

Annual report and accounts 2024 to 2025

Period ending 31 March 2025

Infected Blood

Compensation Authority



Annual report and accounts 2024 to 2025

(for the period ending 31 March 2025)

Report presented to Parliament pursuant to Schedule 1 paragraph 13
of the Victims and Prisoners Act 2024

Accounts presented to Parliament pursuant to Schedule 1 paragraph 14
of the Victims and Prisoners Act 2024



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ISBN: 978-1-5286-5979-6

E03445107 09/25

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A foreword from our Interim Chair

As Interim Chair of the Infected Blood Compensation Authority (IBCA), I am pleased to present the inaugural annual report and accounts. This report reflects not only the Authority's financial performance, but our unwavering commitment to ensuring that all those impacted by the infected blood scandal receive the compensation to which they are entitled, as soon as is practicable, through a service which is fair, compassionate and accurate.

When it was announced in May 2024 as a legal entity, IBCA, as a newly established organisation, possessed none of the means of delivering compensation – it had no staff, no premises and no equipment. Indeed, there were no regulations under which it could make any form of payment.

Since then, IBCA has made steady progress on the delivery of the compensation scheme, though understandably, we recognise this can never be fast enough for victims who have waited decades for justice and recognition of their individual experiences.

From the outset, we recognised the importance of engaging with the infected blood community and involving them in the development of the compensation service. We have made it a principle that any announcement on a matter affecting the community should, wherever possible, be made to them first. We have sought to be candid with the community about the timescales within which it would be practicable to deliver the compensation they rightfully deserve. We have listened to their concerns and, where possible, accommodated those concerns in our planning.

We have been grateful for the discussions held with the infected blood community in many different settings; they have contributed immeasurably to our learning of how to deliver an appropriate claim service. In the financial year 2024-25, we held over 100 sessions with the community, with more than 1,200 individuals participating. These invaluable interactions have significantly shaped IBCA's work, contributing to the core design and development of a compensation service that places the experiences and needs of people claiming at its heart. We intend to continue talking to the community, and most importantly, listening to and acting on what they tell us as we move forward. This is what the Infected Blood Inquiry recommended we do, and our board is fully committed to fulfilling that recommendation.

The community have expressed a strong interest in understanding when compensation payments will be made. The Treasury and Parliament are also focused on establishing the overall cost of the scheme. This uncertainty is expected to reduce as further data becomes available, including information on the number of people intending to claim and the range of awards to which they are entitled.

The Cabinet Office will be laying new regulations in Parliament to respond to the recommendations of the Inquiry. The exact contents of these regulations are expected to influence how the IBCA operates and deliver compensation going forward. We will continue to work closely with the Cabinet Office and the community to ensure that we are ready for the new regulations, understand its impacts, and implement the changes in a way that responds to the needs of the community.

What is certain is IBCA's commitment to pay all those eligible in the shortest possible time. We recognise that so many individuals have waited far too long for recognition and redress. Paying compensation swiftly and fairly remains our highest priority. We also remain committed to managing expectations about what we can achieve, as honesty and transparency are essential to building trust with the infected blood community. We have been able to deliver on our commitment by opening up for the first individuals to claim in October 2024, a mere two months after Parliament passed the regulations enabling us to do so, before making the first compensation payments before the end of 2024. By the end of the financial year, we had significantly increased the pace at which we were able to invite and process applications.

As this report shows, since the end of the financial year, we have succeeded in making an offer of a core award to significantly more of the registered infected, with almost all being invited to start their claim, and we will soon open the service for core compensation for the living unregistered infected and, subsequently, other groups yet to claim. This represents an important and tangible step towards fulfilling our commitment to those impacted by the scandal. Nonetheless, we recognise the urgent need to go faster where it is possible to do so.

This first annual report marks a critical milestone in our journey, but it is only the start. It highlights not only our early achievements and the challenges faced, but also our enduring commitment to transparency, accountability, and continuous improvement. We remain focused on increasing our efforts, expanding the compensation claim service to many more, and continuing to actively work with the community which we are privileged to serve. On 1 October 2025, we will become a truly independent arm's-length body as well as a legally independent one. I am also proud that, throughout our journey to date, our operational decisions have been made independently by our Board.

The scandal and its aftermath have caused unimaginable pain and suffering for countless individuals and families, many of whom have waited far too long to be heard. IBCA has been established to provide long-overdue recognition and redress for these injustices. We remain fully committed to carrying out this work with the utmost care, integrity, and compassion.

I would like to extend my sincere gratitude to the interim Board, our staff, stakeholders, and the entire community for their ongoing support, dedication and resilience. Without them, the work reflected in this report would not have been possible.

A handwritten signature in black ink, appearing to read 'Robert Francis', written in a cursive style.

Sir Robert Francis KC

Interim Chair

Infected Blood Compensation Authority



A foreword from our Interim Chief Executive

The first annual report for the Infected Blood Compensation Authority (IBCA) covers the period from 24 May 2024 until 31 March 2025. It demonstrates the scale of the infected blood scandal, and reaffirms the urgent need for compensation to be paid after so many years of waiting.

The infected blood community has been denied answers, justice and support for too long. Now is the time for transparency and kindness and we are committed to putting these principles and their experience at the heart of our compensation service.

IBCA has been entrusted with a task on an almost unprecedented scale. Thousands of people await compensation. Each claim is unique, and represents the lived experience of someone who has, in many cases, been through unimaginable trauma. I am privileged and humbled by the opportunities I have had to hear so many of those experiences in person over this past year. I've met those from both the infected and affected communities. They deserve a compensation claim service that understands what they have been through, and how their lives have been changed as a result. I am committed to delivering that.

I am committed to paying compensation to each and every eligible person as quickly as we can. IBCA started with just two people – Sir Robert Francis and I – immediately after 24 May 2024, and worked to build both an entire organisation and an entire claim service, in a matter of months.

In August 2024, we received the powers in law to pay compensation to those who were infected. Within only two months, the first people began their compensation claims with us, and just four months later (by December 2024) our first offers of compensation totalling more than £13 million were issued. At the time of writing in July 2025, 2,166 people have started a claim and we have paid compensation totalling £518.8 million.

We learn from each person making a claim. We apply this learning as we continue building our claim service and grow as an organisation. We started this process by bringing in claims from people with a range of experiences to ensure we had the fairest representation of those who are infected and registered, across the UK. This allows us to design the claim service while also starting to pay compensation out as quickly as possible.

In this report you'll read about our story so far, and you'll also hear about our plans for the future as we open our service to more and more people.

One challenge we've faced in producing this annual report is that while this offers a view of our plans at a fixed point in time, the reality is we work in a constantly changing environment. Shortly after the end of the reporting period, for example, we proposed a suite of measures to enable us to deliver compensation more quickly, which the government accepted. Subsequent to this, a further inquiry report was published. Both have had a significant impact on our plans and will continue to impact us going forward.

I encourage you to read this annual report and accounts with that in mind. As you read the financial statements, for example, refer to notes nine and twelve, which explain why the valuation presented in this report may differ from future published valuations of the scheme.

We're working as hard as we can to meet the needs of all those we serve, while acknowledging that one of the great uncertainties is how many people are eligible to make a claim. We know that more eligible people will come forward who we're unaware of at this time. Our auditors acknowledge the limited information currently available, and this is reflected in their audit opinion. My view is that the audit findings reflect the speed at which we have grown since our founding, as we continue paying every eligible person as quickly as we can.

We recognise that the pain and suffering caused by the infected blood scandal continues and, while the payment of compensation can not end it, it is one way of acknowledging the terrible wrongs that have been done. We know that years of injustice have left many in the community distrustful and often angry with state institutions. That's why, in everything we do, IBCA will treat those in the community with respect, dignity and compassion.

My job, and the job of all our staff, is not done until every eligible person has been paid their compensation. I am personally committed to achieving this.



David Foley

Interim Chief Executive Officer

Infected Blood Compensation Authority

2024 to 2025 at a glance

May 2024



- 20** The Infected Blood Inquiry published its final inquiry report.
- 21** The previous government announced a proposed compensation scheme for infected and affected victims of the infected blood scandal.
- 24** The Victims and Prisoners Act 2024 was granted Royal Assent, creating the Infected Blood Compensation Authority.

June



- 17** We started conversations with people from the infected and affected community to understand more about what they needed from the compensation scheme.

July



- 1** Executive directors started to join IBCA.
- 22** The first 'community update' was issued.

August

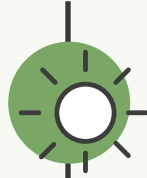


- 16** Sir Robert Francis KC, published his 74 recommendations to the government's proposals for a compensation scheme.
- The government published its response, accepting 69 of the 74 recommendations, and published the Infected Blood Compensation Scheme.
- 23** The first set of regulations to establish the Infected Blood Compensation Scheme (for infected people) came into law. These gave IBCA the legal powers to start working on claims for infected people.

September



- 12** We expanded engagement with community representatives, holding sessions to get more information about how the scheme could work in practice and what people needed.



October

1

We appointed six non-executive directors, creating our interim board.

17

We wrote to a small number of people by email or post and asked them to help with initial testing of the service that was being created from scratch. We asked them to reply to the email to confirm they'd like to take part, and gave them more details about how to arrange a conversation with their claim manager.

21

The first claim managers started at IBCA.



The Infected Blood Compensation Scheme Regulations 2024 were debated and approved by Parliament.



People who'd responded to our request to help us design our service started their compensation claims.



November

4

The people making the first claims received their initial phone contact from IBCA claim managers.

27

We held the first meeting of our communications advisory panel, where we gathered more information about how to work with people from the community.



December

9

We launched our website ibca.org.uk



We made our first compensation payment.



Sir Robert Francis KC invited additional executive directors to form an interim board.

January 2025



Claims and payments up to January

67

People had been asked to start their compensation claim.

11

Offers of compensation had been made, totalling **£13.4m**.

7

People had accepted their offers, with **£8.7m** paid to date in compensation.

February



10

We announced how we would expand the service, including our plan to open the access to service in stages. We explained the order in which we would work through different groups of claims.

12

The draft 2025 regulations were laid and made publicly available.

Claims and payments up to February

204

People had been asked to start their compensation claim.

38

Offers of compensation had been made, totalling **£48m**.

22

People had accepted their offers, with **£28.6m** paid to date in compensation.

March


17

We launched a compensation calculator for living and deceased infected people on our website.

31

The second set of regulations to establish the Infected Blood Compensation Scheme (for the affected community, plus supplementary routes) came into force. We started reviewing them to consider the most effective route to bring these communities into the compensation process.

Claims and payments up to March

255

People were asked to start their claim.

86

Offers of compensation had been made.

£60.8M

The total amount paid in compensation claims.



01

**Our
performance
report**

Overview

Welcome to the first annual report and accounts for the Infected Blood Compensation Authority (IBCA).

We are the arm's length body set up to pay compensation to people infected and affected by HIV, Hepatitis B and C caused by receiving contaminated blood, blood products or tissue.

We are committed to putting the infected and affected blood community at the centre of every decision we make to not only build our organisation but also to deliver compensation payments. It is only by listening, and gaining the trust of the communities we serve, that we will be able to build and provide a service that works in the best possible way.

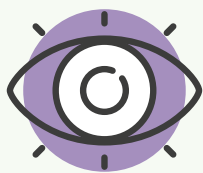
Our performance report includes:

- our story,
- putting the infected blood community at the heart of every decision we make,
- our people, and
- performance analysis.

I wish to thank you for your support during my claim process. I found you to be extremely professional, knowledgeable and empathetic throughout. You made a potentially difficult and upsetting process much easier

Quote from a person making a claim





Our vision:

to recognise and compensate every eligible person impacted by infected blood and blood products with great care and respect.



Our mission:

we make it easy for people who are eligible to get the compensation and support they are entitled to. We do it with kindness and transparency.

IBCA works to seven simple principles:



1. Integrity



2. Compassion



3. Candour



4. Transparency



5. Fairness



6. Efficiency



7. Propriety in the use of public funds

Context

The infected blood scandal has been described as “the worst treatment disaster in the history of the NHS”. More than 30,000 NHS patients received blood transfusions or were given contaminated blood products between 1970 and the early 1990s. Many of those people have since died, and thousands more live with significant health conditions caused by contaminated blood. Tens of thousands more people have been impacted as family members and carers.

Following years of campaigning by the community, in 2017 the then-Prime Minister Theresa May announced a public inquiry into the scandal, chaired by Sir Brian Langstaff. The Infected Blood Inquiry published reports in 2022, 2023 and 2024, which laid bare the scale of the tragedy and “the systemic, collective and individual failures to deal ethically, appropriately, and quickly, with the risk of infections being transmitted in blood” compounded by the intentional destruction of documents and continued misrepresentation of the issues. “This disaster was not an accident”, the Inquiry concluded.

Separately, Sir Robert Francis KC was commissioned and also undertook an independent review, published in 2022, on compensation options.

On 20 May 2024, the then-Prime Minister Rishi Sunak apologised on behalf of the state for failings that led to this tragedy and for the institutional failure to face up to them. He committed to the establishment of a compensation scheme. On 21 May 2024 the then-Paymaster General announced that the Infected Blood Compensation Authority would be established with Sir Robert Francis as Interim Chair, and on 24 May 2024 the Victims and Prisoners Act, establishing IBCA, received Royal Assent.

Our independence

We must act independently. Years of injustice have left many in the infected blood community understandably distrustful of the state. IBCA has been set up as an arm’s length body (ALB), and not a government department, for this reason.

IBCA is an independent body established to implement the delivery of the compensation scheme by building a service that accepts and processes claims and makes compensation payments, all whilst supporting the community in doing so.

The compensation scheme has been designed by the government, and the funding for the scheme will be provided by the government.

We are sponsored by Cabinet Office and our relationship with Cabinet Office, including in relation to governance and financial matters, is set out in the IBCA framework document¹.

Our interim board sets the strategy and holds our executive team to account for the performance of both the organisation and our service. IBCA Interim Chief Executive Officer (CEO), David Foley, as Accounting Officer for IBCA, is accountable to Parliament through the Permanent Secretary for Cabinet Office – as is the case for all ALBs.

We will report to Parliament on our activities, and we are scrutinised by the National Audit Office and the Public Accounts Committee.

¹ www.gov.uk/government/publications/infected-blood-compensation-authority-ibca-framework-document

Our story

In August 2024, we received the powers in law for compensation. In October 2024 we asked the first people to begin their compensation claims, and in December 2024 we made our first offers of compensation totalling more than £13 million. By the end of March 2025 we'd asked 255 people to start their claim.

We started small, learning from each person making a claim, and we have continued to build learnings into our claim service as we have grown.

How we are designing the compensation service

Those impacted by the infected blood scandal have waited too long for compensation. Every single compensation claim is unique, with complex circumstances. That's why we are building a service based on community feedback, testing and learning as we go, so it meets the needs of people making a claim.

We are building a compensation service that:

- makes it clear and simple to understand who is eligible for compensation,
- is accessible for all,
- is easy to use, and
- is clear and transparent in showing the reasons for decisions IBCA makes for individual compensation claims.

Our test and learn approach to service design

We are taking a test and learn approach to delivering the compensation service.

Test and learn means designing services by starting small, testing what works and what doesn't, and learning from real users in real time to continuously improve. By starting small, we can develop and improve the service quickly, meaning payments will be made sooner for everyone. It enables us to iron out issues that could otherwise slow everything down when the service opens to more people.

It's a tried-and-tested methodology proven across both private and public sectors, from Netflix and eBay, to the NHS App, or Universal Credit's phased implementation. Test and learn makes sure that services are refined based on genuine feedback and problems are discovered before any big roll out.

To design the compensation service we started by working side-by-side with people who are infected and affected, learning about their needs.

Examples of things we've learned that led to changes in our service include:

- Some people told us they'd like to know all the steps of their claim in advance, so they can prepare and understand what's happening. This shaped our training for claim managers, getting them ready to talk through the end-to-end process from the first call.
- People told us that seeing their claim manager face-to-face helped build a stronger relationship, so we added an option for video calls with claim managers.
- As we gathered information and evidence for some early claims, we learned how this could affect the time a claim took, which helped us speed up future claims.
- We noticed early on a discrepancy between the number of offers of compensation we were making and the number of people asked to start a claim. This was down to some people not responding to their letter or email to begin the process.
- We learned that some people find it helpful to have longer to consider an offer of compensation and seek the advice they need. As a result anyone claiming has up to three months to make a decision about their claim after they receive an offer.
- Some people making claims during this phase talked to us about experiencing brain fog and memory problems, so we developed visual aids such as a template about what ID is required for our checks. Claim managers also started sending a note summarising each conversation they had with someone making a claim.
- It's really important to check everyone's identity as part of the claim process, so we can be sure we're talking to the right person. This helps us to protect people and the service from fraud and error. To start with, we asked people to share their ID just before payment. People told us this was confusing and unexpected when they'd already been working through their claim. In response, we moved the check to the start of the claim.

We opened our service to a small number of users in October 2024, and rigorously tested our systems and processes. By working this way we aimed to build a service that works well for people making claims before opening it up for more people.

Developing our capacity to evolve and adapt based on what real people are telling us about the claim process is what will ultimately lead to us **building the most robust, empathetic and efficient compensation service possible.**

