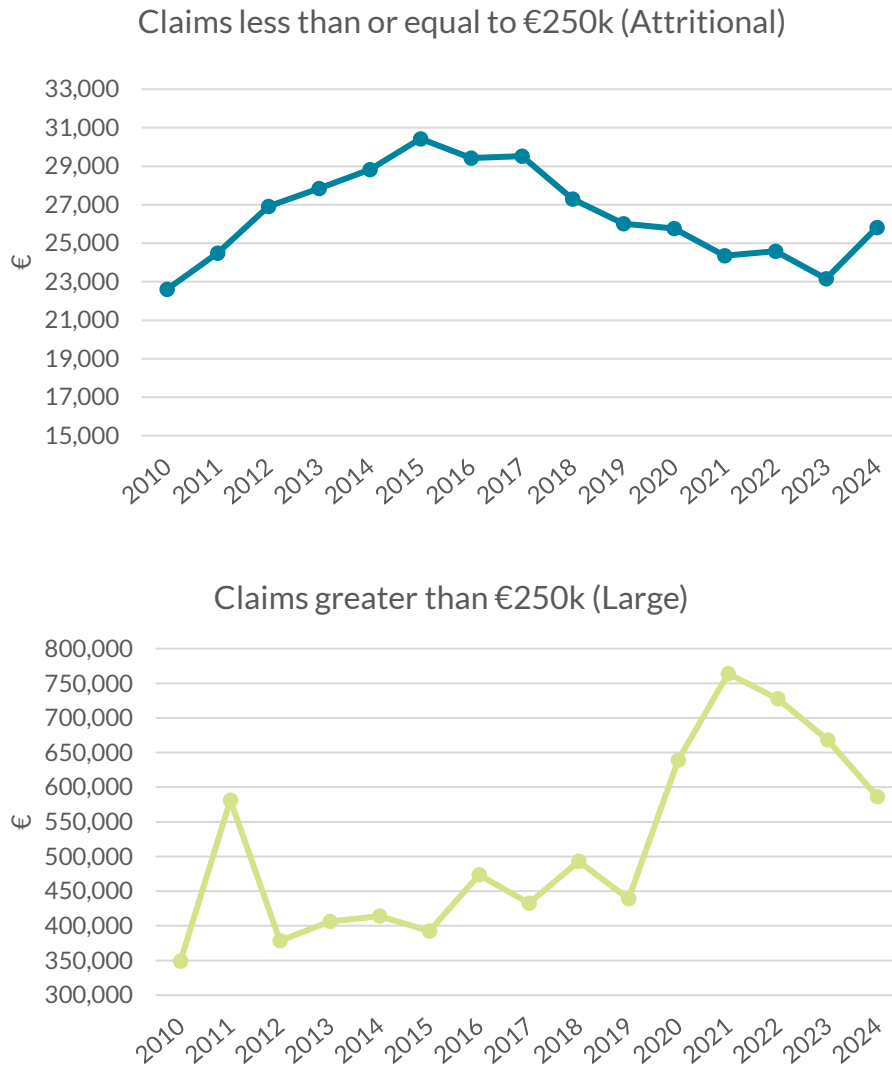
Figure 36: Number of attritional and large injury claims per 1,000 policies for accident years 2010-2024.



The frequency of attritional claims decreased from 7.3 in 2014 to 6.1 claims per 1,000 policies in 2019. There was a significant further reduction in attritional claims frequency in 2020 to 4.0 claims per 1,000 policies owing to COVID-19 related restrictions. This has increased to 5.1 claims per 1,000 policies for the 2024 accident year but remains significantly below pre-COVID frequency levels.

From 2010 to 2017, the frequency of large injury claims was between 0.15 and 0.19 claims per 1,000 policies. This steadily decreased from 0.17 in 2017 to 0.10 in 2020 before increasing to 0.13 claims per 1,000 policies in 2024.

Figure 37: Average cost per claim for attritional and large injury claims for accident years 2010-2024.



The average cost per claim for attritional injury claims increased by 35% from €22,604 in 2010 to €30,430 in 2015. It then remained stable from 2015 to 2017 before decreasing by 15% from €27,299 in 2018 to €23,148 in 2023. The average cost per claim then increased by 12% to €25,817 in 2024. The decrease in average claim cost for attritional injury claims since 2020 is likely driven by the introduction of the Personal Injuries Guidelines in April 2021.

The average cost per claim for large injury claims has been volatile over the period 2010-2024. This is to be expected due to the low numbers of large claims and the wide range of claim amounts. The size of individual large

claims in any given year may have a significant impact on the yearly average. Overall, Figure 37 shows an increase in the average cost per large claim in recent years whereby the average cost per claim over 2020 to 2024 was 55% higher at approximately €677,000 compared to an average of €436,000 between the 2010 and 2019 accident years.

