

Chapter 10

Instructions regarding reporting templates

IR.20.01 — Development of the distribution of the claims incurred

General comments

This section relates to annual submission of information for individual entities and third-country insurance undertakings in regard to branch operations.

This section provides an overview about the run-off/movement of non-life claims portfolios, in terms of both claims paid (split by different type of claims) and RBNS claims (as defined in IR.19.01).

RBNS claims should be reported undiscounted.

This template shall be reported:

1. For the aggregate of all lines of insurance (direct) business, as defined in Technical Provisions – Further Requirements Annex 1, (ie total of lines 1 to 12). For avoidance of doubt, this is to include each line of business 1 -12 regardless of whether a line of business is reported under (2) below.
2. For each non-life Line of Business, as defined in Technical Provisions – Further Requirements Annex 1, and considering the following specifications:
 - i. Reporting by line of business: it is required to report direct lines of business 1-12. Firms shall report each direct line of business, or only the direct lines of business that represent a coverage of 90% of the non-life gross undiscounted provision for claims outstanding for direct business. In the case where a firm is reporting a coverage of 90%, the lines of business should be selected as follows:
 - The motor vehicle liability line of business should always be reported,
 - The general liability lines of business should always be reported,
 - For all other lines of business using a decreasing order of gross undiscounted provision for claims outstanding.

For the purpose of calculating whether a line of business meets the above materiality thresholds for reporting, any negative gross undiscounted provisions for claims outstanding at the level of the line of business shall be regarded as zero when calculating the firm's gross undiscounted provisions for claims outstanding: in total; and for each line of business.

With regard to the number of claims to be reported, firms will use their specific definition. However, each claim shall be reported once by Line of Business. If any claim is closed and reopened during the year, it shall not be reported in the column 'Reopen Claims during the year' but it shall be reported in relevant column regarding 'Open Claims at the beginning of the year' or 'Claims reported during the year'.

In the case of a claims arising from an underlying policy where the firm has a share (<100%) of the underlying policy (ie the firm is a co-insurer of the underlying policy), the firm should report:

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- only its share in the RBNS and payment columns (ie columns: C0030, C0040, C0050, C0070, C0080, C0100, C0120, C0130, C0150, C0180, C0190, C0210),
- a count of 1 (not its share) in the 'Number of claims columns (ie columns: C0020, C0060, C0090, C0110, C0140, C0160, C0170, C0200).

Eg Suppose there is a claim on insurance contract for which: Gross RBNS at the beginning of the year was 1000, Gross payments made during the current year was 200, Gross RBNS at the end of the period was 800. Suppose also that the firm has a 20% share of this contract. The firm would report in respect of this claim: 1 in column C0020; 200 (20% of 1000) in column C0030; 40 (20% of 200) in column C0040; and 160 (20% of 800) in column C0050.

For the purpose of this template 'allocated loss adjustment expenses (ALAE)' means: the costs of-processing and resolving claims that could be assignable to individual claim (eg legal and adjuster's fees).

Firms are required to report data on accident year or underwriting year basis according to how the business is managed. Firms must report each line of business by accident year or each line of business by underwriting year. Firms are not to report some lines of business by accident year and some by underwriting year.

	ITEM	INSTRUCTIONS
Z0010	Line of business	Identification of the line of business, as defined in Technical Provisions – Further Requirements Annex 1, reported. The following closed list shall be used: 1 — Medical expense insurance 2 — Income protection insurance 3 — Workers' compensation insurance 4 — Motor vehicle liability insurance 5 — Other motor insurance 6 — Marine, aviation and transport insurance 7 — Fire and other damage to property insurance 8 — General liability insurance 9 — Credit and suretyship insurance 10 — Legal expenses insurance 11 — Assistance insurance 12 — Miscellaneous financial loss insurance 41 — Total all non-life insurance (<u>direct</u>) obligations (ie total of lines of business 1 to 12 above)
Z0020	Accident year/Underwriting year	Report the standard used by the undertakings for reporting of claims development. One of the options from the following closed list shall be used: 1 — Accident year 2 — Underwriting year A firm must use the standard (ie accident year or underwriting year) used for the public disclosure template IR.19.01.21 for all of its lines of business, ie it must not use accident year for

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	ITEM	INSTRUCTIONS
		some lines business and underwriting year for other lines of business.
C0020/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Open Claims at the end of the year — Number of claims	The number of open claims at the beginning of the year and still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0030/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Open Claims at the end of the year — Gross RBNS at the beginning of the year	The amount of gross RBNS Claims, net of salvage and subrogation, at the beginning of the year and still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0040/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Open Claims at the end of the year — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0050/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Open Claims at the end of the year — Gross RBNS at the end of the period	The amount of gross RBNS Claims, net of salvage and subrogation, at the end of the period regarding claims still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0060/R0010 to R0160	RBNS claims. Open Claims at the	The number of Claims open at the beginning of the year and closed at the end of the year and

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	ITEM	INSTRUCTIONS
	beginning of the year, Closed Claims at the end of the year, settled with payment — Number of claims ended with payments	settled with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0070/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Closed Claims at the end of the year, settled with payment — Gross RBNS at the beginning of the year	The amount of gross RBNS Claims, net of salvage and subrogation, open at the beginning of the year and closed at the end of the year and settled with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0080/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Closed Claims at the end of the year, settled with payment — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims closed at the end of the reporting year and settled with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0090/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Closed Claims at the end of the year, settled without any payment — Number of claims ended without any payment	The number of Claims open at the beginning of the year and closed at the end of the year and settled without any payment, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0100/R0010 to R0160	RBNS claims. Open Claims at the beginning of the year, Closed Claims at the end of the year, settled without any payment — Gross RBNS at the	The amount of gross RBNS Claims, net of salvage and subrogation, open at the beginning of the year and closed at the end of the year and settled without any payment, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to