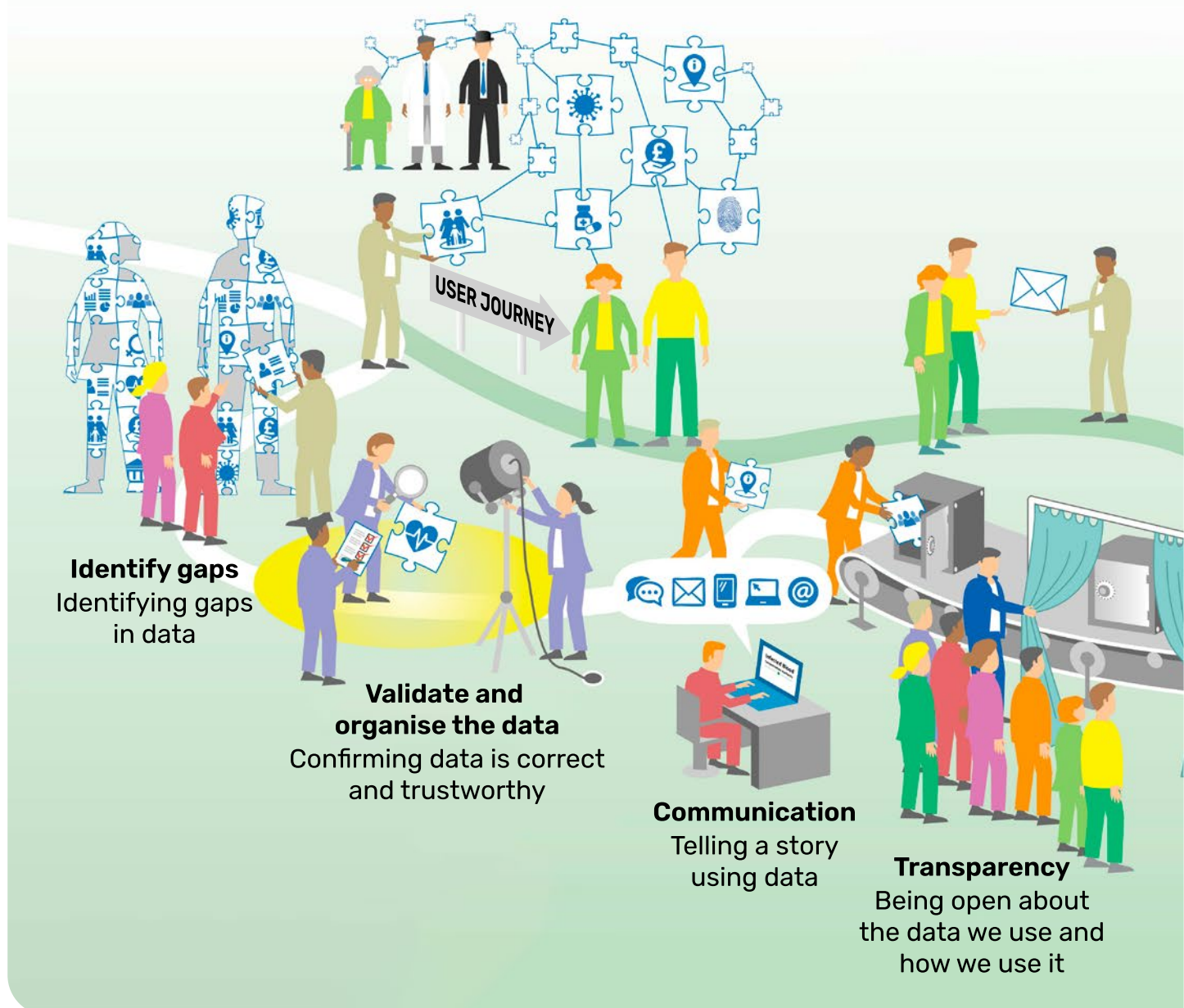


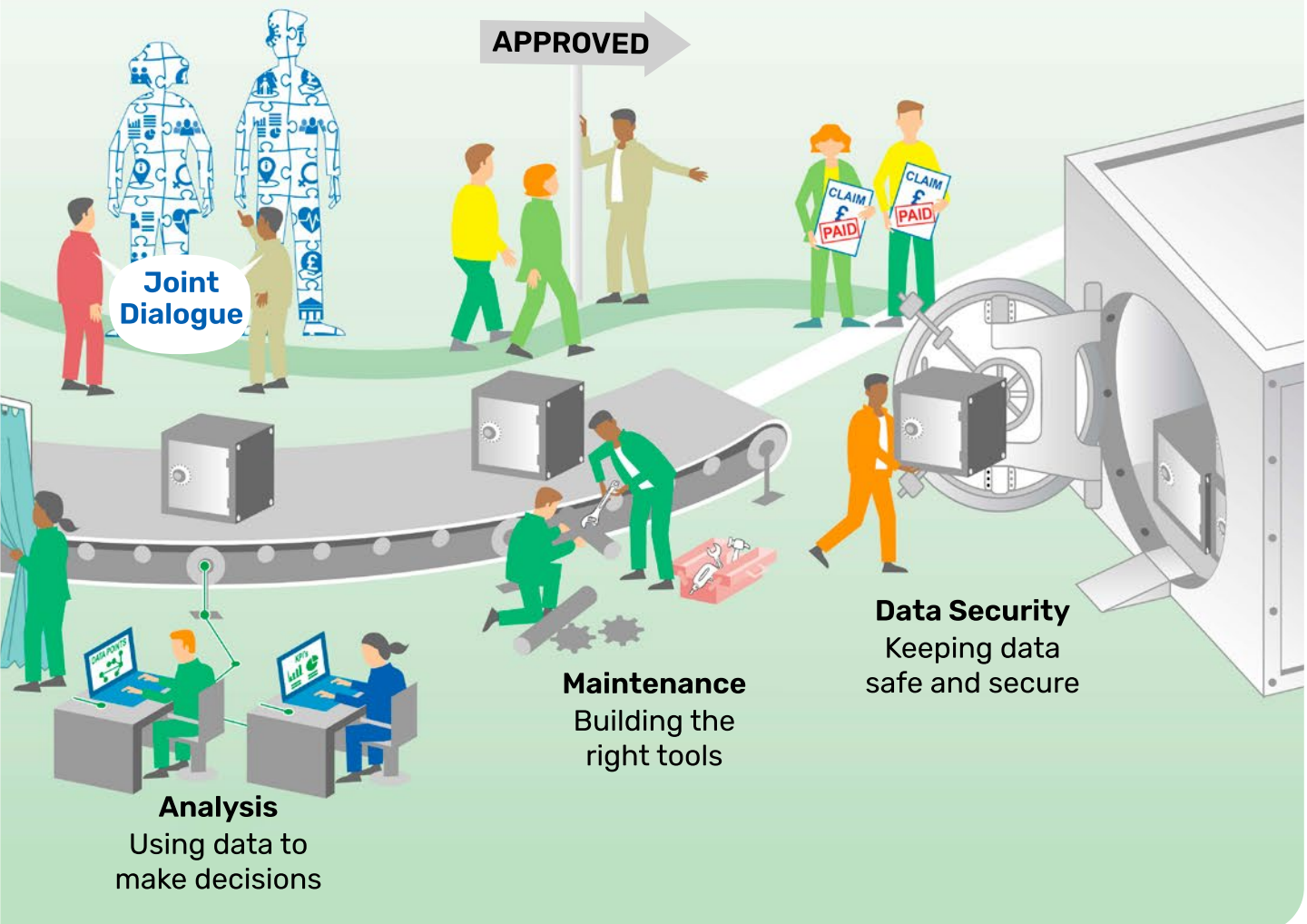
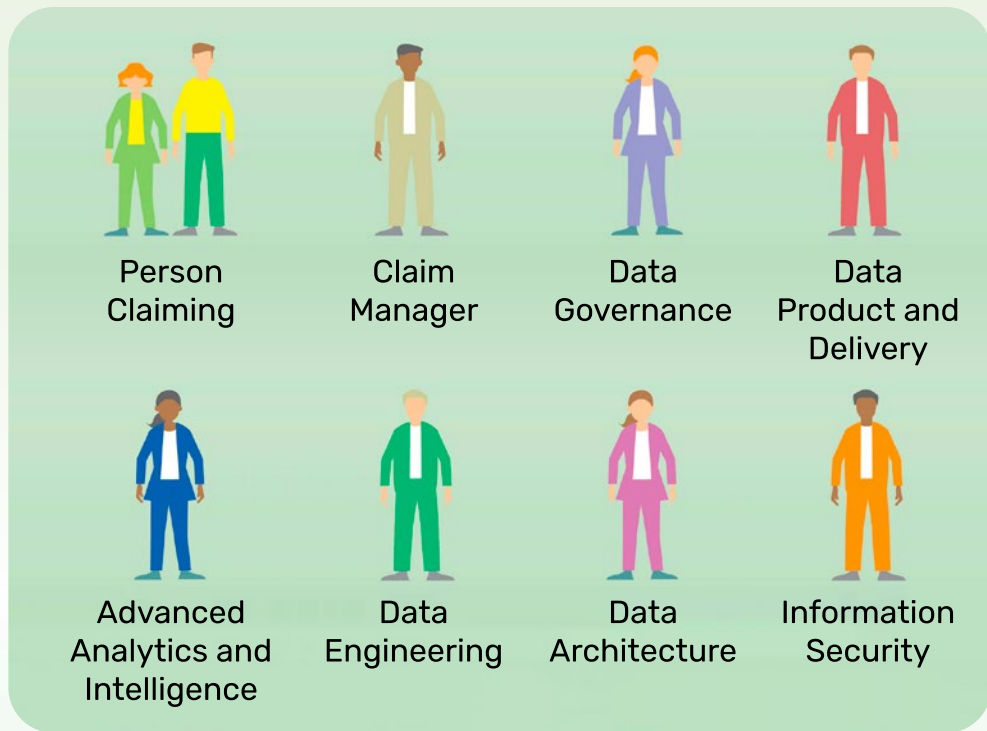
Case study: Taking care of your data

At IBCA we understand how important it is that we take care of your data, including your personal information, documents and anything you share with us. We recognise that data has been destroyed and removed over the years and we will not allow this to happen again. We've developed robust ways of handling the sensitive information we need to process your claim.

The IBCA Data Strategy sets out how we access, manage, and use data to carry out our mission of paying compensation to every eligible person as quickly and accurately as possible.

This infographic shows how data supports the claim journey.







Our data strategy was developed with input from people who work with IBCA, stakeholders, partners, and – most importantly – people who are infected and affected. This ensures that their perspectives are woven into everything we do.

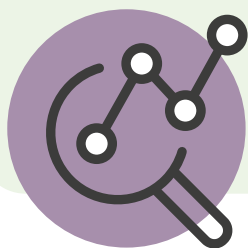
The data strategy includes:

- **Having a more complete view of a person's infection upfront:** We have partnered with the United Kingdom Haemophilia Centre Doctors' Organisation (UKHCDO) and the National Haemophilia Database (NHD) has been shared with IBCA. This means, for those with bleeding disorders, we have more information about peoples' infection at the start of the process. Therefore we should not need to request as much information from healthcare providers, speeding up the time it takes to make an offer and payment.
- **Collaborating with key data suppliers to improve the routes to request supporting information:** We have worked with NHS England and Scotland to publish guidance to improve healthcare providers' awareness and understanding of IBCA. This includes our organisational set up and information we may ask for. We have also shared central points of contact so people know who to get in touch with.
- **Growing the number of claims being processed:** When we started opening the service to more people, we established a new team and process to prepare peoples' data before it reaches a claim manager; helping to speed up the claim.
- **Recognising the sensitivity of health-related information:** We've worked with the NHS Data Protection Officer community and towards accreditation of the NHS Data Protection & Security Toolkit. This improves our ability to safeguard personal information we hold.

Our data vision is centered around people making claims and designed to manage their data and prevent fraud. Our vision is:

- **People-focused:** Ensuring the needs and experiences of people making claims are at the heart of every decision.
- **Values-based:** With empathy, transparency, and security embedded into every aspect of our work. This means clear communication and strong protection for all data.
- **Backed up by modern and responsible technology:** We have brought in technology platforms and partners to help us manage data properly. These have helped us to build a data platform to manage everything and review and test data to protect people from fraud.
- **Organised:** Our data management is organised around three key strands:
 - **systems**, enhancing data management,
 - **safety**, ensuring security and governance, and
 - **service**, improving access to relevant data for those who need it to calculate compensation and data access to support decision-making.
- **Collaborative:** We want to reduce the burden on people making a claim as much as possible, so we are working with partners as described above.

Our data strategy is designed to be flexible, allowing for the new data needs that emerge as we learn from each claim process. This approach makes sure we're meeting the needs of every person making a claim and helps us create a better service.



We know people have waited years for compensation; our strategy is designed to speed up the process and make it easy for people to provide the evidence we need to process claims as quickly and accurately as possible.

Putting the infected blood community at the heart of every decision we make

The infected blood community includes anyone impacted by infected blood or blood products. We are committed to a community-first approach that puts those who are infected and affected at the centre of everything we do.

As part of our community-first ethos, we have an ongoing programme of engagement with the infected blood community and representative groups who are from, or who represent, the community.

Engagement is a vital tool which helps us to hear and understand the views of the community and feed their insight into the development of IBCA and the claim service. It complements user testing and other conversations with the community.

We know that the community has been denied answers, justice and support for too long, and now is the time for transparency and kindness. That is why we are doing everything we can to meet members of the community and to consider their views, concerns, and needs as we strive to rebuild trust.

From June 2024 to the end of March 2025 we held over **100 community engagement sessions** with over **1,200 attendees** and **32 community representative groups**. Many more have been held and planned since the end of this reporting period.

As well as in-person and virtual engagement sessions, we held community wide webinars, townhalls, visits and roundtables, and we held sessions to inform IBCA's design and delivery.

We also set up a communications advisory panel (CAP). This panel allows IBCA and community members to consult directly on draft communications, content, channels and approaches to support our overarching aim of putting the community first, and making sure that they have the right information at the right time wherever possible.

We set up regular community update newsletters. These are sent to **around 7,500 (as of March 2025) people from the infected blood community**. We send paper copies and Welsh translations to those who ask for them.

The update maintains above-average open rates (up to 81%). The resulting correspondence and responses from the community are important feedback that help inform the ongoing development of the claim service, and our supporting communications and engagement strategy.



I am also glad that the process of compensation has passed and I can now feel there is not such a dark cloud over my head regarding all the forms and administration that I have had to go through recently.

I could not have done this without the good offices of IBCA and more to the point about how you have handled my case in such a professional and caring and courteous manner.

Quote from a person making a claim



Case study: building the compensation calculator

We listened to the infected blood community who told us they needed an accurate, easy-to-use calculator to understand their potential compensation eligibility.

We recognised that a calculator would give people a clearer picture, not just of their potential compensation amount after claim completion, but also as to what evidence and information would factor into their final compensation offer.

We wanted to help more people prepare for their claims before starting the process with one of our claim managers. We needed to build something quickly without sacrificing accuracy. The calculator had to be both user friendly and precise.

We developed and tested the calculator over a 10-week period, and launched it on 17 March.

During those 10 weeks, we carried out research with potential users, including people already making claims. We demonstrated the tool to key stakeholders, including the Haemophilia Society. We rigorously tested the calculator to ensure it worked equally well on mobile devices and desktop computers, and we designed it to meet all required accessibility standards.

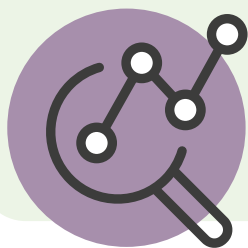
After conducting a launch with a small group of users, we identified and made necessary fixes before making the calculator publicly available.²

Between the calculator's launch on 17 March and the end of the reporting year on 31 March, it completed 17,150 calculations.

Feedback about the calculator when it launched:

"A useful tool. It helps see the reality of compensation calculations."

"It's so heart breaking when I am extremely ill... but others who are not ill receive double of what I am to receive."



"There's not much wrong with it and any issues are being addressed. Anything more complex would not only cause confusion but take much longer to develop and implement. Surely something is better than nothing."

² <https://ibca.org.uk/estimate-your-compensation>

User centred design

One of the recommendations from the Infected Blood Inquiry was to design the compensation scheme with input from those impacted by the scandal.

It's vital that we put people who are making a claim at the heart of every decision we make. We do this with **user-centred design** – prioritising the needs and preferences of people making a claim throughout the entire process.

Our approach to user research is trauma-informed, empathetic and involves a range of different users. We work with members of the community, as well as clinical, financial and legal professionals supporting the service, and internal colleagues responsible for processing claims.

Through feedback sessions, surveys and other types of research, we aim to provide a platform for the community to share their experiences with IBCA. User research also allows us to try out different parts of the service before it goes live, whether it's a letter, an email or a new part of the system.

It's the job of user researchers working at IBCA to bring together views from different people and advocate for what our users need from the service. We're interested in hearing from people who have already been through their claim journey, as well as people who've yet to be asked to start a claim. We do all of our research anonymously, meaning we don't link what people tell us to anyone's name or claim.

Since 2024, we've involved more than **100 different individuals representing the community and external professionals** in user research and feedback sessions. We use all of this insight, which is continually updated as we run more research, to understand what different people need from the service.

User research is crucial to how we develop the service, and we will continue involving as many people as possible in our drive to pay compensation to all those impacted.

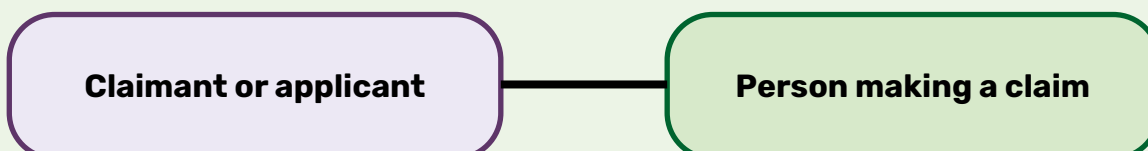




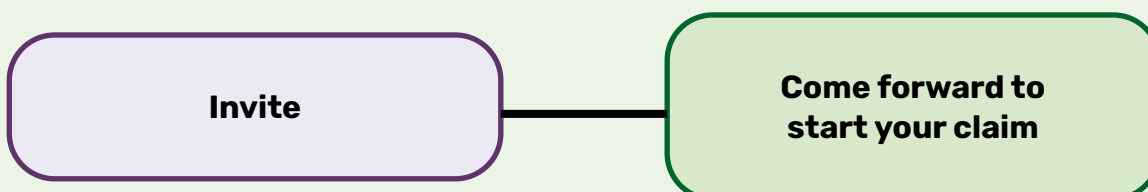
Case study: why words matter

We've listened to people making a claim and heard their feedback about the language we use. Some people have told us certain terminology can be upsetting or traumatising, so we've changed it in our correspondence and communications.

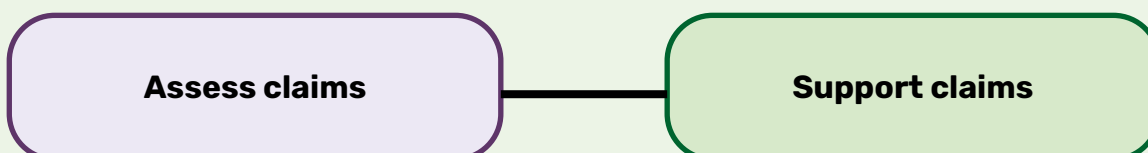
For example:



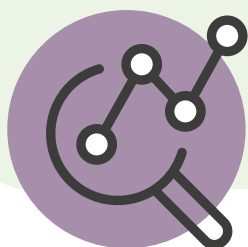
Our research tells us that words like claimant and applicant remove the human being from a sentence. They make people feel less valued. In most cases 'person making a claim' works better instead.



People told us that being 'invited' felt inappropriate. They are entitled to the compensation and should not need to feel invited to begin.



People have been waiting decades for their claim to start. We are here to support them through it. The thought of being assessed after years of trauma was hurtful to many people we spoke to.



User consultants

To help us understand the infected blood community, we appointed three user consultants. They advise us on how to focus our processes and plans on the needs of people applying for compensation, now and in the future.

The role of user consultant was advertised externally on Civil Service Jobs and Indeed, and was open to anyone with the relevant skills and experience. We also promoted the advert in our community update

The job description asked for candidates who had both direct experience of the impact of infected blood, alongside professional experience in a communications, consultancy and/or an advisory role at a senior level. Candidates were interviewed and scored against the job description in the same way as any other IBCA recruitment exercise.

Our three user consultants are **Susan Harris, Clair Walton** and **Jason Evans**.

Their role includes:

- helping design and improve training for IBCA colleagues to ensure we understand the experience of people who will make a claim and how best to respond to their needs,
- giving feedback on the design and development of the compensation service, alongside many other users who are testing our service, and
- using their experience, alongside many others in the community, to understand the impact of our work and how we can improve our engagement and communications.

While we know they only represent part of the infected blood community, they use their first-hand experience to advise us on how to improve our processes and plans.

Some examples of projects for which their insight has been essential include:

- testing the compensation calculator before it was made public.
- helping us improve how we engage and communicate with the infected blood community, and
- advising us on how legal settlements affected claims and helping improve this process.

User consultants

Susan Harris

Susan was diagnosed as a child with type 3 severe Von Willebrand disease and contracted Hepatitis C as a result of receiving multiple infected blood products. She eventually cleared the virus in 2012 after two rounds of interferon ribavirin drug therapy.

She served as vice chair on the board of trustees for the Haemophilia Society, working closely with the public inquiry sub-committee and the All-Party Parliamentary Group (APPG). She has also worked with the Hepatitis C Trust for the last five years as their lead on infected blood.

Susan is a qualified barrister. She has extensive knowledge and experience of supporting communities, and a clear understanding of the support schemes and the public inquiry.

Susan said: 'It has been an incredibly difficult experience over the years for me and my young family. Dealing with the impact of the virus on my health and legal career and the devastating long-term consequences of interferon treatment.

"At the Hepatitis C Trust I have worked almost exclusively with the whole blood community. In my role as user consultant, I'll bring my in-depth knowledge and understanding of infection through blood transfusions and the complexities and challenges that the community has faced with infected blood claims."



Clair Walton

Clair is an HIV-positive widow, who contracted the virus in the 1980s from her late husband, Bryan, a co-infected haemophiliac. She nursed and cared for Bryan during his battle with AIDS and grieved his death. Clair survived life-threatening complications herself, and faced the loss of career opportunities and the chance to have children and a normal family life.

She is a professional and accredited conservator who has held senior positions and was responsible for the conservation of historic cultural collections of outstanding importance.



After her husband's death in the 1990s, Clair took action to raise awareness about HIV-related issues. She addressed an All-Party Parliamentary Group (APPG) on surviving AIDS and has delivered statements on the abuse of HIV-positive women and children to the UN Commission on Human Rights. Clair co-founded Positive Women (PW) with another HIV-infected partner facing similar challenges. Clair was a core participant in, and gave evidence to, the Infected Blood Inquiry.

"I've faced decades of navigating systems that dehumanised, marginalised and failed me, my husband and others. As a user consultant at IBCA, I intend to provide critical insights that will assist IBCA to shape a culture and processes that foster fairness, compassion and inclusion in delivering compensation. I am committed to honouring the dignity and humanity of all those infected and affected, supporting efforts to ensure their voices shape the lives they deserve."

Jason Evans

Jason's father was infected with Hepatitis B, Hepatitis C and HIV through infected blood products and sadly died of AIDS. His uncle was also infected with Hepatitis C and HIV through blood products and later died.

Jason was previously a director of Factor 8, an infected blood scandal campaign organisation. He successfully campaigned for, and was a core participant in, the Infected Blood Inquiry and a compensation framework exercise. Jason received the Sheila McKechnie Foundation Campaigner of the Year Award in 2023 and a Pride of Britain Award in 2024 for his work on infected blood.

He brings his experience about the infected blood scandal alongside relevant professional experience, including developing customer relationship management systems, digital infrastructure and training, and a master's degree in journalism.

"This is the most important work I've ever been involved in and I'll do all I can to help IBCA achieve its goal of delivering compensation as quickly as possible. I know and understand many of our community's anxieties, fears and frustrations. Only delivery, not words, will bring some form of closure and relief. I hope that with each compensation claim paid, those shared anxieties will be reduced."



Starting the first claims

We started in October 2024 by asking a small number of people to begin their claim. These people were randomly selected from those who are infected and already registered with an existing Infected Blood Support Scheme (IBSS).

This first group of people asked to start their claim included those:

- known to be already eligible for compensation,
- from across the four devolved nations,
- registered with support schemes, which means we were likely to have much of the necessary information for these people already, and
- who represented a range of infection types and severity within those infections.

Having a range of cases helped us understand what information and evidence we could already access, and what else we needed to make the process faster for everyone when the full service opens.

Each month we've increased the number of people we've asked to start their claim, building and improving our service as we go.



Our people

Building the team


Setting up a new organisation is complicated and can take time. As Cabinet Office owns the recommendations in the Infected Blood Inquiry report, it was able to quickly set up IBCA.

This means that Cabinet Office is the sponsoring department for most IBCA staff, until they become public servants rather than civil servants when they transfer over to IBCA as an employer, which will happen on 1 October 2025.

We started with our Interim Chair and Interim Chief Executive, supported by a small programme team based in Cabinet Office. They have acted as our support to get the necessary systems and processes in place so we could build a wider team.

All arm's length bodies of Cabinet Office have to report to Parliament via the Permanent Secretary for Cabinet Office. This is particularly important given the level of budget we're responsible for, and our Chief Executive is accountable to Cabinet Office for reporting on how we use our budget and pay out compensation.

IBCA is operationally independent, and decisions about how we design our service are made by the IBCA Executive and board, not Cabinet Office.



Thank you again for all your hard work in managing my case and for all the support you have given not just to me but my father.

Quote from a person making a claim

Our interim senior leadership team was recruited in July 2024, quickly followed by their interim teams, focusing on:

- operations – including the teams who support people to make their claim,
- data – finding, checking and analysing peoples' data, and effective ways we can use and gather the evidence needed to make a claim,
- digital and service design – planning how we'll deliver our service, including the policies we need to support delivery and user research to inform our approach,
- communications and engagement – sharing what IBCA is doing internally and externally, including holding 100s of sessions with the infected blood community, and
- hr and corporate services – offering the support our organisation needs in human resources, planning, processes and more.

Each of our teams has continued to grow over the course of this accounting period, with recruitment increasing month on month in 2025.

Claim managers

Claim managers support people making a claim with their compensation from beginning to end, including:

- initial contact with someone making a claim, where they explain what's happening and the documentation they will need,
- preparing and building a compensation claim, and
- validating information and making the compensation offer.

Claim managers are crucial to supporting people to receive the compensation they're owed, as is the operational team around them. This includes claim services, people and capability, fraud and error, service excellence and planning.

To make sure we could start our compensation service as quickly as possible, we knew bringing claim managers on board early was a priority. To begin with, 30 people came to IBCA as claim managers on loan from HMRC. By the end of March 2025, our permanent external recruitment was well underway – with 61 claim managers onboard by the end of the accounting period. Many of those on loan applied for permanent roles with IBCA and were successful, and we've recruited many more people through our fair and open processes.

// I remember feeling a strong sense of togetherness very early on. Everyone was very passionate about wanting to help people. Speaking to members of the community and hearing first hand the impact the blood scandal has had on them helped prepare for our initial calls.

IBCA Claim Manager

// Being the first to do everything was stressful at times. The first to do certain letters, the first to make payments, but it was all extremely rewarding work.

IBCA Claim Manager



Taking a trauma-informed approach

We know the infected blood community has faced decades of trauma and we are committed to not re-traumatising people. We take a trauma-informed approach to our training and service design. We've worked with a specialist clinical psychologist with an extensive background in working with survivors of trauma.

Our goal is to increase peoples' knowledge and understanding of psychological trauma, both in general and in the context of contaminated blood for those affected and infected. This helps claim managers take the right approach when working with people making a claim, and supports them to describe and identify issues relating to trauma. This increases skills and confidence in our people's ability to apply a trauma informed approach to their roles.

Training

Our people excellence team has worked with people from the infected blood community, clinical experts, our service design team, policy colleagues and external consultants to build a comprehensive training package for everyone working on compensation claims.

It includes detailed learning about the infected blood regulations, the Infected Blood Inquiry report and the opportunity to hear from those impacted by the infected blood scandal so colleagues can hear their stories first hand.