Appendix 1 – Supporting Documentation

Background to NCID reports:

- [https://www.centralbank.ie/statistics/data-and-analysis/national-claims-information-database/background-to-the-national-claims-information-database-\(ncid\)](https://www.centralbank.ie/statistics/data-and-analysis/national-claims-information-database/background-to-the-national-claims-information-database-(ncid))

CSO Consumer Price Index December 2024:

- <https://www.cso.ie/en/releasesandpublications/ep/p-cpi/consumerpriceindexdecember2024/>

Key Concepts:

- [https://www.centralbank.ie/statistics/data-and-analysis/national-claims-information-database/key-terms---national-claims-information-database-\(ncid\)](https://www.centralbank.ie/statistics/data-and-analysis/national-claims-information-database/key-terms---national-claims-information-database-(ncid))

Injuries Resolution Board report: Motor Liability Personal Injury Claims & Awards Report 2019-2024:

- <https://www.injuries.ie/eng/about-injuries-resolution-board/reports/motor-liability-personal-injury-claims-awards-2019-2024.pdf>

Appendix 2 – Recent Changes to Income and Expenditure Data

IFRS 17

A new accounting standard for insurance contracts, IFRS 17, became effective on 1 January 2023, replacing IFRS 4. This led to a change in the accounting basis used by some insurers in producing their Income and Expenditure data, starting with the 2023 financial year.

For the most part, this has not had a significant impact on how the aggregate operating profit is calculated for 2023 and 2024 compared to previous financial years.

However, the more material changes include:

- The basis for Claims Incurred has changed for some insurers as a result of a risk adjustment and discounting for the time value of money under IFRS 17.
- Within this report, an explicit IFRS 17 adjustment has been included to capture changes which don't naturally fall under headings included in the breakdown of income and expenditure. This includes the impact of differing treatment of reinsurance, Net Insurance Finance Expenses and Other Expenses captured under IFRS 17.

Reserve Movements

The NCID data specification was enhanced in 2023 to separate Claims Incurred as reported in the income and expenditure data into claims incurred relating to the current year and claims incurred relating to prior years.

Claims incurred relating to the current year is the expected cost of claims for the current accident year. This is similar to the ultimate claim costs as described in Part 2, with some differences in accounting.

Claims incurred relating to prior years reflects changes to insurer's estimates of the expected cost of claims for years prior to the current accident year. Therefore it describes increases or decreases to reserves for prior years that were made during the financial year. This occurs as insurer's update their estimates of claims cost as more information becomes available and more claims are settled. Reserve movements can be significant and contribute to profit or loss for the financial year in which they occur. More detail is provided in the Reserve Movements section.

Appendix 3 – Personal Injuries Guidelines

The Personal Injuries Guidelines were adopted by the Judicial Council on the 6th of March 2021 and implemented with effect from the 24th of April 2021.

The Guidelines set out the level of general damages that may be awarded in respect of varying types of personal injuries. They apply to new claims reported after the 24th of April 2021, or where claims were already reported, the Guidelines apply to claims where the Injuries Resolution Board had not made an assessment of damages, or where legal proceedings had not been commenced before the 24th of April 2021.

Prior to this date, claims were assessed with reference to the Book of Quantum. This provided data on the range of compensation payments for an assortment of injuries, based on actual figures from court cases, insurance company settlements, State Claims Agency cases and the Injuries Resolution Board data.

In 2021 and 2022, some claims were settled under the Personal Injuries Guidelines and some with reference to the Book of Quantum which was in force before the Personal Injuries Guidelines. A particular injury assessed under the Personal Injuries Guidelines may be awarded a different compensation amount than if it was assessed using the Book of Quantum.

It is worth noting that claims that settle outside of the Injuries Resolution Board or Litigated with Court Award settlement channels are settled after negotiations between the relevant parties. Claims labelled in this report as having settled under the Guidelines in the Direct before the Injuries Resolution Board, Direct after the Injuries Resolution Board or the Litigated before Court Award settlement channels refer to claims that would have been assessed under the Guidelines if they were assessed by the Injuries Resolution Board or settled through litigation with a court award.

A statutory review of the Personal Injuries Guidelines was conducted by the Board of the Judicial Council in December 2024 (in line with the Judicial Council Act 2019). The Council published Draft Amendments, which recommended an uplift of 16.7% to the 1st Edition of the Personal Injuries Guidelines to reflect inflation experienced since the original introduction of the Guidelines.

However, proposed amendments cannot come into operation until a Resolution approving them is passed by both Houses of the Oireachtas. In

July 2025, the Minister for Justice, Home Affairs and Migration confirmed the decision to not seek Oireachtas approval for the amendment. Therefore, no uplift will be applied, and the 1st Edition of the Guidelines will remain in place.

Appendix 4 - List of Participating Insurers

The NCID referred to the list of Motor Insurance Bureau Ireland (MIBI) members in order to identify firms in scope. Only those firms who write private motor insurance were required to participate. MIBI members who write commercial motor insurance only, were not in scope of this report. Here we list those firms that submitted data to the NCID.

Table 29: Firms that submitted data to NCID in 2025.

Authorisation Status	Undertaking Name
Irish Authorised	Allianz PLC
	Arch Insurance (EU) DAC
	Aviva Insurance Ireland DAC
	AXA Insurance DAC
	FBD Insurance PLC
	Irish Public Bodies CLG
	OUTsurance DAC
	RSA Insurance Ireland DAC
EU/EEA Authorised, Freedom of Establishment basis	AIG Europe S.A. (Irish Branch)
	Generali Seguros y Reaseguros, S.A.U.
	Zurich Insurance Europe AG
EU/EEA Authorised, Freedom of Services basis	Accredited Insurance (Europe) Limited
	Chubb European Group PLC
	WAKAM



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