National specific template Log NS.14 – ECG template

General Comment

This template is required for all life insurers, composite insurers, and reinsurers that have reported life premiums (including health business that is similar to long-term business, but excluding unit-linked premiums) greater than £1bn during any of the three most recent reporting years (this reporting year inclusive). Firms may round amounts to the nearer £m, but amounts should still be shown in units.

The purpose of this template is to understand changes in firms' excess capital under Solvency II, both historically and to understand drivers of forecast changes to excess capital.

Column C0010 should contain the actual result for the latest financial year (ending on the reference date). Columns C0020, C0030 and C0040 are forward looking figures based on your business plan.

Where there has been a very material change in assumptions from the date of the business plan to the date of reporting for this template, please include the most up to date business plan data that is available.

COLUMN(S)	ITEM	DEFINITION
C0010	Most recent reporting period	The most recently completed financial reporting year.
C0020	Plan Year 1	The financial year following the reference date.
C0030	Plan Year 2	The second financial year following the reference date.
C0040	Plan Year 3	The third financial year following the reference date.

ROW(S)	ITEM	DEFINITION
R0010	Existing business - Own Funds generation - current backbook	The change in Own Funds attributable to business written prior to the most recent reporting year (i.e. C0010). For all columns in the template (C0010-C0040) this should remain the change in Own Funds attributable to business written prior to C0010 and exclude new business written in that year. For example, annuity writers are expected to include earning the non-illiquid portion of its assets' total spread.
R0020	Existing business - Own Funds generation - planned new business	The change in Own Funds attributable to existing business written as new business during the years C0010, C0020 and C0030.

		For example, for Plan Year 3 (C0040), this balance would comprise changes in Own Funds attributable to new business written in: C0010, + Plan Year 1 (C0020) + Plan Year 2 (C0030). For Plan Year 2 (C0030), this should comprise changes to Own Funds from new business written: C0010 + C0020. For Plan Year 1 (C0020), only the change to Own Funds from business written in C0010 should be recognised here. Zero for C0010. In most cases we would expect: C0040 > C0030, C0030 > C0020, & C0020 > C0010.
R0030	Existing business - SCR run-off - current backbook	The change in excess capital from changes in SCR relating to business written prior to the most recent reporting year (C0010). We'd typically expect this to be a reduction in capital required to be held as: claims are paid, a year of a policy has elapsed, and policies are surrendered, mature or lapse. In most cases we would expect C0040 > C0030, C0030 > C0020, & C0020 > C0010.
R0040	Existing business - SCR run-off - planned new business	The change in excess capital attributable to changes in SCR from existing business that was written as new business between C0010 and C0030. For example, in Plan Year 3 (C0040), this should comprise changes relating to new business written in C0010 + C0020 + C0030. For C0030, this should be changes to SCR from existing business written in C0010 + C0020. For C0020, only the impact from business written in C0010 should be recognised in R0014. Zero for C0010
R0050	Existing business - RM run-off - current backbook	The impact on excess capital from changes in the risk margin from business written prior to the most recent reporting year (C0010). For all columns in the template (C0010-C0040) this should remain the change in Risk Margin attributable to business written prior to C0010. Please report this gross of any movement in TMTP.
R0060	Existing business - RM run-off - planned new business	The impact on risk margin attributable to existing business that was written as new business between C0010 and C0030. For example, for Plan Year 3 (C0040), this should comprise the change to risk margin from business written in the most recent reporting period (C0010) + Plan Year 1 (C0020) + Plan Year 2 (C0030). For C0030, this should be changes to the risk margin

		from existing business that was written in the most recent reporting period (C0010) + Plan 1 (C0020). For C0020, only the impact from business written in the most recent reporting period (C0010) should be recognised here.
R0070	Existing business - TMTP run-off	The impact of changes in the TMTP asset (within technical provisions) on excess capital.
R0080	**Existing business - Total (Sum from R0010 to R0070)**	**Sum of R0010 + R0020 + R0030 + R0040 + R0050 + R0060 + R0070**
R0090	New business - change in Own Funds	The change to own funds attributable to new business written within the reporting year. For each column (C0010-C0040), this should be the impact of new business sales in each discrete year and not a cumulative figure.
R0100	New business - change in Risk Margin	The change to the risk margin attributable to new business written within the reporting year. For each column (C0010-C0040), this should be the impact of new business sales in each discrete year and not a cumulative figure.
R0110	New business - change in SCR	The change to the SCR attributable to new business written within the reporting year. For each column (C0010-C0040), this should be the impact of new business sales in each discrete year and not a cumulative figure.
R0120	**New business - Total (Sum from R0090 to R0110)**	**Sum of R0090 + R0100 + R0110**
R0130	**Underlying capital generation (R0080 + R0120)**	**Sum of R0080 + R0120**
R0140	Experience variance	The change to excess capital attributable to non-economic variances versus what was forecast in the year. For example, this may include differences between actual experience and assumptions for longevity, mortality and expenses. Generally, we would not expect to see figures reported in C0020-C0040.
R0150	Economic variance	The impact on excess capital attributable to changes in economic variables versus the firm's original forecast (e.g. movements in risk free interest rates, credit spreads, inflation, equities performance, changes in the book value of a subsidiary).