Our training also covers trauma-informed care, working with vulnerable people and managing personal wellbeing and resilience.

The classroom training usually lasts for three weeks, and that is just the start. After those three weeks, claim managers are assigned buddies to support them in their work, and those who are more experienced help new colleagues work through their first claims. Our people excellence team continually checks in with people about their learning and uses their feedback to improve the training offer.

Performance analysis

We regularly publish our latest compensation figures on our website as part of our ongoing commitment to openness and transparency.

The figures we publish include a breakdown of how people have chosen to receive their compensation payment. This means we publish the number of people choosing the core route (those who will receive all of their compensation in a one-off payment directly from IBCA) and the number of people choosing the adjusted route (those who will continue to receive payments from their existing support schemes, with an additional compensation amount paid out by IBCA).

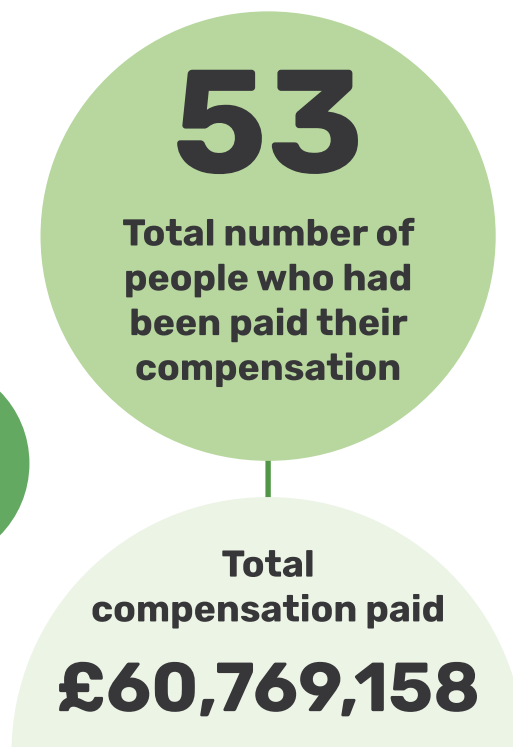
Compensation claims

Between October 2024 and March 2025 we asked 255 people to start their compensation claim. 88% had started a claim by the end of March.

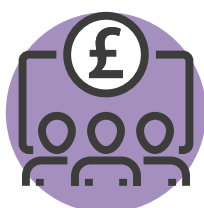
Compensation offers



Paid offers



Adjusted route



Core route



The adjusted route compensation figure above only includes the amount that IBCA has paid to people when they've chosen the adjusted route. It does not include payments for life that people continue to receive from the support schemes.

Strategic objectives

We set our strategic objectives based on the recommendations from the Inquiry and in Sir Robert Francis KC's additional report.

As a new and forming organisation, we know there is still more to do to achieve our strategic objectives. The progress we've made against our objectives is outlined below.

1. Everyone who is entitled to compensation is able to claim and gets paid

We put in place the first of our systems and processes to make sure that, once developed, everyone can successfully claim and can receive their payments:

- we established the systems we need to open the service to those who are infected and registered with an existing infected blood support scheme, with consideration of how to open the service to more cohorts,
- we implemented professional support services, including providing financial and legal advice for people making a claim,
- we also started telling people about existing NHS psychological support,
- we complied with best practice and GDPR to develop a data platform for the collection, storage and analysis of peoples' data, and
- we employed and trained over 60 claim managers with the skills and experience they need to support people through their claim.



2. This is done as quickly as possible for the community while protecting them, and the taxpayer, from fraud

We're committed to protecting people making a claim and taxpayers from fraud. We've put a comprehensive fraud management and detection plan in place including:

- setting up an identity (ID) verification processes for people making claims, their representatives or people with a lasting power of attorney,
- creating a fraud email inbox, fraud@ibca.org.uk, so people can check that emails they receive are from IBCA rather than from fraudsters,
- establishing an internal fraud referral system for claim managers to report potentially suspicious activity,
- completing fraud risk assessments in cooperation with the Public Sector Fraud Authority,

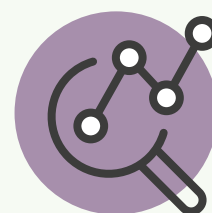


- recruiting a small combined team of quality assurers, counter-fraud experts and financial assessors to ensure the compensation fund is protected from fraud and error,
- creating quality assurance (QA) processes to check all evidence provided to support a claim at the declaration and offer stages (we also use QA techniques to coach colleagues to provide the best possible service for people making a claim), and
- setting up a small team of financial assessors to check compensation calculations and confirm payments – they have a clear separation of duties from claim managers, and there are different levels of line management for sign off depending on the size of the payment.

3. This is done as seamlessly as possible using information already provided and navigating individuals through the process

We are committed to minimising the burden on people making a claim. We're working hard to achieve this by:

- having dedicated claim managers to support people through the claim process and, if we don't already have all the information we need, helping to source that information to relieve the burden on the person making the claim,
- establishing a relationship between IBCA and the existing IBSS across the UK for the sharing of data, evidence and expertise,
- launching a dedicated website to explain the claim process and evidence people would need to start their claim, including a calculator for people to estimate the compensation they will receive, and
- setting up IBCA social media accounts to actively engage with the infected blood community.



4. People applying for compensation feel supported throughout the process

We want everyone claiming compensation to feel supported. We are working towards this by:

- everyone making a claim having their own claim manager, who supports them from beginning to end,
- claim managers being able to provide as much or as little support as people need, including gathering information or evidence where it's needed, and
- regularly asking for feedback from people about their experience, so we can improve the support we offer (see the user research section above).



5. IBCA staff feel enabled to provide a professional and caring service

To provide professional and compassionate services, we have prioritised training and development by:

- designing a comprehensive and specialist training package that everyone who deals directly with people making a claim must work through,
- integrating trauma-informed learning, led by an expert in the field,
- incorporating real, lived experiences into training, by engaging with the infected blood community and by inviting our user consultants to share their experience,
- bringing in expertise to support claim managers in their decision making, including clinical and financial advisers, and
- regular coaching and one-to-one sessions, led by leaders for professional development.



6. IBCA will work with partners and other organisations to consider the holistic needs of the community

Our goal is to put people making claims at the heart of every decision we make. To do this:

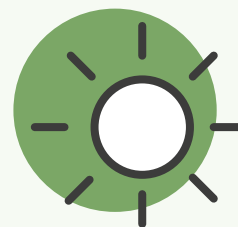
- we continue working with our user consultants to help us refine and improve our services,
- we continue holding community engagement sessions, where we learn more about peoples' lived experiences and where we ask for specific feedback on the design of our service,
- we continue having regular user research conversations to test everything from our process design to our correspondence, and
- looking ahead, in 2025 we'll set up a community advisory panel to work directly with the IBCA board.



7. IBCA colleagues consider it to be a great place to work

To be able to offer the best possible service to people making a claim, we must also make IBCA a great place to work for colleagues. We are working towards this by:

- developing an employee offer which will position IBCA as an employer of choice and foster a sense of value, respect, and support among employees, with:
 - competitive pay and terms and conditions,
 - best practice HR policies, and
 - wider employee benefits including reward and access to learning and development opportunities (to be implemented when IBCA becomes an employer in its own right in October 2025).
- recruiting priority corporate roles to ensure efficient organisational operations and stability among the leadership cadre (this work is ongoing), and
- establishing a head office and asking people to spend most of their working week there. Our locations in Newcastle and Glasgow encourage collaboration, community and innovation, thereby enhancing workforce productivity and showing a commitment to employee wellbeing and support.



8. The infected blood community trusts IBCA to deliver compensation competently and fairly

The community has been let down for decades. Now is the time for trust and transparency. We hope to cultivate trust in our organisation by showing our competence and fairness in delivery of the scheme. So far, our work has included:

- the creation of a sponsoring framework between Cabinet Office and IBCA to uphold our independence as an arm's length body,
- launching a compensation calculator, so people can see and understand what they're eligible for,
- regularly publishing our compensation figures to show how many claims have begun and compensation offers and payments have been made, and
- implementing a review and appeal process to assure fairness and transparency in claims administration.



"Justice is a tricky word."

Money helps, but we need to be listened and helped."

Infected Blood
Compensation Authority

"This (claim) is the



Fraud prevention

We are very conscious of the significant fraud risks associated with the compensation scheme, given the size of payments due to be made and the need to make payments as soon as possible. We recognise the possibility we'll be targeted by people both inside and outside IBCA and by both individuals and organised criminal gangs. This is reflected by IBCA's inclusion within the Public Sector Fraud Authority's (PSFA's) High Fraud Risk Portfolio.

We have prioritised mitigating these fraud risks from the outset, given the potential for financial loss and reputational damage. This includes working closely with the PSFA to undertake comprehensive fraud risk assessments (FRAs). We recognise risk levels will increase as the scheme scales and expands. The importance of countering the fraud risk, which also includes bribery and corruption risks, is reflected in the six strategic objectives outlined in the IBCA Fraud and Error Strategy, which was signed off by the board in January 2025:

- build a team dedicated to preventing and addressing fraud and error,
- ensure IBCA's business processes maximise prevention of fraud and error,
- support all colleagues to take personal ownership for preventing fraud and error,
- embed the continuing fraud risk assessment approach to inform decision-making,
- optimise use of data, technology, intelligence and external partnerships to identify fraud and error, and
- take proportionate intervention action if potential fraud is identified.

Our control and review processes detected one potential instance of error in the reporting period, relating to an overpayment of compensation which, if confirmed as an overpayment, IBCA will seek to recover. There have been no confirmed cases of fraud identified as yet.

We will continue refining how we manage fraud and error to reflect our learning, and because we are mindful of the constantly evolving nature of the fraud threats. Our counter-fraud plans will regularly be discussed with IBCA's audit and risk assurance committee (ARAC), where mitigation of fraud-related risks is also reviewed monthly. These plans include the use of data and technology, further automation of processes, additional fraud awareness training to enhance in-house capability, holding further awareness sessions with the infected blood community, and a sharp focus on fraud prevention through our emerging business processes. We will also further enhance our quality assurance approach so we minimise errors and protect the public purse by ensuring payment of the correct compensation.

Environmental, social & governance (ESG) and sustainability report

As a Non-Departmental Public Body (NDPB) of Cabinet Office, IBCA recognises the importance of seeking to minimise the impact of its business on the environment. We continue to explore how best to embed sustainability capabilities into our governance, operations, and decision-making. The information is not yet available to populate the minimum ESG reporting requirements for IBCA as an independent organisation. This will happen as IBCA progresses towards an organisational maturity that better reflects its independence, and seeking to build the capability and capacity to gather, collate and report this data.

Throughout the reporting period it has been in development and flux, working within the frameworks and service provision of Cabinet Office. Where appropriate in the context of its priority to deliver compensation as quickly as possible to those entitled to it, many of the policies and procedures adopted within Cabinet Office to promote environmental and sustainability goals will be adopted by IBCA.

As an organisation that's still developing its services and structures, IBCA is – in the best interests of the community which we serve – seeking to establish from the outset places and systems that are resilient and adaptive to the rapid, acute, chronic and cascading risks and challenges of climate change. A dedicated Business Continuity team has been set up in order to ensure that risks to the compensation service IBCA delivers are mitigated.

As the organisation scales and matures, so our reporting function and systems will likewise, to ensure consideration and action on the Greening Government Commitments and general considerations around managing climate change and sustainable operations, taking steps to assess and reduce the environmental impacts of our work and make meaningful social and governance impacts in our work.

Human rights

IBCA seeks to embed a respect for human rights into its culture, strategy, policies and ways of working, and as our operations scale we will continue to develop our approach.

Procurement

IBCA uses Cabinet Office and government frameworks to procure goods and services, with contracts requiring that the supplier must use reasonable endeavours to meet the applicable Government Buying Standards. As IBCA looks to establish itself in a permanent location in future years, it is planning to minimise its waste and impact by maximising the furniture and assets which it recycles and redeploys between locations as it moves.

IBCA's current estate is managed by Cabinet Office, HMRC or the Government Property Agency depending on location, giving confidence that consideration has been given to these matters. IBCA's HQ is based in Benton Park View; premises which are managed by HMRC.

Energy, travel and water use

IBCA is charged for energy expenditure by their landlord. In the period to the end of March 2025, the expenditure incurred for utility costs was £219k. IBCA has not made any offset purchases.

Water use is included within charging mechanisms from landlords, and not currently split out for reporting purposes.

In relation to travel, IBCA incurred business travel expenditure of £145k. IBCA aims to minimise unnecessary travel by concentrating work around the main office locations. Cabinet Office programme team supporting IBCA do, on occasion, travel to Newcastle where this is necessary for operational performance. Such journeys are predominantly taken by rail. IBCA has no fleet, and has undertaken no international travel by air. In order to maximise staff use of public transport, rather than reliance on private vehicles, IBCA's developing location strategy prioritises identifying premises close to the centre of the relevant location.

It is not anticipated that the current financial data will provide an appropriate benchmark against which to evaluate future reporting periods; IBCA has yet to reach a steady state organisationally in its permanent locations. As a consequence, efforts concentrate on minimising energy and water use, and travel, rather than reducing them compared to previous years. As systems develop and more detailed reporting becomes available, IBCA will monitor the impact of its business on the environment and continue considering how best to deliver for its community whilst minimising use of energy, travel and water.

Digital and information and communication technology

IBCA has worked to develop long term plans for areas where digital and information and communication technology (ICT) use is expected. This includes planning to use equipment that will reasonably last the duration of IBCA's operations and a preference to reuse equipment in the future where possible, such as reuse of monitors and infrastructure between office locations and giving consideration to sustainable disposal methods.

IBCA procures digital and ICT equipment and services through Cabinet Office frameworks, which give due consideration to the environmental impacts associated with supply.

IBCA will monitor the impact of its business on the environment and continue considering how best to deliver for its community whilst minimising use of energy, travel and water.

Key risks to our performance

We consciously placed a greater emphasis on a 'test and learn' approach in our service design. We operated initially with a higher degree of tolerance to risk, conscious that we've been working in an ambiguous environment, to ensure we were able to begin making compensation payments before the end of 2024. This also reflects that the delivery planning and the set-up of IBCA was initiated after its announcement in the Victims and Prisoners Act. We are designing the service while making payments, and therefore a lot of the risks to delivery were unknown at the outset.

Key strategic risks throughout the financial period covering 2024 to 2025 included:

Workforce risks: IBCA is a newly formed organisation with its headquarters in Newcastle and a sub-office in Glasgow. IBCA has a specialist resource requirement, but it will not be a permanent organisation, so there is a risk IBCA may have difficulty attracting and retaining staff. This could result in IBCA not having the capacity and capability to deliver against its strategic objectives. IBCA may not have built sufficient capability (including project management office, governance, strategy, and corporate enablers) as required for the planned programme team wind down, which is due for closure in the latter half of 2025. This is further complicated by the need for consistent efforts to expedite the programme – the plan to rationalise the organisational structure across Cabinet Office and its ALBs.

Our focus has been to attract the right staff with the right skills to ensure we deliver compensation competently and fairly and as quickly as possible.

Operational risks: the main objectives of IBCA are to provide a high-quality service to people making a claim, and to fulfil its obligations to the community. Our digital delivery is being driven by user-centred design, with our users at the heart of everything we design and build. However, due to the speed and nature of delivery with a 'test and learn' approach, there is a risk IBCA will not get it right the first time. IBCA has worked closely with the infected and affected communities, engaging with them as we develop services, to ensure that a high quality, user-focused service is provided to everyone making a claim.

Financial performance and funding review

IBCA started operations part-way through the financial year ended 31 March 2025, while it was still part of Cabinet Office. This meant that work could progress on paying compensation and scaling the service, while also progressing the set-up of an independent body with suitable governance.

IBCA is funded by HM Treasury, through Cabinet Office as IBCA's sponsor department. IBCA funding operates broadly in three categories:

1. **compensation** funding – this is classed as Annually Managed Expenditure (AME) as the demand and timing is uncertain,
2. **operational** funding – this is classed as Departmental Expenditure Limit (DEL), which is funding to cover day-to-day operations and capital expenditure, and
3. **professional services** funding – this is also DEL funding, provided to cover the legal and financial professional services support to people eligible to make a claim.

Budgets are agreed on an annual basis and through formal Spending Review processes, which look at longer term requirements.



Compensation

The government has provided £11.8 billion for compensation to March 2029; however, allocating this year-on-year is a separate process. In the financial period covering 2024 to 2025, IBCA requested from HM Treasury, via Cabinet Office, £272 million as a contingencies fund advance. This provided cash cover for compensation payments before approval of the budget to make payments was in place. £272 million was the top end of IBCA's estimate for paying the first cohorts of those who started their claim in the year. The actual amount recognised as paid in the period was £59.9m paid by 31 March 2025.

Ministerial statements establishing the Infected Blood Compensation Scheme under the Victims and Prisoners Act legislation creates an obligation to pay compensation, which under accounting standards (IAS 37) means IBCA is required to recognise a provision for the liability of the compensation scheme in the accounts at the period end. Though there is a high degree of uncertainty over the valuation, this reflects our current best estimate of the future payments IBCA expects to make to people eligible to make a claim. This results in the full valuation amount being recognised in the statement of comprehensive net expenditure (SoCNE) of £9.64 billion and the liability, the amount not yet paid at 31 March, being £9.58 billion, recognised on the statement of financial position (SoFP). The full valuation is discounted to reflect the time value of money, with the undiscounted provision at 31 March 2025 being £11.4 billion. Provision values are adjusted for the time value of money and presented using a discount rate of 4.07%. The provision and related disclosures are detailed further in note 9 of the financial statements.

In future years, payments of compensation made will reduce the liability recognised, and changes to the total valuation will be recognised in the SoCNE.

There is inherent estimation uncertainty in the modelling for the overall valuation, and IBCA has presented a central estimate of the compensation valuation. The uncertainty is primarily driven by the unknown number of people eligible to make a claim and their preferences in compensation options. More information on the estimation uncertainty and the sensitivity analysis of it is presented in the detailed provision note 9 of the accounts.

Operations

Operational funding covers both IBCA as an arm's length body and Cabinet Office programme team, which is a time-limited function to establish IBCA and fill some of the necessary functional roles in IBCA while recruitment is underway. The programme team is only funded for IBCA-specific work.

IBCA was allocated funding totalling £52.3 million for the year. At 31 March 2025, IBCA had spent £21.1 million of resource expenditure (RDEL) and £18.0 million capital expenditure (CDEL). The primary areas of expenditure were:

Systems development



£9.4m

to develop the claims management system and data platforms.

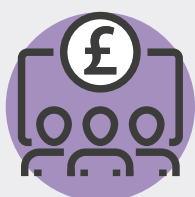
Estates costs



£8.0m

which includes the cost of the full recognition of a lease on the current head office in Newcastle and additional fit out works.

Staff costs



£8.5m

IT equipment



£1.1m

The overall difference to the allocated funding is due to unknown IT costs and staffing plans at the point of budget setting.

Professional services

In line with Sir Robert Francis' recommendations IBCA intends to provide access to professional services to people making a claim who wish to receive this service. Within the period, IBCA covered the cost of these professional services, which cover legal and financial support to people who make a claim, within its operational budget allocation, making use of underspend that materialised in the year. Professional services are projected separately to operational expenditure due to the link to compensation and claims volume.

Progress on compensation paid beyond the period end

IBCA made the decision to scale the service in a way that allowed it to be designed and developed around the needs of users, enabling IBCA to make payments faster and to lay the foundation for wider access to the varying groups eligible for compensation. Beyond the period end, we saw a continued and exponential increase in payments being made. By the end of July 2025, IBCA had paid 762 claims totalling £518.8m. We recognise that for those awaiting payment of the compensation they are due, any sense of delay only adds to the hardship already faced, but we hope the scale-up demonstrates IBCA's commitment to ensuring that those who are due compensation are paid as quickly as possible.

Future years

At the period end, IBCA was in the process of submitting a programme business case to HM Treasury. The whole-life operational costs of IBCA are dependent on the volume of those eligible to make a claim and are therefore uncertain. However, as part of the Spending Review and to ensure adequate funding, IBCA has projected the following operational expenditure through to the end of financial year 2028 to 2029:

		FY 25/26	FY 26/27	FY 27/28	FY 28/29	Total
		£m	£m	£m	£m	£m
Operations	RDEL	97	111	112	116	436
Operations	CDEL	40	27	6	6	79
Professional services	RDEL	40	80	86	89	295

In respect of future professional services costs for claims relating to those who are infected and have died, or those who are affected, a clear policy to determine the scope of the service to be offered and the potential cost per person making a claim has not yet been determined. As a result there is no contingent liability or provision; however, IBCA have asked the government to make provision for this within the Spending Review as outlined above.

In respect of future compensation payments projected, at 31 March 2025, IBCA held the profile as detailed in note 9 of the financial statements and the provision recognised in the period, based on the provision value discounted to reflect the time value of money. This discounting adjustment is required by accounting standards and results in a valuation that appears different to previous and potentially future publicly stated figures. Details around the impact of future events are detailed in note 12 – Events after the reporting period in the financial statements.

We recognise the inherent uncertainty in the valuation of the total projected cost of the compensation scheme and further details are provided within note 9 of the financial statements. As IBCA continues to engage with those eligible to make a claim, and further data is made available, this will lead to further updated valuations. The valuation held and disclosed reflects our best estimates on the cost of the scheme; however, it does not affect the entitlement of individuals to any compensation due or the funding available to make payments.

IBCA's commitment is to make payment to all those eligible as soon as possible and therefore the above profiling is subject to change.



David Foley

Interim Chief Executive Officer

Infected Blood Compensation Authority

11/09/2025



02

Our accountability report

Introduction

The purpose of the accountability report is to report key accountability requirements to Parliament. The accountability report has three sections:

- Corporate Governance Report
- Remuneration and Staff Report
- Parliamentary Accountability and Audit Report

The corporate governance report explains the composition and organisation of IBCA's governance structures and how they support the achievement of IBCA's objectives. The corporate governance report comprises:

- The Directors' Report
- The Statement of Accounting Officer's Responsibilities
- The Annual Governance Statement

The remuneration and staff report sets out IBCA's remuneration policy for board members and how that policy has been implemented. In addition, the report provides details on remuneration and staff that are fundamental to demonstrating transparency and accountability.

The Parliamentary accountability and audit report brings together the key Parliamentary accountability disclosures including the Certificate of the Comptroller and Auditor General to the House of Commons and his Report.



Corporate governance report

Introduction

This first corporate governance report aims to provide a clear understanding of IBCA's developing internal control structure and the management of our resources. IBCA is new and will continue growing as we develop the organisation and the compensation scheme further. The report takes account of this context, while outlining and evaluating what we've put in place to gain assurance about performance and risk, and how we're responding to weaknesses in these areas.