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	ITEM	INSTRUCTIONS
	beginning of the year referred to claims settled without any payment	N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’ those attributable to specific claims.
C0110/R0010 to R0160	Claims reported during the year, Open Claims at the end of the year — Number of claims	The number of Claims reported during the year and still open at the end of the year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0120/R0010 to R0160	Claims reported during the year, Open Claims at the end of the year — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reported during the year and still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0130/R0010 to R0160	Claims reported during the year, Open Claims at the end of the year — Gross RBNS at the end of the period	The amount of gross RBNS Claims, net of salvage and subrogation, at the end of the period regarding claims reported during the year and still open at the end of the reporting year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0140/R0010 to R0160	Claims reported during the year, Closed Claims at the end of the year, settled with payment — Number of claims ended with payments	The number of Claims reported during the year and closed at the end of the year and settled with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.

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C0150/R0010 to R0160	Claims reported during the year, Closed Claims at the end of the year, settled with payment — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reported during the year and closed at the end of the year and settled with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0160/R0010 to R0160	Claims reported during the year, Closed Claims at the end of the year, settled without any payment — Number of claims ended without any payment	The number of Claims reported during the year and closed at the end of the year and settled without any payment, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0170/R0010 to R0160	Reopen claims during the year, Open Claims at the end of the year — Number of claims	The number of Claims reopened during the year and still open at the end of the year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14
C0180/R0010 to R0160	Reopen claims during the year, Open Claims at the end of the year — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reopened during the year and still open at the end of the year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0190/R0010 to R0160	Reopen claims during the year, Open Claims at the end of the year — Gross RBNS at the end of the period	The amount of gross RBNS Claims, net of salvage and subrogation, at the end of the period regarding claims reopened during the year and still open at the end of the year, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to

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		N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0200/R0010 to R0160	Reopen claims during the year, Closed Claims at the end of the period — Number of claims ended with payments	The number of Claims reopened during the year and closed at the end of the year and ended with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14.
C0210/R0010 to R0160	Reopen claims during the year, Closed Claims at the end of the period — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reopened during the year and closed at the end of the year with payments, by accident/underwriting years from the year N–1 (the year before the reporting year) to N–14, amount of all previous reporting periods prior to N–14 and the total of all the years from N–1 to prior to year N–14. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0110/R0170	Claims reported during the year, Open Claims at the end of the year — Number of claims	The number of claims reported during the year and still open at the end of the year, for the accident/underwriting year, regarding the reporting year N.
C0120/R0170	Claims reported during the year, Open Claims at the end of the year — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reported during the year and still open at the end of the reporting year, for the accident/underwriting year, regarding the reporting year N. The amount includes all the elements that compose the claim itself but excludes any expenses except ‘allocated loss adjustment expenses’.
C0130/R0170	Claims reported during the year, Open Claims at the end of the year — Gross RBNS at the end of the period	The amount of gross RBNS Claims, net of salvage and subrogation, at the end of the period regarding claims reported during the year and still open at the end of the reporting year, for the accident/underwriting year, regarding the reporting year N.

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		The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0140/R0170	Claims reported during the year, Closed Claims at the end of the year, settled with payment — Number of claims ended with payments	The number of Claims reported during the year and closed at the end of the year and settled with payments, for the accident/underwriting year, regarding the reporting year N.
C0150/R0170	Claims reported during the year, Closed Claims at the end of the year, settled with payment — Gross payments made during the current year	The amount of gross payments, net of salvage and subrogation, made during the current year regarding claims reported during the year and closed at the end of the year and settled with payments, for the accident/underwriting year, regarding the reporting year N. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0160/R0170	Claims reported during the year, Closed Claims at the end of the year, settled without any payment — Number of claims ended without any payment	The number of Claims reported during the year and closed at the end of the year and settled without any payment, for the accident/underwriting year, regarding the reporting year N.
C0110/R0180	Total Claims reported during the year, Open Claims at the end of the year — Number of claims	Total number of claims reported during the year still open at the end of the year.
C0120/R0180	Total Claims reported during the year, Open Claims at the end of the year — Gross payments made during the current year	Total of gross payments, net of salvage and subrogation, made during the current year in relation to total number of claims reported during the year still open at the end of the year. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0130/R0180	Total Claims reported during the year, Open Claims at the end of the year — Gross RBNS	Total of Gross RBNS, net of salvage and subrogation, at the end of the period in relation to total number of claims reported during the year still open at the end of the year.

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	at the end of the period	The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0140/R0180	Total Claims reported during the year, Closed Claims at the end of the year, settled with payment — Number of claims ended with payments	Total number of claims reported during the year and settled with payments
C0150/R0180	Total Claims reported during the year, Closed Claims at the end of the year, settled with payment — Gross payments made during the current year	Gross payments, net of salvage and subrogation, made during the current year in relation to claims reported during the year and settled with payments. The amount includes all the elements that compose the claim itself but excludes any expenses except 'allocated loss adjustment expenses'.
C0160/R0180	Total Claims reported during the year, Closed Claims at the end of the year, settled without any payment — Number of claims ended without any payment	Total number of claims reported during the year and settled without any payment.