		Generally, we would not expect to see figures reported in C0020-C0040.
R0160	Other operating variance	The impact on excess capital from any variances that fall outside of the scope of what was outlined for R0140 or R0150.
R0170	**Total variances (Sum from R0140 to R0160)**	**Sum of R0140 + R0150 + R0160**
R0180	**Organic capital generation (R0130 + R0170)**	**Sum of R0130 + R0170**
R0190	Management actions	Changes to excess capital attributable to initiatives undertaken/proposed to be undertaken by management which do not relate to either 'updating' inputs (e.g. assumptions - which should be reported in R0200) or changes to modelling (R0210). Some (non-exhaustive) examples of this include changes to the: investment strategy/asset portfolio (e.g. the change to excess capital from re-allocating existing assets), asset/liability matching, reinsurance programmes, and hedging arrangements.
R0200	Assumption changes	The impact on excess capital attributable to revised assumptions (including economic assumptions). For example, this could include changes to forecast longevity expectations and credit default rates.
R0210	Model changes	The impact on excess capital attributable to changes to the firm's model/modelling.
R0220	**Total management actions, assumption & model changes (R0190+R0200+R0210)**	**Sum of R0190 + R0200 + R0210**
R0230	Portfolio transfers	The net impact on excess capital of acquisitions and disposals made/expected to be made during the year.
R0240	Shareholder transfers from with-profit funds during the year	The change to excess capital from shareholder transfers from one or more with-profit fund(s).
R0250	Debt raise	The impact on excess capital from debt finance raised during the year.
R0260	Debt repayment	The impact on excess capital from debt finance repaid during the year.
R0270	Net equity issuance during the year	The impact on excess capital from equity finance issued.
R0280	Debt interest expense	The impact on excess capital from debt interest paid/payable during the reporting year.
R0290	Dividends paid	The impact on excess capital from dividends paid or payable by the firm during the reporting year.
R0300	Dividends received	The impact on excess capital from dividends received by the firm during the reporting year.

R0310	**Total of transfers, debt funding, equity funding, dividends received/paid (Sum of R0230 to R0300)**	**R0230 + R0240 + R0250 + R0260 + R0270 + R0280 + R0290 + R0300**
R0320	Other inorganic changes	Other changes to excess capital not captured by any of the prior captions. For example, this may include the impact of changes in capital restricted due to tiering limits or changes in the value of a deferred tax asset.
R0400	**Total change in Excess Capital (R0180 + R0220 + R0310 + R0320)**	**Sum of R0180 + R0220 + R0310 + R0320**
R0500	Own Funds - at the start of the period	Total eligible own funds to meet the SCR at the opening balance sheet date. We would expect the figure for C0010 to reconcile with what is reported in the prior year S.23.01.01 (solo) or S.23.01.04 (group) submission.
R0510	Own Funds - at the end of the period	Total eligible own funds to meet the SCR at the closing balance sheet date. We would expect the figure for C0010 to reconcile with what is reported in the current year S.23.01.01 (solo) or S.23.01.04 (group) submission.
R0520	SCR - at the start of the period	SCR at the opening balance sheet date. We would expect the figure for C0010 to reconcile with what is reported in the prior year S.23.01.01 (solo) or S.23.01.04 (group) submission.
R0530	SCR - at the end of the period	SCR at the opening balance sheet date. We would expect the figure for C0010 to reconcile with what is reported in the current year S.23.01.01 or S.23.01.04 submission.
R0540	**Excess capital - at the start of the period (R0500 - R0520)**	**R0500 - R0520**
R0550	**Excess capital - at the end of the period (R0510 - R0530)**	**R0510 - R0530**
R0600	Savings & Investments premiums	New business premiums are required to be reported from R0600 to R0640 and should be presented on the same basis as what is reported on Solvency II form S.14.01.01 for historic data. Please refer to the appendix within the log file for S.14.01 to see how individual product types should be allocated to high-level categories (R0600 to R0640).
R0610	Individual Pensions premiums	
R0620	Corporate Pensions premiums	
R0630	Protection premiums	
R0640	Annuities premiums	
R0650	**Total premiums (Sum of R0600 to R0640)**	**R0600 + R0610 + R0620 + R0630 + R0640**