Directors' report

IBCA was established on 16 May 2024. From June to August a shadow board was in operation, comprising the Chair and CEO. The full IBCA board was established on 1 October 2024 and is chaired by Sir Robert Francis. The board has seven non-executive directors (including the Chair) who were appointed via direct appointment on an interim basis.

The board determines the strategic direction for IBCA and oversees corporate performance. It has received advice and assurance from its audit and risk assurance committee.

The board's responsibilities include setting the strategic direction, reviewing overall performance and delivery, and ensuring good governance. It delegates management of operations to the Chief Executive and staff to account by monitoring performance against priorities and making sure resources are used effectively and efficiently.

IBCA maintains a register of board members' interests, which contains details of company directorships and other significant interests held by board members. The board members' register of interests is on our website [www.ibca.org.uk](https://ibca.org.uk)

IBCA Board members³

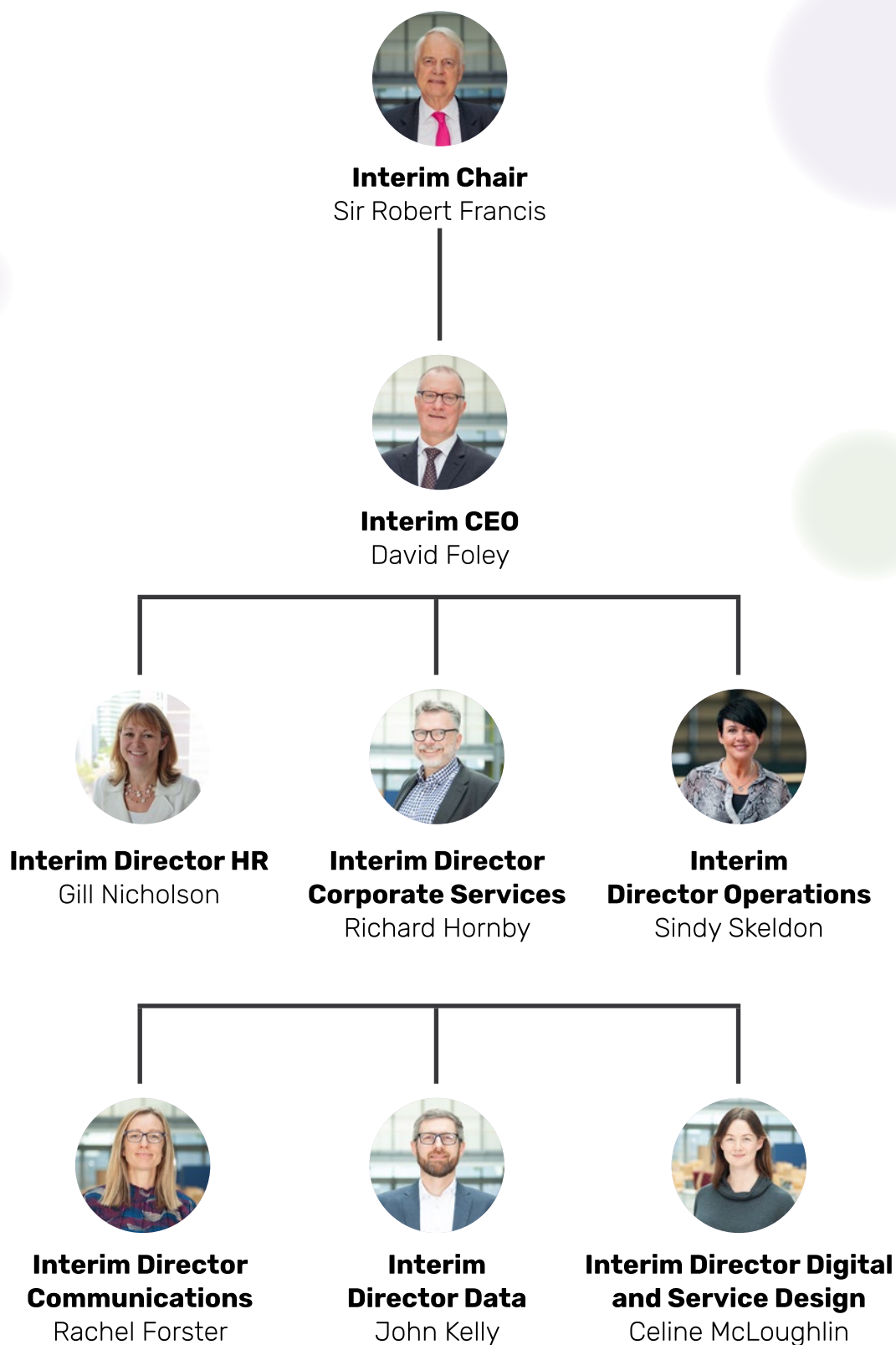
Sir Robert Francis – Interim Chair	Helen Parker – non-executive director
Sir Rob Behrens – Deputy Chair	Paula Sussex – non-executive director ⁴
Russell Frith – non-executive director (Chair of Audit and Risk Committee)	David Foley – Interim CEO
Gillian Fairfield – non-executive director (Chair of Remuneration Committee)	Richard Hornby – Interim Director Corporate Services ⁵
Deborah Harris-Ugbomah – non-executive director	Sindy Skeldon – Interim Director Operations
	Celine McLoughlin – Interim Director Digital and Service Design

³ IBCA Board members' biographies and photos available online at <https://ibca.org.uk/ibca-leadership>

⁴ After the reporting period Paula Sussex resigned as non-executive director of IBCA in July 2025.

⁵ After the reporting period Richard Hornby, Interim Director Corporate Services and CFO, resigned from IBCA in June 2025. Whilst permanent recruitment was underway, Finance leadership was provided by Caroline Patterson, Cabinet Office CFO, and supported by IBCA's deputy director of finance in the interim.

How we are organised



As of 31 March 2025.

The registered office of IBCA is Block 7, Benton Park View, Newcastle upon Tyne NE98 1ZZ.

Statement of Accounting Officer's responsibilities

Under the Victims and Prisoners Act 2024, the Secretary of State, with the consent of HM Treasury, has directed IBCA to prepare for each financial year a statement of accounts in the form and on the basis set out in the Accounts Direction.

The accounts are prepared on an accruals basis. They must give a true and fair view of the state of affairs of IBCA and of its income and expenditure, and a statement of financial position and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the government Financial Reporting Manual, and in particular, to:

- observe the Accounts Direction issued by the Secretary of State, with the consent of HM Treasury, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis,
- make judgements and estimates on a reasonable basis,
- state whether applicable accounting standards as set out in the government Financial Reporting Manual have been followed, and disclose and explain any material departures in the financial statements,
- prepare the financial statements on a going-concern basis, and
- take personal responsibility for the annual report and accounts and confirm the judgements required for determining that it is fair, balanced and understandable.

The Principal Accounting Officer of Cabinet Office has appointed the Interim Chief Executive as Accounting Officer of IBCA. The responsibilities of the Accounting Officer include the propriety and regularity of the public finances, for which the Accounting Officer is answerable, keeping proper records and safeguarding IBCA's assets. These responsibilities are set out in Managing Public Money, published by HM Treasury.

The Accounting Officer has taken all the steps that should be taken to make himself aware of any relevant audit information and to establish that IBCA's auditors are aware of that information. There is no relevant audit information of which the auditors are unaware.

Annual governance statement

Governance

Our corporate governance structures and information on how we are required to report to Parliament are set out in the Victims and Prisoners Act 2024.

The relationship with our sponsor department, Cabinet Office, is agreed through a Framework Document ([Infected Blood Compensation Authority framework document](https://www.gov.uk/government/publications/infected-blood-compensation-authority-ibca-framework-document)⁶), which contains details of my responsibilities as the Accounting Officer of IBCA. The Framework Document was published on 10 March 2025. Our annual report and accounts are laid before Parliament by Cabinet Office.

Our internal governance framework has been developed in line with Cabinet Office's 'Code of Best Practice for Board Members of Public Bodies' and the UK government's 'Corporate Governance in Central Government Departments: Code of Good Practice', in so far as requirements are relevant to IBCA's status or circumstances. It comprises the systems, processes and values within which we operate.

Our systems of internal control and assurances are in line with Managing Public Money and seek to identify the principal risks to the achievement of our policies, aims and objectives. The specific role, responsibilities and functions of the board and its committees are set out in our internal governance framework. It also includes our board members' code of conduct, which outlines how we handle allegations and complaints against board members. At the date of publication we have no investigations being handled through this process.

Board members are expected to demonstrate integrity, honesty, objectivity and impartiality in line with the Nolan Principles of Public Life. They are required to disclose any relationship that could be or be perceived to be a conflict when participating in board decisions. We maintain a register of board members' interests. A declaration of interests is a standing item on board agendas, with board members reminded to keep the register up to date and declare any potential interests in advance of meetings.

Our internal governance framework, along with our framework document, act as the board's terms of reference.

Managing Public Money provides guidance on the handling and reporting of public funds. It emphasises the need for efficiency, economy and effectiveness while promoting good practice and high standards of propriety. Our governance standards ensure that we comply with the requirements of Managing Public Money.

As IBCA continues to scale, processes for monitoring and evaluating the board's effectiveness will develop. Board reporting has developed to meet requirements throughout the period, and IBCA continues to monitor and evolve the quality of information provided to the Board and Executive Committee to support effective decision making.

⁶ www.gov.uk/government/publications/infected-blood-compensation-authority-ibca-framework-document

IBCA board

The shadow board met six times to consider some of the very early decisions in setting up IBCA, such as governance structures and the process for appointing IBCA's first board.

On 31 March 2025, the board comprised seven non-executive members (including the Chair) and four executive members all of whom were appointed on an interim basis.

Attendance at meetings is shown below.

IBCA board – formal meeting attendance	Attendance
Sir Robert Francis – Interim Chair	6/6
Sir Rob Behrens – Deputy Chair	6/6
Russell Frith – non-executive director (Chair of Audit and Risk Committee)	6/6
Gillian Fairfield – non-executive director (Chair of Remuneration Committee)	5/6
Deborah Harris-Ugbomah – non-executive director	6/6
Helen Parker – non-executive director	5/6
Paula Sussex – non-executive director	6/6
David Foley – Interim CEO	6/6
Richard Hornby – Interim Director Corporate Services	5/5
Celine McLoughlin – Interim Director Digital and Service Design	3/3
Sindy Skeldon – Interim Director Operations	3/3



Executive Committee

The Chief Executive is supported by the Executive Committee (ExCo), which provides strategic and operational leadership in the delivery and establishment of IBCA.

ExCo consisted of:

- David Foley, Interim CEO
- Richard Hornby, Interim Director Corporate Services and CFO⁷
- Celine McLoughlin, Interim Director Service Design
- John Kelly, Interim Director Data
- Gill Nicholson, Interim Director HR⁸
- Sindy Skeldon, Interim Director Operations
- Rachel Forster, Interim Director Communications
- Shainila Pradhan, Director, Cabinet Office Delivery Programme Team
- Catherine Webster, Chief of Staff to the Interim CEO

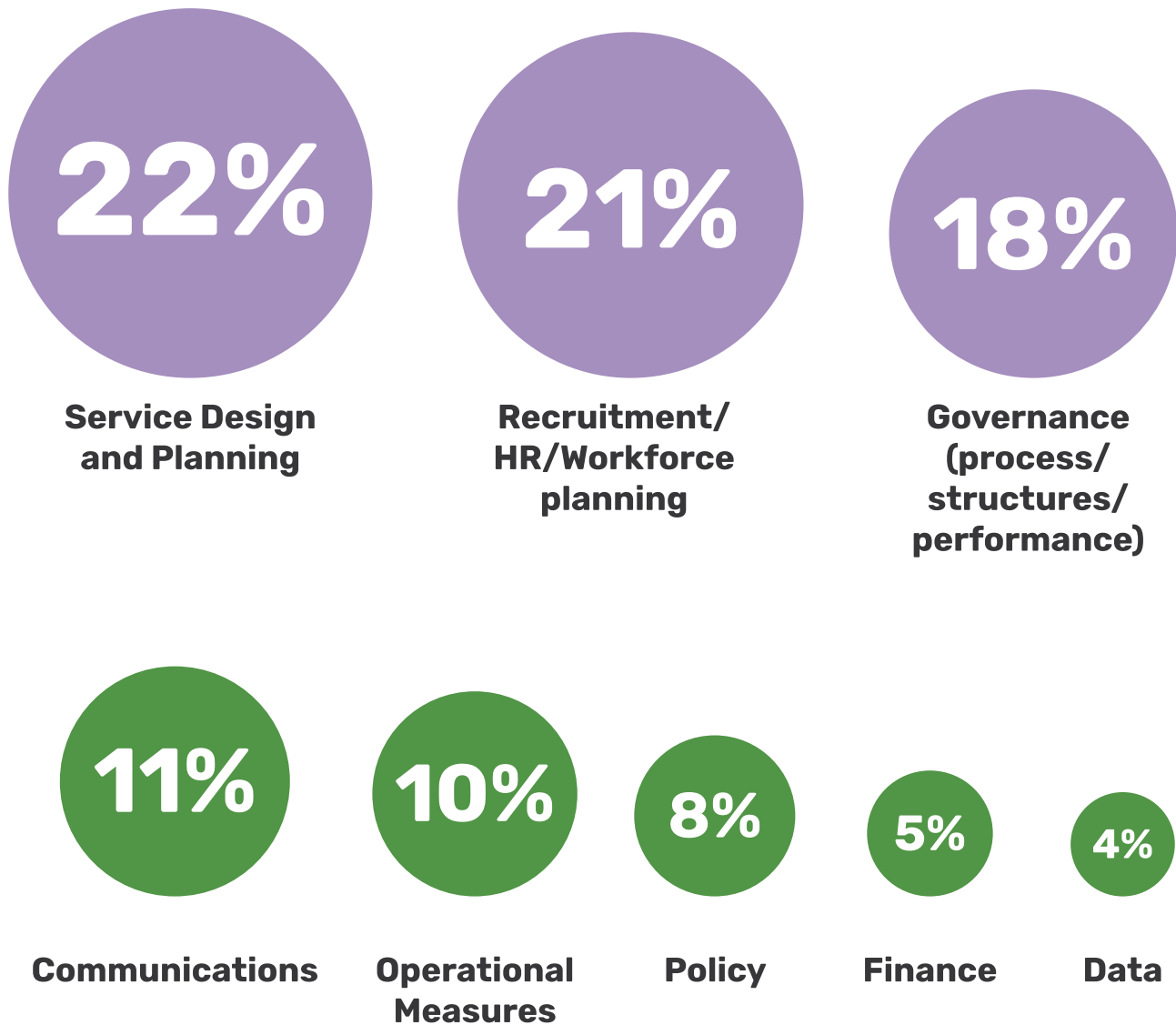
ExCo meets on a weekly basis, is chaired by the Chief Executive, and currently includes IBCA's interim directors. Cabinet Office accountability is retained through the Chair (the CO SRO and IBCA's CEO) and Programme Director, with deputy directors from the delivery programme also attending. Since November 2024, it has been responsible for decision-making and oversight of delivery and performance against the strategic objectives set by the board, finance and risk, people matters, and organisational culture and reputation.

ExCo currently provides programme governance and change management. It considers programme dependencies and concurrencies, ensuring that key risks and issues are reviewed and addressed. It also authorises expenditure on the programme, and is accountable for effective financial management in line with Cabinet Office's processes.

7 After the reporting period Richard Hornby, Interim Director of Corporate Services and CFO, resigned from IBCA in June 2025.

8 After the reporting period Gill Nicholson, Interim Director of HR, retired in May 2025. Mark Hitchen was appointed Interim Director of HR.

Across 18 weekly meetings, ExCo recorded 168 decisions, broadly categorised in the following way:



ExCo will also be responsible for implementing the strategy and policy for IBCA going forward as an enduring body.

Committees of the Board

Audit and risk assurance committee

The Audit, Risk and Assurance committee (ARAC) stood up in January 2025. It supports the board, and the Chief Executive as Accounting Officer, by providing independent advice and challenge and gives assurance that governance arrangements, risk management approaches and control frameworks are in place and effective. The committee operates in line with the guidance and good practice principles set out in HM Treasury's 'Audit and Risk Assurance Committee Handbook' (March 2016) and the Cabinet Office's 'Code of Conduct for Board Members of Public Bodies' (June 2019).

The ARAC is chaired by Russell Frith, non-executive board member, and held one formal meeting during 2024 to 2025.

In the period to 31 March 2025, the ARAC met once. The ARAC considered risk management with a deep dive into cyber risks and a review of the risk register, internal audit plans, and plans for the first IBCA accounts.

Audit and risk assurance committee – formal meeting attendance	Attendance
Russell Frith – non-executive chair	1/1
Deborah Harris-Ugbomah – non-executive	1/1
Paula Sussex – non-executive	1/1

Remuneration committee

The Remuneration Committee (RemCo) was authorised by the board on 21 January 2025. The first meeting of RemCo was held on 7 April 2025.

Remuneration Committee
Gillian Fairfield – Non Executive Chair
Deborah Harris-Ugbomah – Non Executive
Helen Parker – Non Executive

Business Appointments

Whilst IBCA scales to meet the requirements of an independent employer, IBCA staff are hosted by the Cabinet Office. Employees are therefore on Cabinet Office terms and processed under Cabinet Office HR systems in the interim.

The Business Appointment Rules set out the process by which approval is required when any employee wishes to leave the organisation to accept a role outside of the Civil Service. The rules apply for one or two years (depending on grade) after an employee has left employment.

The purpose of the rules is to avoid any suspicion that an appointment might be a reward for past favours, the risk that an employer might gain an improper advantage by appointing a former official, and the risk of a former official improperly exploiting privileged access to contacts.

The Cabinet Office is responsible for the Business Appointment Rules policy, and provides assessments on applications. Further details can be found in the Cabinet Office Annual Report and Accounts.

Relationship with project and programme governance

The governance and programme management of the IBCA programme is complex. The complexity is increased by setting up the programme 'in flight' – driving forward to getting payments out by the end of the calendar year 2024, while still delivering the critical functions of an ALB. In June 2024, the original governance structure including a Delivery Programme Board and Design Authority was agreed.

The IBCA Delivery Programme Board (DPB) exercised overall oversight of IBCA set-up and implementation. The board was chaired by the Director of the Cabinet Office Delivery Programme Team, and comprised key members of that team. Other Cabinet Office and government stakeholders' attendance at DPB meetings was tailored to the agenda, with a regular attendance of key directors, and other leads as appropriate. This board provided programme governance and change management, considered programme dependencies and concurrencies, ensuring key risks and issues are reviewed and addressed.

Since November 2024, programme governance has been undertaken by IBCA ExCo, who provide and promote the effective governance required of a major government programme. This is to streamline quick, transparent, quality decision making, ensuring a robust and clear framework is in place for change and project management to support delivery. It also provides a vital mechanism to enable IBCA itself to shape how it's set up. External attendees and observers are again invited where appropriate.

The Cabinet Office Delivery Team supports IBCA's CEO to ensure IBCA is delivered effectively on behalf of the Principal Accounting Officer. IBCA consists of Cabinet Office resources supporting strategy, HR, IT, estates, finance and commercial deliverables. Programme milestones, RAID (Risks, Assumptions, Issues and Dependencies) logs and progress updates are managed in the first instance within a structure of delegated subcommittees, before being escalated up to higher governance levels as appropriate. Information reported on to enable us to track effective delivery and the management of risks and issues includes:

- timelines and timeframes for key milestones and workstreams, and whether they are being met, and
- assessment of strategic, inherent and residual risks, including potential impacts and proposed mitigations.

Teams will work within this one structure until the criteria for IBCA to exist as an employer and fully independent entity are met, which is expected to complete in October 2025. Once key elements of the programme are delivered and IBCA is set up, Cabinet Office delivery teams will move remaining elements to IBCA over an agreed period. The delivery teams and IBCA currently work together through ExCo's direction, delegation and leadership to ensure they're aligned to deliver the same objectives.

Risk management

IBCA adopts a comprehensive risk-management strategy that harmonises both directorate-level and strategic perspectives. IBCA prioritises effective risk identification and management to safeguard its programme objectives. A centralised risk-management framework enables rigorous monitoring and reporting to the ExCo, IBCA board and the ARAC, ensuring accountability through clearly defined action plans. IBCA directors are pivotal in this framework, regularly evaluating and escalating key risks to align with overarching strategic goals.

The programme management office (PMO) plays a vital role by ensuring collaboration among project managers and risk owners, making sure risks impacting programme delivery are strategically addressed and escalated as necessary. This approach not only supports operational excellence but also enhances the resilience of IBCA's initiatives. IBCA management of risk operates in line with the principles outlined in the Orange Book.

Internal audit

IBCA received its internal audit service from the Government Internal Audit Agency (GIAA). This is provided under the supervision of the Group Chief Internal Auditor for the Centre of Government.

GIAA reviewed our central risk register and strategic risks in February 2025, and developed an annual internal audit plan which was agreed by the ARAC to be delivered in 2025 to 2026.

In 2024 to 2025, whilst IBCA was hosted on Cabinet Office systems, no specific internal audit function was in operation. However, IBCA had in operation risk management processes and reporting, and implemented financial controls mirroring Cabinet Office's and placing reliance on their systems and review processes. The payments system was administered by another government department, where regular reconciliations and agreements formed the basis of controls.

The programme management office (PMO) plays a vital role by ensuring collaboration among project managers and risk owners, making sure risks impacting programme delivery are strategically addressed and escalated as necessary.

External audit

IBCA's external auditor is provided on behalf of Parliament by the Comptroller and Auditor General, supported by staff from National Audit Office (NAO). As part of the process, representatives from NAO see all audit and risk committee papers and attend its meetings.

In the period ended 31 March 2025, the NAO issued a qualified opinion with a limitation of scope in respect of the provision valuation. They were satisfied with the valuation for those registered with an IBSS, a known group, but were unable to gain sufficient assurance over the volume of people eligible to claim in all other cohorts. This is due to the limited evidence IBCA currently holds on the volumes of people that may claim, which is in line with IBCA's expectations given the infancy of the scheme. IBCA's valuation for the provision was based on information used to support the Inquiry and to help government estimate the potential overall cost of the scheme and the inherent uncertainties in the valuation are disclosed in note 9. IBCA will continue to refine its estimate as it progresses and as more cohorts are opened up to applications. This does not affect the compensation entitlement in any way of those eligible.

Data protection

Effective information management and governance, including the protection of information assets containing personal and sensitive data, is a priority for us. We have strong professional data governance arrangements in place. A member of the ExCo acts as the Senior Information Risk Owner (SIRO) ensuring organisational information risk is properly identified and managed, and appropriate assurance mechanisms exist to support the effective management of information risk.

IBCA is registered with the Information Commissioner's Office (ref: ZB786499) and is listed as an individual public authority under Schedule 1 of the Freedom of Information Act. IBCA has appointed a statutory Data Protection Officer as required by s.69(1) of the Data Protection Act 2018.

We have a published privacy notice, available at ibca.org.uk/privacy which details our processing activities and what that means for the individuals whose personal data is collected and processed by us.

IBCA complies with its Data Protection by Design requirements by undertaking data protection impact assessments for all potentially high-risk data processing activities, to mitigate data protection issues or risks and ensure compliance. This includes ensuring contracts and data-sharing agreements are in place where required by law when instructing a data processor, or as a matter of best practice when sharing data with another data controller. This includes ensuring mechanisms are in place to ensure the personal data we hold is kept securely, using role-based access controls to ensure that personal data is only accessed by those who legitimately need to see it. To support this, all our people are required to complete mandatory online training covering both data protection, cyber security and information management on an annual basis.

IBCA has not experienced any reportable data breaches under either Articles 33 or 34 of the UK GDPR.

To the end of March 2025 we received 42 subject access requests. All received a response within the statutory deadline, including one that was in progress at 31 March 2025.

A Standard Operating Procedure has recently been implemented to support compliance with access rights.

Freedom of Information requests

To the end of March 2025 we received 29 requests under the Freedom of Information Act 2000. Of those requests, all received a response within the statutory deadline, including two that were in progress at 31 March 2025.

A Standard Operating Procedure has recently been implemented to ensure that directors know their responsibilities in complying with the legislation, with further training to be delivered. It also sets out how Freedom of Information Act requests are handled by IBCA.

IBCA has drafted a publication scheme, which aims to provide a transparent approach to the disclosure of information held by it in accordance with section 19 of the Freedom of Information Act 2000. It details what exists and what can be disclosed, with a view to ensuring publication of relevant information at the earliest opportunity. It will assist IBCA and the public in ensuring timely and transparent responses to all requests.

Correspondence

Our correspondence function forms an integral part of the public face of IBCA. We receive and respond to emails, letters and phone calls from individuals, organisations, MPs, parliamentarians and stakeholders requesting information and advice on a wide range of issues.

From the end of October, when IBCA Operations took over the inbox and helpline from United Kingdom Security Vetting support and put tracking in place, to the end of March 2025, the total number of written correspondence queries we received was 3,565. These consisted of emails from the community, ministerial requests and treat-official correspondence. We handled 3,541 helpline calls with an average wait time of 21 seconds, and 99% of all calls were answered.

External complaints

We launched our complaints policy in February 2025. To date we have received eight complaints and all were responded to within our internally set 15 days service level agreement (SLA).

Complaints to the Parliamentary Ombudsman

During the period there were no complaints relating to IBCA.

Whistleblowing

We are committed to high standards of conduct in everything we do, whether that is in the way we treat each other, or the way we interact with the communities we serve. During the period a Speak Up champion was appointed, and staff were invited to sessions covering the Speak Up policy and practice. As IBCA establishes itself as an independent employer it will further measure effectiveness of its whistleblowing policies.

Assurance

Accounting Officer's assurance

As Accounting Officer, I have responsibility and accountability for IBCA, its management, the efficient use of public funds and stewardship of its assets. I'm responsible for ensuring IBCA has systems of governance, risk management and internal control in place and for reviewing the effectiveness of these systems.

The system of internal control reflects good practice and with IBCA rapidly scaling to deliver compensation the system of internal controls and processes are in continuous improvement. It identifies and manages risk, rather than eliminating all risk of failure. It provides reasonable but not absolute assurance of effectiveness, supporting the achievement of our aims and objectives, while safeguarding our funds and assets, in line with Managing Public Money. It can therefore only provide reasonable and not absolute assurance of effectiveness. These controls have been in place throughout the period to the end of March 2025, and up to the date of approval of the annual report and accounts, and they accord with Treasury guidance.

My review is informed by:

- regular review and discussion of internal controls at the Executive Committee meetings,
- formal assurances received from the Executive Leadership Team throughout the year, work carried out by the board,
- assurance received from external audit opinions,
- information from our risk management function, and
- assurances provided by the Chair of the audit and risk assurance committee.

Accounting Officer's conclusion

IBCA is a new body, established in the period, with systems, reporting and control developing as the organisation scales. I have considered the evidence provided during the production and review of the annual governance statement, and the independent advice and assurance provided by ARAC. I am content that a good system of internal control, which was robust and fit for purpose, including the maintenance of an appropriate structure for managing risk, was in place for the period ended 31 March 2025.

Considering the assurances I've received along with other evidence available to me, I conclude that we have satisfactory governance and risk management systems in place with effective plans to ensure continuous improvement of our control framework.

I confirm that this annual report and accounts is fair, balanced and understandable. I take responsibility as Accounting Officer for the judgements made to ensure that it is fair, balanced and understandable.



David Foley

Interim Chief Executive and Accounting Officer

Remuneration and staff report

This report sets out the policy on remuneration and provides details on remuneration and staff that Parliament considers key to accountability.

IBCA is independent from the government and is sponsored by Cabinet Office. IBCA has the legal power to employ staff, but it is unable to operate as an employer until it can fulfil the administrative functions associated with the employment of staff.

As such, Cabinet Office currently hosts IBCA staff and is the legal employer.

Remuneration report

Remuneration policy

The pay of board appointees who are senior civil servants is set by the Prime Minister following independent advice from the Review Body on Senior Salaries. The Review Body may, if requested, also advise the Prime Minister from time to time on peers' allowances and on the pay, pensions and allowances of ministers and others whose pay is determined by the Ministerial and Other Salaries Act 1975.

The Review Body on Senior Salaries takes a variety of factors into consideration when formulating its recommendations. These include:

- the need to recruit, retain and motivate suitably able and qualified people,
- regional/local variations in labour markets and their effects on the recruitment and retention of staff,
- government policies for improving public services, including the requirement on departments to meet the output targets for the delivery of departmental services,
- the funds available to departments as set out in the government's departmental expenditure limits (DEL),
- the government's inflation target, and
- the evidence it receives about wider economic considerations and the affordability of its recommendations.

Further information about the work of the Review Body on Senior Salaries can be found at: www.gov.uk/government/organisations/review-body-on-senior-salaries

The remuneration of IBCA's Chair was determined by Cabinet Office and HM Treasury. Remuneration of remaining non-executives was determined by the Chair, informed by Cabinet Office policy on non-executive remuneration.

The performance management system for senior civil servants is standardised across all government departments. Pay awards are made in two parts:

- consolidated pay awards, and
- bonuses (non-consolidated variable payments), which are used to reward members of staff who demonstrate exceptional performance.

Service contracts

The Constitutional Reform and Governance Act 2010 requires Civil Service appointments to be made on merit, on the basis of fair and open competition. The recruitment principles published by the Civil Service Commission website specify the circumstances when appointments may be made otherwise. Unless otherwise stated below, the officials covered by this report hold appointments that are open-ended. Early termination, other than for misconduct, would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Further information about the work of the Civil Service Commission can be found at: www.civilservicecommission.independent.gov.uk

Remuneration (including salary) and pension entitlements

The following sections provide details of the remuneration and pension interests of IBCA board members.

Remuneration (salary, bonuses, benefits in kind and pensions) of executive board members

The figures presented below relate only to the amounts received during the period that the individuals were IBCA board members.

Public Service Pensions Remedy

Accrued pension benefits included in the tables below for any individual affected by the Public Service Pensions Remedy have been calculated based on their inclusion in the legacy scheme for the period between 1 April 2015 and 31 March 2022, following the McCloud judgment. The Public Service Pensions Remedy applies to individuals that were members, or eligible to be members, of a public service pension scheme on 31 March 2012 and were members of a public service pension scheme between 1 April 2015 and 31 March 2022.

The basis for the calculation reflects the legal position that impacted members have been rolled back into the relevant legacy scheme for the remedy period and that this will apply unless the member actively exercises their entitlement on retirement to decide instead to receive benefits calculated under the terms of the alpha scheme for the period from 1 April 2015 to 31 March 2022.

Single total figure of remuneration for the period ended 31 March 2025 (audited)

Executive board members	Salary £000⁹	FYE¹⁰ salary £000	Bonuses £000	Benefits in kind (to nearest £100)	Pension benefits¹¹ (to nearest £1,000) £000	Total £000
David Foley, Interim CEO from 20 April 2024 ¹²	105-110	125-130	-	-	101	210-215
Richard Hornby, Interim Director Finance from 14 October 2024 ¹³	75-80	160-165	-	-	30	105-110
Sindy Skeldon, Interim Director Operations from 1 July 2024 ¹⁴	70-75	95-100	-	-	29	100-105
Celine McLoughlin, Interim Director Digital and Service Design from 10 July 2024 ¹⁵	75-80	100-105	-	-	67	140-145

9 Salary figures are based on the period 24 May 2024, or individual's start date if later, to 31 March 2025.

10 Figures are for a full-year equivalent.

11 The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increases exclude increases due to inflation or any increases or decreases due to a transfer of pension rights.

12 David Foley was employed from 20/04/2024, which was before the legal creation of IBCA. His pre-IBCA salary was £15,000-£ 20,000 and he received a bonus pre-IBCA of £0-£5,000, both paid by Cabinet Office.

13 Richard Hornby worked in the Cabinet Office before moving to the IBCA role and the associated remuneration is included in the Cabinet Office annual report and accounts. Richard's employment ended on 30/06/2025.

14 On loan from HM Revenue and Customs (HMRC) to IBCA until 02/10/2025.

15 On loan from Department for Work and Pensions (DWP) to IBCA until 11/10/2025.

Salary

'Salary' for executive directors includes: gross salary, overtime, reserved rights to London weighting or London allowances, recruitment and retention allowances, private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made to IBCA staff by Cabinet Office, which are therefore recorded in these accounts.

Benefits in kind

The monetary value of benefits in kind covers any benefits treated by HM Revenue and Customs as a taxable emolument. Any disclosed benefits in kind include Income Tax and National Insurance liabilities that are met by IBCA. No benefits in kind were received by IBCA's executive board members in the period to 31 March 2025.

Bonuses

Bonuses are based on performance levels attained in 2023 to 2024 as the appraisal process is not completed until the summer. As IBCA did not exist in 2023 to 2024, no payments were made by IBCA in 2024 to 2025. No bonuses were accrued or provided for at 31 March 2025 for the next financial year.



Fees paid to non-executive board members for the period ending 31 March 2025 (audited)

Non-executive board members receive a fee for their services. They do not receive pension entitlements. The Chair was offered a fee determined by Cabinet Office and HM Treasury. Individual board members are only allowed to claim for the time they have provided a service for up to their fee entitlement. They may waive all or part of their fee entitlement. Claimed fees are included within the staff costs.

Non-executive board members	FYE fee entitlement¹⁶	Fees paid 2024-25
Sir Robert Francis from 24 May 2024¹⁷		
Interim Chair ¹⁸	210,334	165,318
Russell Frith from 1 October 2024		
Non-executive board member and Interim Chair of ARAC ^{19 20}	18,000	6,000
Paula Sussex from 1 October 2024²¹		
Non-executive board member ²²	14,400	5,200
Deborah Harris-Ugbomah from 1 October 2024		
Non-executive board member ²³	14,400	3,800
Gillian Fairfield from 1 October 2024		
Non-executive board member and Chair of RemCo ²⁴	14,400	5,100
Helen Parker from 1 October 2024		
Non-executive board member ²⁵	14,400	5,700
Sir Rob Behrens from 1 October 2024		
Non-executive board member ²⁶	14,400	1,900

16 Figures are for a full-year equivalent. This is the figure the individual is entitled to receive based on their time commitment had they provided services for the full 2024/25 financial year.

17 Sir Robert Francis was engaged from 21/05/2024, which was before the legal creation of IBCA. Fees paid pre-IBCA's creation were £3,034.

18 The annual fee entitlement for Sir Robert Francis is based on an assumed time commitment of 4 days per week. The fee entitlement is based on a time commitment of 4 days per week to 31/12/2024 and 3 days per week from 01/01/2025 to 31/03/2025.

19 Russell Frith receives an additional fee for responsibilities as Chair of the Audit, Risk and Assurance Committee.

20 Claimed expenses of £1,496.52 in 2024 to 2025 which are not included in the figures.

21 Engagement ended on 31/07/2025.

22 Claimed expenses of £139.73 in 2024 to 2025 which are not included in the figures.

23 Claimed expenses of £240.41 in 2024 to 2025 which are not included in the figures.

24 Claimed expenses of £484.53 in 2024 to 2025 which are not included in the figures.

25 Claimed expenses of £342.63 in 2024 to 2025 which are not included in the figures.

26 Claimed expenses of £88.19 in 2024 to 2025 which are not included in the figures.

Pension benefits of executive board members (audited)

Executive board members	Accrued pension (and any related lump sum if applicable) at pension age as at 31 March 25	Real increase in pension (and related lump sum if applicable) at pension age	CETV ²⁷ at 31 March 25	CETV at 31 March 24	Real increase in CETV
	£000	£000	£000	£000	£000
David Foley	125-130	10-12.5	730	625	77
Richard Hornby	35-40	0-2.5	536	491	21
Sindy Skeldon	0-5	0-2.5	25	0	20
Celine McLoughlin	35-40	2.5-5	619	560	47

Civil Service pensions

Pension benefits are provided through the Civil Service pension arrangements. Before 1 April 2015, the only scheme was the Civil Service Pension Scheme (CSPS), which is divided into a few different sections – classic, premium and classic plus – that provide benefits on a final salary basis, while nuvos provides benefits on a career average basis. From 1 April 2015 a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis. All newly appointed civil servants, and the majority of those already in service, joined the new scheme.

The CSPS and alpha are unfunded statutory schemes. Employees and employers make contributions (employee contributions range between 4.6% and 8.05%, depending on salary). The balance of the cost of benefits in payment is met by monies voted by Parliament each year. Pensions in payment are increased annually in line with the pensions increase legislation. Instead of the defined benefit arrangements, employees may opt for a defined contribution pension with an employer contribution, the partnership pension account.

In alpha, pension builds up at a rate of 2.32% of pensionable earnings each year, and the total amount accrued is adjusted annually in line with a rate set by HM Treasury. Members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004. All members who switched to alpha from the CSPS had their CSPS benefits ‘banked’, with those with earlier benefits in one of the final salary sections of the CSPS having those benefits based on their final salary when they leave alpha.

²⁷ Start and end date of cash equivalent transfer value (CETV) is 31 March or date of joining or leaving the board.

The accrued pensions shown in this report are the pension the member is entitled to receive when they reach normal pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over normal pension age. Normal pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or state pension age for members of alpha. The pension figures in this report show pension earned in the CSPA or alpha – as appropriate. Where a member has benefits in both the CSPA and alpha, the figures show the combined value of their benefits in the two schemes but note that the constituent parts of that pension may be payable from different ages.

When the government introduced new public service pension schemes in 2015, there were transitional arrangements which treated existing scheme members differently based on their age. Older members of the CSPA remained in that scheme, rather than moving to alpha. In 2018, the Court of Appeal found that the transitional arrangements in the public service pension schemes unlawfully discriminated against younger members. As a result, steps are being taken to remedy those 2015 reforms, making the pension scheme provisions fair to all members. The public service pensions remedy is made up of two parts. The first part closed the CSPA on 31 March 2022, with all active members becoming members of alpha from 1 April 2022.

The second part removes the age discrimination for the remedy period, between 1 April 2015 and 31 March 2022, by moving the membership of eligible members during this period back into the CSPA on 1 October 2023. This is known as 'rollback'.

For members who are in scope of the public service pensions remedy, the calculation of their benefits for the purpose of calculating their Cash Equivalent Transfer Value and their single total figure of remuneration reflects the fact that membership between 1 April 2015 and 31 March 2022 has been rolled back into the CSPA. Although members will in due course get an option to decide whether that period should count towards CSPA or alpha benefits, the figures show the rolled back position – that is, CSPA benefits for that period. The partnership pension account is an occupational defined contribution pension arrangement which is part of the Legal and General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute but, where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally provided risk benefit cover (death in service and ill health retirement). Further details about the Civil Service pension arrangements can be found at: www.civilservicepensionscheme.org.uk

Cash equivalent transfer value (CETV)

A CETV is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme, or an arrangement to secure pension benefits in another pension scheme, or an arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with the Occupational Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax, which may be due when pension benefits are taken.

Real Increase in CETV

This reflects the increase in the CETV that's funded by the employer. It does not include the increase in accrued pension due to inflation, or contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement). It uses common market valuation factors for the start and end of the period.

Compensation on early retirement or for loss of office (audited)

There were no payments made to compensate for early retirement or loss of office.

Payments to past directors (audited)

There were no payments made to past directors.

Fair pay disclosures (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid board member in their organisation, the median remuneration of the organisation's workforce and the 25th and 75th percentile remuneration.

The banded remuneration of the full year equivalent highest-paid board member in the IBCA in the financial year 2024 to 2025 was £165,000 to £170,000. This was:

- 3.9 times the median remuneration of the workforce, which was £42,382,
- 4.5 times the 25th percentile remuneration of the workforce, which was £36,728, and
- 2.9 times the 75th percentile remuneration of the workforce, which was £57,147.

The outcomes of all pay ratios for 2024 to 2025 are consistent with Cabinet Office pay and reward policies for IBCA staff taken as a whole. An average of 5% pay increase across the CO was awarded in the year, which IBCA staff received.

In 2024 to 2025, no employees received remuneration in excess of the highest-paid board member. The remuneration of IBCA staff ranged from £26,488 to £168,352.

Total remuneration as at 31 March 2025 includes salary, non-consolidated performance-related pay and benefits in kind. It does not include severance payments, employer pension contributions and the CETV of pensions.

	2024-25
Band of highest-paid board member's total remuneration (£000)	165-170
Of which: salary component (£000)	165-170
Median remuneration (£)	42,382
Of which: salary component (£)	42,382
Ratio	3.9
25th percentile pay	36,728
Of which: salary component (£)	36,728
Ratio	4.5
75th percentile pay	57,147
Of which: salary component (£)	56,070
Ratio	2.9

Spending on consultancy and temporary staff

Professional services external resources can generally be split into two broad categories:

- The temporary staff cost for the period was £1.6 million. Temporary staff includes temporary (agency) workers, interim managers and specialist contractors who are used to cover business-as-usual or service delivery activities within an organisation.
- The consultancy spend for the period was £1.9 million. Consultancy includes the provision of objective advice relating to strategy, structure, management or operations of an organisation, in pursuit of its purposes and objectives. Such advice will be provided outside the business-as-usual environment when in-house skills are not available and will be time limited. Consultancy may include the identification of options with recommendations, or assistance with (but not the delivery of) the implementation of solutions.

Consultancy services and temporary staff have been procured as required to support rapid access to capabilities and resources needed to start operating IBCA. Costs can therefore fluctuate depending on IBCA's needs.

Off-payroll appointments

Information on off-payroll appointments is set out in the tables below. Off-payroll means anyone who is working for IBCA but is not paying PAYE (Pay As You Earn) or National Insurance via payroll.

Table 1: Off-payroll worker engagements as at 31 March 2025, earning £245 per day or greater

Number of existing engagements as of 31 March 2025	32
Of which, number that existed:	
less than 1 year	32
for between 1 and 2 years	-
for between 2 and 3 years	-
for between 3 and 4 years	-
for 4 or more years	-

Table 2: Off-payroll workers engaged at any point during the year ended 31 March 2025, earning £245 per day or greater

Number of temporary off-payroll workers engaged during the year ended 31 March 2025	35
Of which...	
Not subject to off-payroll legislation	0
Subject to off-payroll legislation and determined as in-scope of IR35	35
Subject to off-payroll legislation and determined as out-of-scope of IR35	0
Number of engagements reassessed for compliance or assurance purposes during the year	0
Of which: number of engagements that saw a change to IR35 status following review	0

Table 3: Off-payroll engagements of board members and/or senior officials with significant financial responsibility, between 1 April 2024 and 31 March 2025

Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility, during the financial year	0
Total number of individuals on payroll and off-payroll that have been deemed board members and/or senior officials with significant financial responsibility, during the financial year (this figure should include both on payroll and off-payroll engagements)	2



Staff report

Staff costs (audited)

IBCA staff are legally employed by the Cabinet Office with staff costs recharged to IBCA.

	Permanently employed Cabinet Office staff (paid for by IBCA)	Others²⁸	Total
	£000	£000	£000
Wages, salaries and fees	4,480	-	4,480
Social security costs	475	-	475
Other pension costs	1,128	-	1,128
Untaken annual leave	217	-	217
Agency/temporary	-	2,193	2,193
Sub total	6,300	2,193	8,493
Inward secondments	-	15	15
Total staff costs	6,300	2,208	8,508

The CSPS and the Civil Servants and Others Pension Scheme (known as alpha) are unfunded multi-employer defined benefit schemes. Cabinet Office is unable to identify its share of the two schemes' underlying assets and liabilities. The scheme actuary valued the CSPS as at 31 March 2020. More information about this and the assets and liabilities of both schemes can be found in the Civil Superannuation accounts, which are prepared by Cabinet Office and published on the Civil Service Pension Scheme website at: www.civilservicepensionscheme.org.uk/about-us/resource-accounts

For the period 1 April 2024 to 31 March 2025, employers' contributions of £1,128k were payable to the CSPS at one of four rates in the range 26.6% to 30.3% of pensionable earnings, based on salary bands.

The scheme actuary usually reviews employer contributions every four years following a full scheme valuation. The contribution rates are set to meet the cost of the benefits accruing during the financial year 2024 to 2025 to be paid when the member retires, and not the benefits paid to existing pensioners during this period.

²⁸ Others includes non-permanent staff engaged on the objectives of IBCA, for example short term contract staff, agency/temporary staff and inward secondments where the entity is paying the whole or the majority of their costs.

Employees can opt to open a partnership pension account, which is a stakeholder pension with an employer contribution. During the period 1 April 2024 to 31 March 2025, no employers' contributions were paid to any of the panel of three appointed stakeholder pension providers. Employer contributions are age-related and range from 8% to 14.75% of pensionable earnings. Employers also match employee contributions up to 3% of pensionable earnings. In addition, no employer contributions were payable to the CSPA to cover the cost of the future provision of lump sum benefits on death in service or ill-health retirement. No contributions were due to the partnership pension providers at 31 March 2025. No contributions were prepaid as at the same date. No individuals retired early on ill-health grounds during the period 1 April 2024 to 31 March 2025. The resulting additional accrued pension liabilities amounted to £nil.

Average number of people employed (audited)

The average number of full-time equivalent people working for IBCA during the year is shown in the table below.

	Permanently employed Cabinet Office staff (paid for by IBCA)	IBCA staff recharged to other government departments²⁹	Total permanently employed staff	Others³⁰	2024-25 total
Total	85	0	85	14	99

Senior civil servants

The table below shows the number of SCS employed by Cabinet Office working for IBCA as at 31 March 2025.

Grade	2024/2025
SCS2	2
SCS1	5
Total	7

²⁹ The number of staff that IBCA has recharged their costs to other government departments.

³⁰ The Others category includes agency staff, interim managers, specialist contractors and consultants.

Staff numbers and composition

The below tables provide a breakdown, by sex, of individuals who worked for IBCA during the period 1 April 2024 to 31 March 2025. The figures do not include individuals who were on loan to IBCA during the period but include individuals engaged on off-payroll engagements.

	Men	Women
Official board members	5	6
Senior civil servants ³¹	4	3
Employees ³²	92	45
	Men	Women
Official board members	45%	55%
Senior civil servants	57%	43%
Employees	67%	33%

Staff loans

The table below shows the number of staff loans into IBCA at 31 March 2025.

Staff loaned in by grade	Headcount
SCS2	0
SCS1	8
G6	11
G7	5
SEO	6
HEO	34
EO	0
AO	0
Total staff loaned in by grade	64

³¹ Includes two senior civil servants who are also official board members.

³² Excludes employees who are senior civil servants.

Sickness absences

The sickness absence figure for 2024 to 2025 stands at 6.68 average working days lost per member of staff.

Staff turnover

Staff turnover in 2024 to 2025 was 12.7%.³³

Exit packages (audited)

No IBCA staff received exit packages in 2024 to 2025.

Staff engagement

The annual Civil Service People Survey looks at civil servants' attitudes to and experience of working in government departments. As a new entity in the very early stage of development when the 2024 survey was issued, IBCA's interaction was limited. IBCA intends to participate in the Civil Service People Survey (as part of Cabinet Office) until IBCA is able to fulfil the administrative functions associated with the employment of staff and therefore operate its own people survey.

Diversity, inclusion, health and safety

IBCA currently adopts Cabinet Office policies to ensure diversity, inclusion, health and safety within its activities. This includes:

- IBCA staff has access to a comprehensive set of policies and procedures owned by the Cabinet Office. IBCA is currently working on developing its own HR policies and procedures,
- IBCA applies the Recruitment Principles of the Civil Service Commission, appointing candidates based on merit through fair and open competition. Recruitment and selection training, which has a core focus of raising awareness of unconscious bias, is offered to all panel members that sit on Cabinet Office recruitment panels. IBCA has received accreditation from the Civil Service Commission and will apply the Recruitment Principles as an entity in due course,
- IBCA is accredited as a Level 3 Disability Confident Leader, demonstrating our commitment to actively championing disability inclusion and equality. The Disability Confident Scheme (formerly known as the Guaranteed Interview Scheme) encourages candidates with a disability to apply for the jobs it advertises. If a candidate declares a disability and meets the minimum standards required for a job, they are offered an interview, and



³³ Figure calculated as number of leavers divided by average number of staff over the period. Average number of staff calculated using average headcount at the start and end of the reporting period.

- IBCA is a member of the Business Disability Forum, which is a not-for-profit organisation that makes it easier and more rewarding to do business with and employ disabled people,
- IBCA encourages staff to declare protected characteristics to better understand individuals within IBCA's workforce, and using this data to promote equality, diversity and inclusion in business activities and the development of policies, procedures and services. Within IBCA, representation of:
 - women SCS at 31 March 2025 (including SCS on loan to IBCA) is 50%, marginally higher than the representation in Cabinet Office, which averaged at 46% over the year, and
 - ethnic minorities and those with disabilities cannot be reported due the low percentage which could make individuals identifiable (this is in line with diversity and inclusion practice).
- IBCA recognises its obligations under the Health and Safety at Work etc. Act 1974 for ensuring, so far as is reasonably practicable, the health, safety and welfare of staff and others who may be affected by IBCA's operations and/or activities. No accidents were reported in 2024 to 2025.

Trade union facility time

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. These regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation.

As IBCA is currently hosted by Cabinet Office until it is able to operate as an employer, it is not possible to determine trade union facility time and associated costs for IBCA.

 IBCA encourages staff to declare protected characteristics to better understand individuals within IBCA's workforce, and using this data to promote equality, diversity and inclusion in business activities and the development of policies, procedures and services. 

Parliamentary accountability and audit report

Regularity of expenditure

Losses and special payments (audited)

IBCA is required to disclose losses and special payments by value and type where they individually and/or in total exceed £300,000. There were no losses or special payments in 2024 to 2025, IBCA's first period of operation, that require disclosure in the annual report and accounts.

Remote contingent liabilities (audited)

There were no remote contingent liabilities in 2024 to 2025, IBCA's first period of operation.

Government functional standards

IBCA follows the government functional standards (further information on the content of the government functional standards can be found at the following website:

www.gov.uk/government/collections/functional-standards).



David Foley

Interim Chief Executive Officer

Infected Blood Compensation Authority

11/09/2025

The certificate of the Comptroller and Auditor General to the House of Commons

Qualified opinion on financial statements

I certify that I have audited the financial statements of the Infected Blood Compensation Authority for the period ended 31 March 2025 under the Victims and Prisoners Act 2024.

The financial statements comprise the Infected Blood Compensation Authority's

- Statement of Financial Position as at 31 March 2025;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' Equity for the period then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and UK adopted international accounting standards.

In my opinion, except for the possible effects of the matters described in the 'Basis for qualified opinion on the financial statements' section of my certificate, the financial statements:

- give a true and fair view of the state of the Infected Blood Compensation Authority's affairs as at 31 March 2025 and its total net expenditure for the period then ended; and
- have been properly prepared in accordance with the Victims and Prisoners Act 2024 and Minister for the Cabinet Office directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for qualified opinion on the financial statements

In respect of the Provisions held by the Infected Blood Compensation Authority, the evidence available to me was limited as the Infected Blood Compensation Authority was unable to provide sufficient evidence to support its key assumptions on the expected volume of claimants for three of the four cohorts within its Compensation Scheme. I was unable to satisfy myself by using alternative means as other available data sources were not appropriate to support alternative audit procedures to obtain the required evidence.

Consequently, I have been unable to obtain sufficient appropriate evidence to support the value of £6,987.0 million of the £9,582.1 million provisions included within the Statement of Financial Position as at 31 March 2025, comprising liabilities for compensation due to infected non-registered people (£1,415.3 million), estates of infected people who have died (£2,818.5 million) and affected people (£2,753.2 million).

I have also been unable to obtain sufficient appropriate evidence to support the related expenditure of £6,987.0 million included within the Statement of Comprehensive Net Expenditure for the recognition of Provisions during the period.

Whilst I have not been able to reliably quantify the effect of this matter due to the limitations described, I consider the effect of these issues to be potentially material in terms of the valuation of these liabilities and the accuracy of the related expenditure. I was unable to determine whether any adjustment to the valuation of the Provisions or the related expenditure was necessary

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 'Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2024)'. My responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's 'Revised Ethical Standard 2024'. I am independent of the Infected Blood Compensation Authority in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Infected Blood Compensation Authority's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Infected Blood Compensation Authority's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Infected Blood Compensation Authority is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other information

The other information comprises information included in the annual report, but does not include the financial statements and my auditor's certificate thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

As stated under 'Basis for qualified opinion on the financial statements', I have been unable to obtain sufficient and appropriate evidence that the value of the provisions recognised by the Infected Blood Compensation Authority for the compensation due to infected non-registered people, estates of infected people who have died and affected people or the related transactions reported in the financial statements are free from material misstatement. Where other information refers to these balances it may be materially misstated for the same reasons.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Minister for the Cabinet Office directions issued under the Victims and Prisoners Act 2024.

In my opinion, except for the possible effects of the matters described in the 'Basis for qualified opinion on the financial statements' section of my certificate, based on the work undertaken in the course of the audit:

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Minister for the Cabinet Office directions made under the Victims and Prisoners Act 2024; and
- the information given in the Performance Report and Accountability Report for the period for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

Except for the possible effect of the matter described in the 'Basis for qualified opinion on financial statements' section of my certificate, in the light of the knowledge and understanding of the Infected Blood Compensation Authority and its environment obtained in the course of the audit, I have not identified material misstatements in the Performance Report or Accountability Report.

In respect solely of the matters referred to in the 'Basis for qualified opinion on financial statements' section of my certificate:

- I have not received all of the information and explanations I require for my audit; and
- adequate accounting records have not been kept by the Infected Blood Compensation Authority or returns adequate for my audit have not been received from branches not visited by my staff.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the Accounting Officer is responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Infected Blood Compensation Authority from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Minister for the Cabinet Office directions issued under the Victims and Prisoners Act 2024;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Minister for the Cabinet Office directions issued under the Victims and Prisoners Act 2024; and
- assessing the Infected Blood Compensation Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Accounting Officer anticipates that the services provided by the Infected Blood Compensation Authority will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Victims and Prisoners Act 2024.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Infected Blood Compensation Authority's accounting policies.
- inquired of management, the Infected Blood Compensation Authority's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Infected Blood Compensation Authority's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Infected Blood Compensation Authority's controls relating to the Infected Blood Compensation Authority's compliance with the Victims and Prisoners Act 2024, The Infected Blood Compensation Scheme Regulations 2025 and Managing Public Money;
- inquired of management, the Infected Blood Compensation Authority's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud;

- discussed with the engagement team and the relevant external specialists, including medical experts, regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Infected Blood Compensation Authority for fraud and identified the greatest potential for fraud in the following areas: posting of unusual journals, complex transactions and bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Infected Blood Compensation Authority's framework of authority and other legal and regulatory frameworks in which the Infected Blood Compensation Authority operate. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Infected Blood Compensation Authority. The key laws and regulations I considered in this context included the Victims and Prisoners Act 2024, The Infected Blood Compensation Scheme Regulations 2025, Managing Public Money and employment law.

I considered the risks relating to fraud, non-compliance with laws and regulations and regularity in respect of the compensation scheme.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management and the Audit and Risk Assurance Committee concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control I identify during my audit.

Gareth Davies

12 September 2025

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

The report of the Comptroller and Auditor General to the Houses of Parliament

Introduction

The Infected Blood Compensation Authority (IBCA) was established on 24 May 2024 to pay compensation to:

- those who have been directly or indirectly infected through contaminated blood, blood products or tissue. This includes anyone, living or deceased, who has been infected with HIV, Hepatitis C and chronic Hepatitis B, including those who were indirectly infected through their partners or loved ones. Those who had an acute Hepatitis B infection and died from their infection during the acute period, will also be eligible under IBCA's Compensation Scheme;
- representatives of the estate of an infected person who would have been eligible to apply to IBCA's Compensation Scheme that has sadly died;
- those affected people who have suffered the impacts of infected blood through their relationship with an infected person. This includes partners, parents, children and siblings, and other friends and family members who cared for loved ones with an infection without reward or remuneration.

The Compensation Scheme is at an early stage and during the period ended 31 March 2025 was only open to individuals that were already registered on an existing Infected Blood Support Scheme and invited to apply. IBCA has recognised a provision within its financial statements for the full compensation scheme. This Report explains the basis of my qualification in relation to the availability of evidence to support £6,987.0 million of the £9,582.1 million Compensation Scheme provisions recognised during the period and as at 31 March 2025.

Infected Blood Compensation Scheme Provision

IBCA's Compensation Scheme provision model is based on eligible individuals that may claim grouped into the following four cohorts:

- living infected people registered with an existing Infected Blood Support Scheme (IBSS);
- infected people not registered with an IBSS;
- estates of infected people who have died; and
- affected people.

As set out in Note 9 to the financial statements, the total compensation for each cohort is calculated by estimating the volume of eligible people and the expected amount of compensation due, then discounting this to its present value based on the forecast payment profile.

IBCA has the most data available in respect of living infected people registered with an IBSS. I have been able to obtain sufficient appropriate evidence to support the valuation of the £2,595.1 million provision as at 31 March 2025 and the related expenditure for the living infected people registered with an IBSS. I have also obtained sufficient appropriate assurance over the compensation payments that have been made to fifty three individuals during the period (representing the £59.9 million utilisation of provisions).

For the remaining three cohorts, IBCA had not opened its claim service as at 31 March 2025. The infancy of the Compensation Scheme means there is minimal historic data available, if any. The estimation of the number of claimants for each of these three cohorts has therefore been a challenge for IBCA and represents the most significant judgements and greatest uncertainties in the valuation of the associated provisions.

IBCA has utilised a model developed for the purpose of assessing the potential impact of recommendations from the Infected Blood Public Inquiry and related Government policy decisions, whilst its operational focus has been on establishing itself as a new organisation and beginning payments to infected registered individuals during 2024-25. IBCA has not sought expressions of interest in its Compensation Scheme due to the early stages of the scheme and did not have detailed data sharing agreements in place with the existing IBSS providers at the reporting date to inform an estimate for estates of infected people who have died and affected individuals.

Whilst I consider it reasonable that IBCA has prepared its provision with estimated amounts of eligible individuals, due primarily to the Compensation Scheme being in its early stages and IBCA prioritising making compensation payments over refining its estimate, I have been unable to obtain sufficient, appropriate evidence to support IBCA's estimates of the number of potential infected people not registered with IBSS, estates of infected people who have died, and affected people, in the timetable available to complete the 2024-25 audit. IBCA considers that further evidence will not be available until its claim service is opened to more individuals and cohorts during 2026 and future years. Consequently, I have been unable to obtain sufficient appropriate evidence to support the valuation of the associated provisions for three cohorts which amount to £6,987.0 million.

For each of the cohorts where I have limited the scope of my audit opinion on the provisions valuation and related expenditure, I have set out below the key judgements and assumptions where the Infected Blood Compensation Authority has been unable to provide sufficient, appropriate audit evidence, and I have been unable to obtain sufficient evidence through alternative evidence sources and methods.

Infected non-registered people

IBCA has estimated that approximately 1,800 people living with infection that have not previously registered on an IBSS scheme will apply to IBCA's Compensation Scheme. The basis for this estimate is a multiplier of 17.5% applied to the population of living infected people registered with IBSS. A further 1,228 individuals with acute Hepatitis C have been estimated, representing approximately 3% (£40m) of the £1,415.3 million provision.

In July 2022, the Government announced interim payments would be made to eligible infected individuals registered with IBSS and a 7-12% increase in the number of applications to IBSS across different infection categories was observed over the period July 2022 to March 2023. IBCA considered this trend was a reasonable proxy for the number of infected non-registered people that may apply to its Compensation Scheme and added a further 5.5% to bring the expected increase to 17.5%. The additional 5.5% takes into account that there may be increased incentives to apply to an independent body offering expected higher levels of compensation, and that IBCA's Compensation Scheme covers a wider period of infection dates and conditions such as Hepatitis B. This assumption was developed for the purpose of considering the potential budget implications of policy decisions as the regulations for the Compensation Scheme were being established. IBCA has not provided sufficient audit evidence to support the IBSS increase in applications as an appropriate data source for the number of infected non-registered people or the additional 5.5% applied, and I have not been able to identify an alternative reliable source of evidence to support the volume of potential eligible claimants. I set out to IBCA the additional action and information that would be needed to provide sufficient audit evidence. However, IBCA considers that it would not be able to provide further evidence to support its assumption in a reasonable timeframe and as a result would prefer to focus on opening up its registration and claim service for infected non-registered people which IBCA considers should provide more information on the volume of eligible claimants.

I expect that once IBCA has opened up its claim service to those living with infection and not already registered on IBSS, it will have better data to develop its own model and support an estimate, such that it should not be necessary for me to limit the scope of my opinion on the Infected Blood Compensation Authority's provision estimate in future years. However, for the position presented in these financial statements, I have observed that small variances in the number of estimated claimants would result in a material change to the provision recorded as at 31 March 2025 and therefore consider the effects of this current limitation in evidence to be potentially material as a result.

Estates of infected people who have died

IBCA has estimated there to be 8,473 estates of infected people who have died that may apply to IBCA's Compensation Scheme. This estimate is informed by the Infected Blood Inquiry's Statistical Expert Group report, analysis that was in progress by the Department of Health and Social Care (DHSC) before being passed to the Cabinet Office in early Spring 2023, prior to the establishment of IBCA, and further adjustments made by IBCA.

The Statistical Expert Group (SEG) were requested by the Infected Blood Public Inquiry to identify the potential scale of people that may have been directly infected from infected blood and blood products. The analysis was not designed for financial reporting purposes, although it could provide useful information to potentially support specific valuation assumptions. My audit identified some limitations in the SEG report as a sole source of evidence for the provision, for example secondary infected individuals were not within scope and the analysis does not distinguish between those that may not be eligible to claim. Comparison of the SEG report to those living within infection and registered on IBSS has highlighted some further anomalies such as expected lower numbers of those infected and living with HIV than currently registered on IBSS. IBCA has also not been able to support some of the key assumptions that DHSC identified as working assumptions requiring an evidence base, such as the assumption that if someone is symptomatic they will make a claim. I have therefore been unable to obtain sufficient appropriate evidence to support the estimated number of claimants and the valuation of the £2,818.5 million provision as at 31 March 2025. Sensitivity analysis conducted by both IBCA and my audit team indicates that reasonable changes in assumptions could have a material impact on the provision.

Subsequent to the reporting date, IBCA has begun to receive data from IBSS providers on infected individuals that have died. The dataset is not complete, included anomalies such as dates of death prior to dates of infection periods, and IBCA considers that it is not currently in a format that could be used to form and support an estimate in the timeframe available for finalising the 2024-25 audit. IBCA's exercise to review and cleanse the data will be an ongoing process over several months and will occur alongside IBCA opening its claim service for estate claims during the financial year ended 31 March 2026. As a result there should be more data available to support an estimate and it should not be necessary for me to limit the scope of my opinion on the Infected Blood Compensation Authority's provision estimate in future years.

Affected people

IBCA acknowledges that even less is known about the number of affected people who will claim than for other cohorts. IBCA has estimated that 51,006 individuals may claim which covers affected individuals (37,510) and affected carers (13,496), recognising a £2,753.2 million provision for the expected compensation that will be paid. The number of affected people has been determined on a basis of "affected per infected". This means that an average number of affected in each category has been assumed per infected individuals. As I have been unable to form an opinion on the underlying population for infected non-registered people and estates of infected people who have died, I am also unable to obtain sufficient evidence to form an opinion on the affected individuals.

Furthermore, IBCA has determined there to be 1.3 affected carers per infected individual but has not provided sufficient evidence to support this assumption and I have not been able to corroborate the assumption through other available data sources.


IBCA acknowledges that more reliable data to support this estimate will be available once it has opened up its claim service to affected people. During the 2025-26 financial year, IBCA will be prioritising making payments to infected individuals and the expected level of affected claims that may be processed may still be insufficient to support the estimate of affected carers for at least two years. IBCA will need to take other action to form an estimate that can be sufficiently supported and enable me to form an opinion on the affected provision estimate in future years.

Gareth Davies

12 September 2025

Comptroller and Auditor General

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP



03

**Our
financial
statements**

Statement of comprehensive net expenditure

For the period ended 31 March 2025

		Period ended 31 March 2025
	Note	£000
Operating expenditure		
Movement in compensation scheme provision	2	9,641,917
Staff costs	2	8,508
Goods and services	2	10,897
Rentals under short-term leases	2	98
Depreciation and amortisation	2	1,555
Net operating expenditure		9,662,975
Finance expense	5	85
Total net expenditure		9,663,060
Other comprehensive expenditure		-
Comprehensive net expenditure		9,663,060

There was no other comprehensive expenditure incurred during the year. All expenditure is derived from continuing activities.

This statement covers the period from the date of IBCA's establishment on 24 May 2024 to 31 March 2025.

Notes 1 to 12 form part of these financial statements.

Statement of financial position at 31 March 2025

		31 March 2025
	Note	£000
Non-current assets		
Property, plant and equipment	3	2,990
Intangible assets	4	9,377
Right-of-use assets	5	4,089
Total non-current assets		16,456
Current assets		
Trade and other receivables	7	981
Total current assets		981
Total assets		17,437
Current liabilities		
Trade and other payables	8	(9,406)
Lease liabilities	5	(3,514)
Provisions	9	(1,859,166)
Total current liabilities		(1,872,086)
Total assets less current liabilities		(1,854,649)
Non-current liabilities		
Provisions	9	(7,722,900)
Lease liabilities	5	(1,621)
Total non-current liabilities		(7,724,521)
Total assets less liabilities		(9,579,170)
Taxpayers' equity		
General reserve		(9,579,170)
Total taxpayers' equity		(9,579,170)

Notes 1 to 12 form part of these financial statements.

The financial statements on pages 97 to 134 were approved by the board on 11/09/25 and signed on its behalf by David Foley.

A handwritten signature in black ink, appearing to read 'David Foley', with a stylized, flowing script.

David Foley

Interim Chief Executive Officer

Infected Blood Compensation Authority

11/09/2025

Statement of cash flows for the period ended 31 March 2025

		Period ended 31 March 2025
	Note	£000
Cash flows from operating activities		
Total net operating expenditure	SoCNE	(9,662,975)
Adjustment for non-cash items		
Notional grant-in-aid		83,890
Depreciation and amortisation	3, 4, 5	1,555
Increase in trade and other receivables	7	(981)
Increase in trade and other payables	8	4,587
Increase in provisions	9	9,641,917
Utilisation of provisions	9	(59,851)
Net cash outflow from operating activities		8,142
Cash flows from investing activities		
Purchase of property, plant and equipment	3	(3,418)
Purchase of intangible assets	4	(4,724)
Net cash outflow from investing activities		(8,142)
Cash flows from financing activities		-
Net increase in cash and cash equivalents in the period		(0)
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		-

This statement covers the period from the date of IBCA's establishment on 24 May 2024 to 31 March 2025. During this period cash balances were held in Cabinet Office, which is reflected above in the statement of cashflows, and grant-in-aid is therefore notional.

Notes 1 to 12 form part of these financial statements.

Statement of changes in taxpayers' equity

For the period ended 31 March 2025

		General Fund	Taxpayers' equity
		£000	£000
Balance at 24 May 2024		-	-
Total net expenditure	SoCNE	(9,663,060)	(9,663,060)
Notional grant-in-aid from Cabinet Office		83,890	83,890
Balance as at 31 March 2025		(9,579,170)	(9,579,170)

Notes 1 to 12 form part of these financial statements.



Notes to the accounts

1. Statement of significant accounting policies

1.1 Basis of preparation

The financial statements cover the period from IBCA's establishment on 24 May 2024 to 31 March 2025 and have been prepared in accordance with the 2024 to 2025 government Financial Reporting Manual (FReM) issued by HM Treasury. The accounts for IBCA have been prepared under a direction issued by the Minister for the Cabinet Office under the Victims and Prisoners Act 2024. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS) as adapted or interpreted for the public sector.

Where a choice of accounting policy is permitted by the FReM, IBCA selects the policy which best presents a true and fair view. The particular policies adopted by IBCA are described below. They have been applied consistently in dealing with items that are considered material to the accounts.

The financial statements are presented in Pounds Sterling, rounded to the nearest thousand (£000) unless otherwise stated.

The financial statements have been prepared on an accruals basis, under the historical cost convention, modified to account for the revaluation of property, plant and equipment, intangible assets and right-of-use assets. As an arm's length body (ALB) of Cabinet Office, IBCA's accounts are consolidated within the Cabinet Office group. IBCA has no subsidiaries.

1.2 Going concern

The accounts for IBCA have been prepared on the basis that IBCA is a going concern. IBCA is funded by HM Treasury through Cabinet Office as IBCA's sponsor department.

At 31 March 2025, IBCA's statement of financial position reflected net liabilities of £9,579 million, primarily driven by the provision recognised in the accounts, detailed in note 9. This includes liabilities falling due in future years that may only be met by future funding from Cabinet Office. This follows the normal conventions applying to parliamentary control over income and expenditure in that funding is not provided in advance of need. In common with other public bodies, IBCA's liabilities are expected to be met by future funding from Cabinet Office, out of supply and income approved annually by Parliament.

In the 2024 Autumn Budget Statement, the government budgeted £11.8 billion for infected blood compensation through to the end of 2029/30. As part of the first phase of the Spending Review, operational funding of £52 million for 2024 to 2025 and £108 million for 2025 to 2026 was allocated for the first two years of IBCA's scale up. IBCA's longer term operational funding has been agreed as part of phase two of the Spending Review.

There is therefore no indication that future funding and sponsorship by Cabinet Office will not be forthcoming, and it is deemed appropriate to adopt the going concern basis for the preparation of these financial statements.

1.3 Judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements and assumptions that affect the amounts reported for assets and liabilities at the period ending 31 March, and for amounts reported for income and expenses during the period. The resulting accounting estimates may, by nature, differ from actual outcomes. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Compensation scheme provision

Judgements and assumptions affecting the value of the compensation scheme administered by IBCA are the key source of estimation uncertainty in the financial statements.

Compensation is based on a tariff framework and the amount awarded is based on the severity of the impact on people making a claim. There are five different categories of award:

- injury impact award,
- social impact award,
- autonomy award,
- care award, and
- financial loss award.

Within IBCA's valuation model, individuals are grouped into cohorts. These cohorts are:

- living infected people registered with an existing Infected Blood Support Scheme (IBSS),
- infected people not registered with an IBSS,
- estates of infected people who have died, and
- affected people.

Once a person's eligibility status has been established through the claim process, the compensation amount payable is well defined. However, material uncertainty remains about the number of people or the estate of people eligible to make a claim who will enter the scheme, particularly infected people who have died and affected people.

There is also uncertainty about the population characteristics of certain cohorts. The groups most affected by this uncertainty are infected people who have died and affected people. This uncertainty affects the determination of the award category of people making a claim, and therefore the estimated compensation payable to these groups.

Key factors affecting uncertainty about timing of compensation payments and discounting assumptions include IBCA's ability to meet operational scale-up targets for the scheme as well as changes in those targets, and the trend in people making a claim opting for regular payments or a lump-sum settlement.

In future years, responsibility for support payments currently paid under existing schemes will transfer to IBCA. The timing of this is set out in legislation however there is uncertainty in estimations made based on assumptions of the value and duration of support payments IBCA will fund based on decisions of those who are entitled.

The key assumptions made are described in note 9 of these accounts together with a sensitivity analysis outlining the impact of a change in those assumptions.

1.4 Grant-in-aid

The FReM requires IBCA to account for grant-in-aid received as financing and to credit this to taxpayers' equity. This is due to grant-in-aid being regarded as a contribution from a controlling party, which gives rise to a financial interest in the residual interest of IBCA.

Grant-in-aid received for purchasing non-current assets is also credited to taxpayers' equity.

During the period, IBCA did not receive any cash as expenditure was administered by the sponsoring department, Cabinet Office, and not recovered. This process creates a notional grant-in-aid which is treated as financing by crediting it to the general reserve.

1.5 Pensions

IBCA employees are covered by the provisions of the Civil Service pension arrangements.

Civil Service Pension Scheme (CSPS)

The Civil Service Pension Scheme (CSPS) is an unfunded multi-employer defined benefit scheme in which IBCA is unable to identify its share of the underlying assets and liabilities, and therefore in accordance with 'IAS 19 – Employee Benefits' IBCA treat the scheme in line with accounting for defined contribution schemes. In respect of the defined contribution schemes, the contributions payable for the period are recognised. A full actuarial valuation was carried out of the Civil Service Pension Scheme. The Scheme Actuary valued the CSPS as at 31 March 2020. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation.

The expected cost of these elements is recognised on a systematic and rational basis over the period during which IBCA benefits from employees' services by payments to the CSPA of amounts calculated on an accruing basis.

Detailed information about staff pension arrangements and employer contributions made have been disclosed in the remuneration and staff report.

1.6 Leases

IBCA as a lessee

IFRS 16 – Leases requires an entity to determine whether an arrangement contains a lease. The lessee is required to recognise right-of-use assets and lease liabilities for all leases in the statement of financial position (SoFP) unless the lease term is 12 months or less or the underlying asset has a low value. While IFRS 16 does not provide a numerical threshold to determine a low value, IBCA applies the capitalisation threshold of £5,000.

Where the exemption for short-term leases has been applied, or where assets have been determined as low-value assets, the leases are accounted for as short-term leases and payments are recognised as an expense.

The definition of a contract is expanded under the FReM definition to include intra-UK government agreements where non-performance may not be enforceable by law. This includes, for example, Memorandum of Terms of Occupation (MOTO) agreements.

A right-of-use asset and a lease liability is recognised at the commencement of a lease.

The lease liability is measured at the present value of the unavoidable future lease payments which include fixed payments, less any lease incentive receivables. Lease payments are discounted either by the interest rate implicit in the lease or, where this is not readily determinable, the incremental rate of borrowing advised annually by HM Treasury.

The right-of-use asset is measured at the value of the lease liability, adjusted for:

- initial direct costs and any payments made or amounts accrued before the commencement date,
- lease incentives received,
- incremental costs of obtaining the lease, and
- any disposal, repair or restoration costs at the end of the lease.

The lease liability is subsequently measured to reflect the accrual of interest, repayments, reassessments and modifications. Interest on the lease liability is recognised as a finance cost in the SoCNE.

The right-of-use asset is subsequently measured using the cost model (measurement by reference to the lease liability), which in management's view is considered a reasonable proxy for fair value for property leases of less than five years or with regular rent reviews. The value of the asset is adjusted for subsequent depreciation and impairment, and for reassessments and modifications of the lease liability. The depreciation is charged on a straight-line basis.

Right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets.

1.7 Property, plant and equipment

Property, plant and equipment are recognised initially at cost, and thereafter carried at fair value less depreciation and impairment charged subsequent to the date of revaluation.

Cost comprises the amount of cash paid to acquire the asset, and includes any costs necessary to bring the asset to working condition for its intended use.

The capitalisation threshold for expenditure on property, plant and equipment is £5,000. Where an item costs less than the capitalisation threshold but forms part of an asset or grouped asset whose total value is greater than the capitalisation level, the item is treated as a capital asset.

In 2024-25, no revaluation was undertaken as the accounting period was less than one year, with valuation at historic cost deemed to be materially equivalent to fair value.

1.8 Depreciation and impairment on property, plant and equipment

Property, plant and equipment are depreciated at rates calculated to write them down to estimated residual value on a straight-line basis over their estimated useful lives. IBCA estimates the useful life of its assets and writes off the carrying amount of the asset over the estimated useful life. The depreciation charge may change following reassessment of useful lives, or an impairment charge may be recognised following an impairment test. Useful lives and residual values are reviewed annually and, where adjustments are required, these are made prospectively. Asset lives are in the following ranges:

Leasehold building improvements	the shorter of the duration of lease or anticipated useful life
Information technology and office equipment	2 to 7 years
Plant and equipment	1 to 7 years
Furniture and fittings	2 to 7 years

Assets under construction are not depreciated until the assets are available for use.

Assets continue to depreciate until they are derecognised.

The carrying values of property, plant and equipment are reviewed for impairment of events or changes annually. If circumstances indicate that the carrying value may not be recoverable, they are written down immediately to their recoverable amount.

1.9 Intangible assets

Intangible assets are defined as identifiable, non-monetary assets without physical substance. IBCA's intangible assets comprise internally developed software for internal use (including such assets under construction) and software developed by third parties.

Intangible assets are measured on initial recognition at cost. The capitalisation threshold for expenditure on intangible assets is £5,000.

Internally generated intangible assets are not capitalised unless it is a development cost which meets the criteria in IAS 38 (Intangible Assets). Expenditure that does not meet the criteria for capitalisation is treated as an operating cost in the period in which it is incurred. Development expenditure is recognised as an intangible asset when IBCA can demonstrate:

- the technical feasibility of completing the intangible asset so that it will be available for use,
- its intention to complete and its ability to use the asset,
- how the asset will generate future economic benefits,
- the availability of resources to complete the asset, and
- the ability to measure reliably the expenditure during development.

Research costs are expensed as incurred.

1.10 Amortisation and impairment of intangible assets

Amortisation is calculated to write down the costs of the assets to their estimated residual value on a straight-line basis over their expected useful lives, typically as follows:

- Internally developed software – this includes software that arises from internal or third-party development for internal or external access. These assets are amortised over the useful economic life of 2 to 7 years.

Assets in the course of construction are not amortised until the assets are brought into use.

The carrying values of intangible assets are reviewed for impairment of events or changes annually. If circumstances indicate that the carrying value may not be recoverable, they are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

1.11 Financial instruments

IBCA's financial instruments comprise trade and other receivables, and payables.

As the cash requirements of IBCA are met through the estimate process, financial instruments play a more limited role in creating and managing risk than would apply to a non-public sector body.

IFRS 7 Financial Instruments: Disclosures requires disclosure of the role that financial instruments have had during the period in creating or changing risk an entity faces in carrying out its business. This is set out in note 6 of these financial statements.

1.12 Trade and other receivables

Trade and other receivables are amounts due initially measured at cost, which is deemed to be materially equivalent to fair value, and subsequently measured at amortised cost. They comprise of amounts recoverable by IBCA in respect of overpayment errors that have been identified, and the prepayment value of goods and services. The carrying amount of other receivables is judged to be a reasonable approximation of fair value, and is shown net of expected credit loss.

Where instances of error are identified, they are recognised as an increase or reduction of the utilisation of provision and a payable or receivable in the SoFP. Irrecoverable amounts are treated in line with MPM and the FReM guidance on losses and special payments.

1.13 Trade and other payables

Trade and other payables are recognised at cost, which is deemed to be materially the same as fair value. Trade payables relate to amounts due to suppliers and accrual balances as at the period end. Accruals are recognised for goods and services delivered prior to the period end which have not been invoiced.

1.14 Provisions

IBCA recognises provisions in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. A provision is recognised when:

- there is a legal or constructive obligation as a result of a past event,
- it is probable that an outflow of economic benefits will be required to settle the obligation, and
- a reliable estimate can be made of the amount of the obligation.

Compensation scheme provision

The ministerial statements, underpinned by legislation, forms an obligating event under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets in relation to those who have been infected and affected as a result of infected blood and infected blood products, being the past event.

A provision has been made to recognise a liability for compensation payable to persons infected and affected by HIV, Hepatitis B and Hepatitis C through contaminated blood, blood products or tissue. For most people eligible to make a claim to the compensation scheme, tariffs are used to calculate compensation, with a further assessment of individual needs in defined circumstances. Compensation is awarded as outlined in note 1.3 – judgements and key sources of estimation uncertainty.

The estimated risk-adjusted cash flows are discounted using rates set by HM Treasury based on the government's incremental borrowing rate.

More information about the judgements made in arriving at the provision and the key sources of estimation uncertainty are provided in note 1.3 above and in note 9 to the accounts, which provides further information and a sensitivity analysis showing the impact of credible changes in key assumptions that may increase or decrease the total estimate of the liability.

The Infected Blood Compensation Scheme Regulations 2025, which came into force on 31 March 2025, make provisions for the transfer to IBCA of Infected Blood Support Schemes (IBSS) currently administered by the Department of Health and Social Care (DHSC) in England and the Devolved Governments in the other nations of the UK. The dates on which each of the devolved nations' schemes will transfer to IBCA are as follows:

England Infected Blood Support Scheme	23 March 2026
Wales Infected Blood Support Scheme	15 January 2026
Scottish Infected Blood Support Scheme	1 February 2026
Infected Blood Payment Scheme Northern Ireland	1 February 2026

IBCA recognises the projected cost of making ongoing support payments beyond the date of transfer, with DHSC recognising a constructive obligation on 31 March 2025 to make support payments until the date of legal transfer. After this date, IBCA will continue payments. Those eligible to receive support payments and subsequent compensation have an option to continue to receive support payments or to receive a lump sum. This forms a key judgement and estimation uncertainty, as outlined in note 1.3.

Compensation payment errors

In the event that a payment error relating to payments of compensation is identified, they are recognised as an increase or reduction of the utilisation of provision and a payable or receivable in the SoFP. Any amounts deemed to be irrecoverable are disclosed and reported in line with MPM and the FReM guidance on losses and special payments.

Amounts are initially measured at cost, which is deemed to be materially equivalent to fair value, and subsequently measured at amortised cost. Where relevant, recoverable amounts are valued under the expected credit loss model set out in IFRS 9.

1.15 Contingent liabilities

Contingent liabilities are not recognised in the SoFP but are disclosed in the notes to the accounts in accordance with IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. A contingent liability is a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of uncertain future events. It can also be a present obligation arising from past events that is not recognised because either an outflow of economic benefit is not probable or the amount of the obligation cannot be reliably measured. IBCA did not have any contingent liabilities as at 31 March 2025.

1.16 Taxation

The Victim and Prisoners Act 2024 has determined that IBCA is not a Crown body and is therefore not eligible to recover VAT. IBCA therefore does not qualify for the VAT recovery scheme that applies to government departments and agencies. Furthermore, IBCA does not make taxable supplies and is therefore not required to register for VAT.

Irrecoverable VAT on supplier invoices is charged to the relevant expenditure category or included in the capitalised purchase cost of fixed assets.

IBCA is not subject to Corporation, Income, Stamp Duty Land Tax or Capital Gains taxes.

1.17 Accounting standards issued but not yet effective

IFRS 17: Insurance Contracts

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. The objective of IFRS 17 is to ensure that an entity provides relevant information that faithfully represents those contracts. This information gives a basis for users of financial statements to assess the effect that insurance contracts have on the entity's financial position, financial performance and cash flows.

Impact

This standard is effective for the public sector from 1 April 2025. IFRS 17, as adapted and interpreted by the FReM, will have no impact on IBCA's financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure of Financial Statements was issued in April 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and Financial Reporting Advisory Board (FRAB) endorsement). IFRS 18 Presentation and Disclosure of Financial Statements sets out general and specific requirements for the presentation and disclosure of information in general purpose financial statements.

The objective of IFRS 18 Presentation and Disclosure of Financial Statements is to improve comparability of financial performance between organisations applying IFRS. Once effective, it will replace IAS 1 Presentation of Financial Statements. IBCA does not intend to early adopt IFRS 18 Presentation and Disclosure of Financial Statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

IFRS 19 Subsidiaries without Public Accountability: Disclosures was issued in May 2024 and applies to annual reporting periods beginning on or after 1 January 2027 (subject to UK and Financial Reporting Advisory Board (FRAB) endorsement). The standard permits certain eligible subsidiaries to apply reduced disclosure requirements when preparing their financial statements. This standard does not impact IBCA.

FReM Non-investment asset valuations

In December 2023 HM Treasury released an exposure draft on potential changes to make to valuing and accounting for non-investment assets (e.g. PPE, intangible assets).

The following changes to the valuation and accounting of non-investment assets is to be included in the 2025-26 FReM for mandatory implementation:

References to assets being held for their 'service potential' and the terms 'specialised/ nonspecialised' assets are being removed from the FReM.

Non-investment assets are instead described as assets held for their 'operational capacity'. This change has no impact on the valuation basis of non-investment assets, which remains Existing Use Value (EUV).

An adaptation to IAS 16 will be introduced to withdraw the requirement to revalue an asset where its fair value materially differs from its carrying value. Assets are now valued using the one of the following processes:

- a quinquennial revaluation supplemented by annual indexation,
- a rolling programme of valuations over a 5-year cycle, with annual indexation applied to assets during the 4 intervening years,
- for non-property assets only, appropriate indices, and
- in rare circumstances where an index is not available, a quinquennial revaluation supplemented by a desktop revaluation in year three.

The option to measure intangible assets using the revaluation model is withdrawn. The carrying values of intangible assets at 31 March 2025 will be considered the historical cost at 1 April 2025. This is not expected to have any impact on IBCA.

Social benefits

The 2025-26 FReM will include new guidance on accounting for social benefits. The 2025-26 FReM will define social benefits as 'current transfers received by households (including individuals) intended to provide for the needs that arise from certain events or circumstances, for example, sickness, unemployment, retirement, housing, education, or family circumstances.'

This is not expected to have any impact on IBCA.

2. Expenditure

	Period ended 31 March 2025
	£000
Staff costs	
Wages, salaries and fees ³⁴	4,480
Social security costs	475
Pension costs	1,128
Untaken annual leave	217
Agency/temporary costs	2,193
Inward secondments	15
Total staff costs	8,508
Goods and services	
Accommodation	810
Audit fees ³⁵	335
Consultancy	1,884
Information technology	1,995
Other staff-related costs	1,184
Professional services	2,924
Research and development	51
Supplies and services	1,546
Travel, subsistence and hospitality	168
Total goods and services	10,897
Rentals under short-term leases	98
Depreciation and amortisation	
Depreciation on property, plant and equipment	595
Depreciation of right-of-use assets	960
Total depreciation and amortisation	1,555

34 Further details can be found in the staff costs note within the accountability report, including details on management remuneration.

35 The audit fees relate to the external audit of the financial statements. No non-audit services have been provided.

	Period ended 31 March 2025
	£000
Provisions and other non-cash costs	
Increase in compensation scheme provision ³⁶	9,641,917
Total provisions and other non-cash costs	9,641,917
Total operating expenditure	9,662,975
Finance costs	
Interest on lease liability	85
Total expenditure	9,663,060

3. Property, plant and equipment

	Leasehold improvements	IT equipment	Total
	£000	£000	£000
Cost or valuation			
At 24 May 2024	-	-	-
Additions	2,477	1,108	3,585
At 31 March 2025	2,477	1,108	3,585
Depreciation			
At 24 May 2024	-	-	-
Charged in year	521	74	595
At 31 March 2025	521	74	595
Net book value at 24 May 2024	-	-	-
Net book value at 31 March 2025	1,956	1,034	2,990

³⁶ Further details on compensation scheme provision can be found in note 9.

4. Intangible assets

	Assets under development	Information Technology	Total
	£000	£000	£000
Cost or valuation			
At 24 May 2024	-	-	-
Additions	9,377	-	9,377
Assets brought into use	(1,144)	1,144	-
At 31 March 2025	8,233	1,144	9,377
Amortisation			
At 24 May 2024	-	-	-
Charged in year	-	-	-
At 31 March 2025	-	-	-
Net book value at 24 May 2024	-	-	-
Net book value at 31 March 2025	8,233	1,144	9,377

All intangible assets comprise internally developed software and are owned by IBCA.

Assets under development relate to software development of a claims management payment system (£6,136k) and a data platform (£2,097k). Assets in use consist of a public-facing eligibility compensation calculator (£320k) and corresponding digital interface and website (£824k).

5. Leases

Right-of-use assets		Buildings
		£000
Cost or valuation		
At 24 May 2024		-
Additions		5,049
At 31 March 2025		5,049
Depreciation		
At 24 May 2024		-
Charged in year		960
At 31 March 2025		960
Net book value at 24 May 2024		-
Net book value at 31 March 2025		4,089

The discount rate used was 4.72% as all leases were agreed in the 2024 calendar year. Leases primarily relate to IBCA's headquarters at Benton Park View. A memorandum of terms of occupation (MOTO) agreement between HMRC and IBCA is assessed as meeting the requirements of IFRS. The lease is in place to 31 December 2026.

Lease liabilities	Period ended 31 March 2025
	£000
Lease liability recognised	5,050
Finance charge	85
At 31 March	5,135
Payable in one year	3,514
Payable in two to five years	1,621
Total	5,135

Lease liabilities are recognised at the present value of the future lease payments not paid at the lease inception date, and discounted at rates promulgated by HM Treasury. The lease liability balance at 31 March represents the amount due to accommodation landlords.

Amounts recognised in SoCNE	Note	Period ended 31 March 2025
		£000
Lease expenditure		
Depreciation of right of use asset	2	960
Rentals under short-term leases	2	98
Effective interest expense	2	85
Total		1,143

No cash payments were made in the period in respect of leases.

Maturity analysis of contractual undiscounted lease payments

	Period ended 31 March 2025
	£000
Within one year	3,524
Two to five years	1,753
Later than five years	-
Undiscounted lease liability at 31 March	5,277

For leases less than 12 months, IBCA has applied the short-term exemption available under the FReM and the amount has been charged to expenses as rentals under short term leases (see note 2).

6. Financial instruments

IFRS 7 Financial Instruments: Disclosures requires disclosure of the role that financial instruments have had during the period in creating or changing risk an entity faces.

IBCA held no bank balances during the period and its cash requirements were met by Cabinet Office.

Financial instruments therefore play a limited role in creating and managing risk, and IBCA's exposure to credit, liquidity or market risk is limited.

IBCA's trade and other receivables and trade and other payables are simple and arise from operating activities.

7. Trade and other receivables

	Period ended 31 March 2025
	£000
Recoverable amounts	918
Prepayments	63
Total trade and other receivables at 31 March	981

Recoverable amounts relate to instances where IBCA have identified payments believed to be overpayments of compensation.

8. Trade and other payables

	Period ended 31 March 2025
	£000
Trade payables	1,267
Accrued expenditure	7,923
Untaken annual leave accrual	216
Total trade and other payables at 31 March	9,406

9. Provisions

Provision movements within the financial period.³⁷

	Infected IBSS registered people	Infected non-registered people	Estates of infected people who have died	Affected people	Compensation scheme provision total
	£000	£000	£000	£000	£000
As at 24 May 2025	-	-	-	-	-
Provided for in year	2,654,907	1,415,284	2,818,538	2,753,188	9,641,917
Utilised/paid	(59,851)	-	-	-	(59,851)
Unwinding of discount	-	-	-	-	-
Change in discount rates	-	-	-	-	-
Discounted³⁸ balance at 31 March 2025	2,595,056	1,415,284	2,818,538	2,753,188	9,582,066
Undiscounted balance at 31 March 2025	3,433,413	1,648,261	2,959,853	3,361,236	11,402,763

³⁷ The provision detail presented reflects IBCA's modelling for compensation and operational delivery at 31 March 2025, and may differ to previous publications of compensation projections, and those subsequent. Please see note 12 – Events after the reporting period for further information.

³⁸ The provision is discounted to adjust for the time value of money and does not reflect a change to the actual amount due for payment.

Analysis of timing of discounted cash flows³⁹

	Infected IBSS registered people	Infected non- registered people	Estates of infected people who have died	Affected people	Compensation scheme provision total
	£000	£000	£000	£000	£000
Within one year ⁴⁰	1,647,287	35,543	174,112	2,224	1,859,166
Within two to five years	377,631	1,379,741	2,644,426	2,533,802	6,935,600
Later than five years	570,138	-	-	217,162	787,300
	2,595,056	1,415,284	2,818,538	2,753,188	9,582,066

The timing of cashflows is highly uncertain and reflects assumptions on those electing to receive ongoing support payments, particularly relevant to payments later than five years, and on sequencing, reflecting IBCA's publicly stated plans at 31 March 2025. These were that IBCA had started processing those registered on an Infected Blood Support Scheme (IBSS) in the period ending 31 March 2025 and would subsequently open access to all cohorts in the financial year 2025-26.

³⁹ Discounted cash flow timings are based upon analyst estimates for volumes of each respective cohort and assumptions on IBCA's operational capacity to process claims. Actual cash flows will vary due to a number of factors including sequencing decisions, operational capacity, volumes within cohorts of people eligible to claim, claims settling on a periodical payment basis rather than lump sum, claims which take longer than anticipated to resolve, and changes in the value and timing of payments.

⁴⁰ The projection presented reflects IBCA's operational plans at 31 March 2025, and may differ to previous publications of compensation projections, and those subsequent. Please see note 12 – Events after the reporting period for further information.

9.1 Explanatory notes

Nature and scope of the obligation

IBCA was established to deliver compensation to those eligible to claim, as established by the Victims and Prisoners Act 2024⁴¹. The legislation establishes entitlement to compensation for individuals who have suffered as a result of infected blood and infected blood products. Whilst there is a high degree of uncertainty relating to the number of people eligible to make a claim, IBCA holds an estimate based on reasonable assumptions available and as a result, IBCA can make an estimate as to the value of compensation payable to those eligible to make a claim.

Within IBCA's valuation model, individuals are grouped into cohorts. These cohorts are:

- living infected people registered with an existing Infected Blood Support Scheme (IBSS),
- infected people not registered with an IBSS,
- estates of infected people who have died, and
- affected people.

Infected people are those who have been directly or indirectly infected through NHS blood, blood products or tissue. This includes anyone, living or deceased, who has been infected with HIV, Hepatitis C and chronic Hepatitis B, including those who were indirectly infected through their partners or loved ones. Those who had an acute Hepatitis B infection and died from their infection during the acute period, will also be eligible under this scheme.

Where a person who would have been eligible to apply to the Scheme as an infected person has sadly died, the personal representatives of the deceased person's estate may apply for compensation on behalf of the estate.

Affected people are those who have suffered the impacts of infected blood through their relationship with an infected person. This includes partners, parents, children and siblings, and other friends and family members who cared for loved ones with an infection without reward or remuneration.

For most people who are eligible to claim, tariffs are used to calculate compensation. The tariffs are based on the severity of infection and negative impacts suffered by victims in different aspects of their lives. In certain circumstances, a further assessment of an individual's needs may result in a supplementary route for compensation to ensure the appropriate compensation is awarded.

41 The legislation under which compensation payments are made can be seen in The Infected Blood Compensation Scheme Regulations 2025 www.legislation.gov.uk/ukdsi/2025/9780348268843/contents

Under the scheme, compensation is calculated in line with the categories of award. Each category of award recognises and compensates for the impacts of the infected blood scandal in different areas of a person's life. The categories of award are:

- injury award,
- social impact award,
- autonomy award,
- care award, and
- financial loss award.

The affected community is not eligible for the care award and financial loss award, with the exception of some bereaved partners and children, who may be eligible for a financial loss award, if they are able to provide evidence of dependency on the infected person at the time of death and for at least six months prior to this point.

For people diagnosed with an eligible infection before 1 April 2025, IBCA's scheme will remain open to applications until 31 March 2031. For people diagnosed after 1 April 2025, the scheme will remain open to applications for 6 years from the person's date of diagnosis.

Basis for the recognition of provision

In accordance with Ministerial Statements and the legislation, IBCA has a present obligation under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. IBCA therefore has made provision in the annual report and accounts for the best estimate at 31 March 2025 of the total compensation payable by IBCA under the Infected Blood Compensation Scheme.

Under current arrangements, registered infected people who claim and bereaved partners receive regular support payments by the IBSS.⁴² The UK Government, through the IBSS, have also made interim compensation payments to infected persons, bereaved partners, and estates of those registered on an IBSS.

The legislation applicable on 31 March 2025 states that the IBSS schemes would transfer to IBCA in the financial year 2025 to 2026, meaning the responsibility to make ongoing support payments, where someone eligible to claim has elected to continue receiving them. This is reflected in the valuation of the infected IBSS registered and Estates provisions with IBCA recognising at 31 March 2025, the portion of compensation payments for which IBCA will be responsible for beyond the transfer dates. The payments due after 5 years shown within the analysis of timing of cashflows above reflect the expectations related to ongoing support payments. Subsequent announcements post year-end have indicated that transfer dates between IBSS and IBCA will be delayed to complete by the end of 2026.

⁴² IBSS are the responsibility of the Department of Health and Social Care (DHSC) in England and the Devolved Governments in the other nations of the UK.

Developments affecting the provisions

Events affecting the provision during the period

As this is the first operating period for IBCA, the liability has been recognised during the year meaning that the total valuation, though payable over a number of years, was recognised in full in both the Statement of Financial Position and the Statement of Comprehensive Net Expenditure.

In the period to 31 March 2025, the scheme opened up and started processing claims for living infected people registered with an existing IBSS. This is the first cohort of claims to be started. Compensation payments for infected people not registered with an IBSS, estates of infected people who have died and affected people will be made in upcoming financial years. Payments made during the period are accounted for as a utilisation of the provision.

Events affecting the provision in future periods

In July 2025, agreement was obtained to accelerate payments under the scheme, which will impact the future profile of payments across the years. In addition, a further inquiry report was issued in July which proposed the changes in IBSS transfer dates and additional changes to regulations. These events are considered to be non-adjusting in accordance with IAS 10 and have not been incorporated within the valuation of the provision as at 31 March 2025. Further information about the estimated impact of these changes can be found in note 12 – Events after the reporting period.

Method of calculation

Approach applied across cohorts

The provision has been estimated under IAS 37 – Provisions, Contingent Liabilities and Contingent Assets. The standard has been applied in order to derive a best estimate for the cost of the scheme. When determining the best estimate, two primary approaches can be considered:

1. Most Likely Outcome (MLO) – this approach is suitable for where there is a single, most probable outcome.
2. Expected Value Method (EVM) – this method is appropriate when there are multiple possible outcomes, each with its own probability. The best estimate is calculated based on consideration of multiple scenarios.

IBCA have prepared the provision cost model using MLO due to the significant uncertainty around the possible number of those eligible to claim that could come forward. Different possible scenarios of claim volumes have been costed. As the model has progressed it has purposefully excluded probability, though will work towards its inclusion in future iterations.

The broad mechanics of the modelling is relatively simple; the overall cost of the scheme is calculated by multiplying the number of people claiming compensation (estimating how many) by the amount awarded (estimating how much someone eligible is entitled to).

The expected cash outflows are then profiled based on expected timing of the claim service being opened for each cohort and assumptions made on whether individuals will opt to receive a lump sum payment or continuing with ongoing support payments (applicable to those individuals making a claim who are Infected and IBSS registered). The estimate is discounted in the financial statements to represent the total cost of compensation at its present value. The applicable discount rate is prescribed by HM Treasury.

Calculation of compensation due to infected people

Those who are already registered on an IBSS are a known group; which is approximately 3,500 individuals and the IBSS registered infected provision reflects the compensation expected to be paid to those individuals. There is however limited available information on those who are infected, but not registered on the IBSS (incorporated within the Infected non-registered provision).

The Infected Blood Inquiry commissioned a group of statistical experts to investigate the number of people infected during the scandal. This group spent over a year gathering data and working on this question, and concluded that the number directly infected (both living and deceased) could vary by a large amount; 25,000 – 45,000 individuals).

The cost profile listed here is based on the central scenario of the overall scheme cost and infected numbers, detailed below.

To estimate the number of living infected individuals with chronic disease severities:

- The starting point is the number of infected individuals registered on IBSS; which is approximately 3,500 individuals,
- Historical data is considered from IBSS of successful applications and mortality. Overall, a relatively small change in overall registrations prior to April 2025 was expected (where IBSS registrations will close); approximately 40 individuals,
- An uplift is applied for the assumed increase in applications once the scheme opens, and
- The end result is an estimate that approximately 4,100 people living with chronic infections will be awarded compensation, approximately 600 more than are registered with an IBSS.

People who had an acute Hepatitis C infection are not eligible for IBSS but are eligible for compensation through the scheme. In the central scenario it is estimated approximately 1,200 living individuals will come forward. These are in addition to the 4,100 people estimated above. This is informed by the Infected Blood Inquiry's Statistical Expert Group (SEG) report and subsequent analysis carried out across government.

Calculation of compensation due to the estates of infected people who have died

This is informed by the SEG report which estimates the number of people who have died who were infected through transfusion and blood products. We apply assumptions to account for secondary infections and how many estates will actually come forward to make a claim, arriving at a central scenario where we assume approximately 8,400 estates of infected people who have died will claim.

Calculation of compensation due to affected people

This cohort includes partners, parents, children and siblings, and other friends and family members who cared for loved ones with an infection without reward or remuneration. To be eligible for compensation, the affected individual must be living, as seen in Regulation 4 in The Infected Blood Regulations 2025.

As there is no data available specifically relating to this affected cohort, ONS data on the mortality and living arrangements of the general public was used instead. The ONS data was used to help estimate the number of potential children, siblings, parents and partners an infected person would have. This was based on the infected person being the average age of someone on the England Infected Blood Support Scheme (EIBSS).

The final range of affected persons per infected person was not solely reliant on the figures derived from the analysis of ONS data. This analysis contributed to shaping a profile of the number of affected persons an infected individual has over a range of ages, but was supplemented by logical assumptions derived from policy and analytical professions as well as expert opinion.

ONS data on marriage and cohabitation provided statistics on how many eligible partners a person is likely to have had. Data on birth rates and fertility enabled us to see how many children and siblings a person is likely to have, and also how much older their parents are likely to be than them. Mortality data was then used to understand how many of these affected individuals were likely to still be alive. For all of these, consideration was given to age/date of birth and produced a lifetime profile that could then be applied to the assumptions on the ages of infected persons.

Key assumptions and areas of uncertainty

Significant estimation uncertainties exist in measuring the provisions due to the complex nature and unpredictability of the underlying data. At present, estimates continue to be both very large and broad, predominantly reflecting the considerable uncertainty about the volume of infected non-registered and affected people, and estates of infected individuals that may come forward for compensation.

As the scheme opens to more cohorts in future years, increased confidence can be held on the assumptions in place. Further data will become available to strengthen the evidence to support the assumptions made by management and refine those assumptions as required. Outcomes within the next financial year that are different from the assumptions made this year could require a material adjustment to the carrying amount of the liability as a result of refined assumptions. Consequently, the final cost of the scheme may differ materially from the amount currently recognised.

Assumptions and Uncertainties relevant to all cohorts

All cohorts are impacted by the following key assumptions or areas of uncertainty:

- **discounting:** The provision is discounted to reflect the time value of money. Compensation payments estimated in the future are discounted back to a present value. The applicable discount rate is prescribed by HM Treasury,
- **severity of infection:** infection severity affects the award category and assumptions about severity are made using existing data from IBSS-registered databases, and
- **operational scale-up decisions:** the cash out flows in relation to compensation payments have been modelled based on IBCA's current operational targets for processing claims, reflecting assumptions on sequencing based on IBCA's publicly stated plans at 31 March 2025, being that IBCA would start processing those registered on an Infected Blood Support Scheme (IBSS) in period ending 31 March 2025 and open access to all cohorts in the financial year 2025-26, aiming to scale to 500 claims managers by the end of 2025-26. The order in which claims are processed and IBCA's ability to achieve those targets, will impact the discounted value of the provision.

Assumptions relating to infected IBSS registered people

Those who are already registered on an IBSS are a known group. Based on operational payment data, we assume that 60% will choose the "core" route where they receive a higher lump sum in lieu of support payments for life.

Assumptions relating to infected non-registered people

The key assumption and area of estimation uncertainty impacting this group is the number of infected non-registered people that may be eligible to claim. There is limited available information on those who are infected, but not registered on the IBSS. Using the findings of the SEG, and data held by IBSS, reasonable assumptions have been incorporated into the model to estimate the number of people eligible to claim who will come forward for compensation.

The key assumption in the central scenario is that an additional 17.5% of applications will occur once the scheme opens to those infected but not previously registered on IBSS. This is linked to analysis of the increase in applications to IBSS; once the interim payments were announced, applications rose by 7-12%. This assumption was increased to 17.5% to factor:

- compensation amounts are higher under IBCA's scheme and there may be more motivation to apply,

- widening eligibility for claimants such as those individuals with chronic Hepatitis B infections now being eligible to claim, and
- the eligibility of the date of infection being relaxed.

Assumptions relating to the estates of infected people who have died

There is much less information about the number of infected people who have died and this assumption is the primary driver for the considerable estimation uncertainty on the estates provision. The provision of £2,819m is based on the undiscounted central scenario of £2,960m.

The key assumptions impacting this group are:

- **number of estate claims:**
 - Low: 3,832,
 - Central: 8,473, and
 - High: 10,453.
- **estimating years of survivorship:** survivorship is the time between infection and death. Available statistics on survivorship of transfusion recipients stratified by age are used to estimate years of survivorship for the infected people who have died. This could impact the award amount of claims of estates of infected people who have died.

Assumptions relating to affected people

The number of affected people who will claim is both the key assumption for this group and the area of considerable estimation uncertainty. There is far less information for this group than any of the cohorts. Due to the variety of eligible affected groups, the wide age range of infected persons, the uniqueness of this particular cohort in comparison to the general public, and the factors of mortality, awareness of the scheme, and willingness to apply, there is a high degree of uncertainty attached to the volume estimates.

Following the method of calculation described above, we have estimated that the number of potential affected people ranges from 18,000 – 96,000. This estimate has been generated using the limited data available and draws on the numbers and population characteristics of the infected group, with assumptions made about the potential number of people who have suffered the impacts of infected blood through their relationship with an infected person. Available ONS data is also used to inform the assumptions on the number of affected people per infected person.

The provision of £2,753m is based on the central scenario of approximately 51,000 affected persons which undiscounted amounts to £3,361m. The range on the undiscounted estimate for variation in claimant numbers is a low of £1,213m to a high of £5,634m.

Sensitivity analysis

The provision is highly sensitive to changes in assumptions on volumes of people eligible to claim. Those registered with an existing IBSS provide the basis of the valuation for that cohort, with all others being based on estimates using available data and meetings of the Statistical Expert Group. As such, there is a high degree of uncertainty about the number of people eligible to claim in all cohorts, apart from those registered with an IBSS. The model holds a range of scenarios, presented at low, central and high, as outlined below:

- low – 27,059 (of which, 8,584 are infected claimants and 18,475 are affected claimants),
- central – 64,849 (of which, 13,843 are infected claimants and 51,006 are affected claimants), and
- high – 112,775 (of which, 16,574 are infected claimants and 96,201 are affected claimants).

The central scenario forms the basis of the valuation.

A sensitivity analysis has been undertaken to identify the impact of any changes to key assumptions. For each of the key assumptions listed below, a reasonable change has been identified and the impact on the overall financial liability calculated. For each assumption analysed, all other assumptions are held constant in order to isolate the effect of a change for the specified assumption.

The analysis has been performed on the undiscounted provision. However, the effect on the discounted liability has been calculated in respect of the following assumption:

- a change in the discount rate, showing: the discounted effect of a reasonable change in the discount rate.

Sensitivity analysis on undiscounted provision:

		Undiscounted change in provision – (decrease) / increase £ million		
		Central estimate (in £ millions)	Reasonable low (difference between the central and low estimate)	Reasonable high (difference between the high and central estimate)
Key assumption	Description of sensitivity			
Numbers of people eligible to make a claim:				
Number of core route claims (assumption in relation to living infected cohort only and excluding those who remain receiving annual support payments)	Central estimate used for the provision assumes 3,959 people making a claim. Sensitivity change calculated using a low of 3,343 and a high of 4,711.	2,900	(789)	849
Number of estate claims of infected people who have died	Central estimate used for the provision assumes 8,473 estate claims of infected people who have died. Sensitivity change calculated using a low of 3,832 and a high of 10,453	2,959	(1,448)	837

Key assumption	Description of sensitivity	Undiscounted change in provision – (decrease) / increase £ million		
		Central estimate (in £ millions)	Reasonable low (difference between the central and low estimate)	Reasonable high (difference between the high and central estimate)
Number of affected claims (Affected cohort assumption)	Central estimate used for the provision assumes 51,006 people making a claim. Sensitivity change calculated using a low of 18,475 and a high of 96,201	3,361	(1,632)	2,519
Characteristics of people who claim:				
Survivorship of people who have died (Assumption in relation to estates of infected people who have died only)	The model's central estimate assumes an average weighted number of years survivorship of 8 years. The reasonable low assumes 7 years and the reasonable high assumes 15 years.	11,403	(245)	728

Sensitivity analysis on discounted provision:

		Discounted change in provision – (decrease) / increase £ million		
		Central estimate (in £ millions)	Reasonable low difference between the central and low estimate)	Reasonable high (difference between the high and central estimate)
Key Assumption	Description of sensitivity			
Numbers of people eligible to make a claim:				
Discount rate (Assumption impacts all cohorts)	Central estimate used for the provision assumes a discount rate of 4.03% – 4.07% for years one to six. Sensitivity change calculated using 2% higher and lower.	9,582 (excluding ongoing support payments)	(436)	474

10. Financial and capital commitments

There were no material capital commitments, or material commitments under other non-cancellable contracts at 31 March.

11. Related-party transactions

IBCA is a non-departmental public body (NDPB) sponsored by Cabinet Office. Cabinet Office is regarded as a related party by virtue of its sponsorship and funding of IBCA. All expenditure incurred by IBCA during the period has been met by grant-in-aid from Cabinet Office.

During the reporting period, Cabinet Office charged IBCA a service delivery fee for managing the supplier contract for the development of software. The amount was charged to the SoCNE. In addition, Cabinet Office recharged staff time where their role was to support IBCA's establishment.

During the reporting period, the Government Property Agency (GPA) provided assistance with securing office premises and project management of fit out works.

During the reporting period, Department for Work and Pensions has provided a payments service in relation to compensation payments.

IBCA has a Memorandum of Terms of Occupation (MOTO) arrangement with HMRC for the use of offices at Benton Park View.

There were no other related party transactions with board members or key managerial staff, other than remuneration paid for their services as board members and reimbursement of business travel and subsistence expenses. Further details can be found in the Remuneration and Staff Report, including details on management remuneration.

12. Events after the reporting period

In accordance with IAS 10: Events After the Reporting Period post statement of financial position events are considered up to the date on which the accounts are authorised for issue.

There are no events which meet the conditions of adjusting events after the reporting period. The events which meet the conditions of material non-adjusting events are detailed below.

Acceleration of operations

In July 2025, HM Treasury agreed funding and Ministerial agreement was given to enable accelerated delivery of compensation. IBCA presented a plan to enable all registered infected people eligible to claim to be paid by the end of 2025. This plan required additional funding to enable accelerated scale up of the service and to put the necessary workforce in place sooner.

In line with IAS 10 – events after the reporting period, this forms a non-adjusting event, being an event that is reflective of conditions that arose after the reporting period.

In respect of the financial obligations of IBCA, this has a direct impact on the valuation of the provision for compensation payable recognised at the period end. This is the result of changes to discounting, which adjusts the valuation for the time value of money. The financial impact is presented below.

		As at 31/3/25	Impact on provision	As at 31/3/25 including additional projected cost
	Note	£000	£000	£000
Discounted provision	SoFP / Note 9	£9,582,066	£34,100	£9,616,166
Undiscounted provision	Note 9	£11,470,763	-	£11,470,763

This does not affect amounts to which those eligible to claim are entitled, but rather reflects the time value of money. The accelerated profile projects that IBCA will pay compensation sooner than previously projected. In today's money terms, a payment made sooner is accounted for as a higher cost than a payment made later, which has led to the change in discounted valuation outlined above.

It should be noted that uncertainty remains around the total number of people eligible to claim and this projection is based on our central scenario. Please see note 9 for more detail.

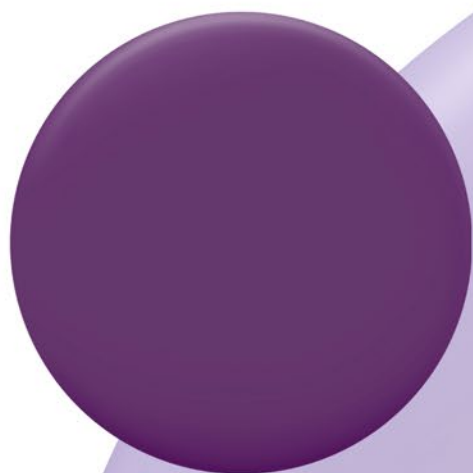
Additional inquiry report

On 9 July 2025, the Infected Blood Inquiry published an [additional report on compensation](https://www.infectedbloodinquiry.org.uk/sites/default/files/documents/Final%20proof%20CCS0325782952-001_PN9556747_IBI_Additional%20Report_Bookmarked.pdf).⁴³ The report outlined a suite of recommendations which were considered by the government. On 21 July 2025, the government agreed to accept some of the recommendations and consult further with the community on others. In line with IAS 10 – events after the reporting period, this forms a non-adjusting event, being an event that is reflective of conditions that arose after the reporting period.

The policy decisions announced are currently estimated to cost around £1billion in further compensation payments, as stated by the Minister for the Cabinet Office in Parliament on 21 July 2025. The total cost depends on what is agreed following consultation with the community.

The Accounting Officer authorised these financial statements for issue on the date of the Comptroller and Auditor General's audit certificate.

⁴³ www.infectedbloodinquiry.org.uk/sites/default/files/documents/Final%20proof%20CCS0325782952-001_PN9556747_IBI_Additional%20Report_Bookmarked.pdf



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978-1-5286-5979-6