

Data Submission Requirement National Claims Information Database Employers' and Public Liability 2023

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1 Submission Requirements

Submissions to be provided by all companies¹ that write employers' liability and public liability insurance for risks located in the Republic of Ireland. No distinction regarding data submission requirements to be made between companies based on market share.

1.1 Assumptions

- Data is gross of reinsurance and net of any other expected recoveries such as salvage, subrogation, apportionment or contributory negligence.
- Data is net of any policy deductible.
- Premium data requested in section 1.2 is gross of commission.
- Data is aggregated unless otherwise stated.
- All data relates to business written in respect of risks located in the Republic of Ireland only.
- Paid and incurred claim costs data requested in section 1.4 should include allocated loss adjustment expenses ("ALAE"), but should exclude unallocated loss adjustment expenses ("ULAE"). ULAE are to be reported in the appropriate line item in section 1.7.
- Aggregate claim data requested in section 1.4 should be provided on a cumulative basis.

1.2 Premium and Exposure (2009 to 2022)

- Premium and Exposure Measures
 - Gross Earned Premium
 - Earned Policy Count²
 - Earned Policy Subclass Count².

Split by:

- Quarter (2009–2022)
- Policy Category
 - Claims Made
 - Losses Occurring.
- Bordereau Indicator (see section 2 for definition)
 - Not Bordereau
 - Bordereau.
- Package Indicator (see section 2 for definition)

¹This includes domestically-regulated firms and insurers that provide insurance in Ireland under Freedom of Establishment or Freedom of Services.

²Policy count to include one count for each unique policy. Policy subclass count to include a count for each cover of a package policy. For example, a package policy that includes Employers' Liability, Public Liability and Commercial Property cover will have a policy count of 1 and it will have a policy subclass count of 3; 1 for each cover element of the policy i.e. Employers' Liability, Public Liability and Property. For any non-package policy, the policy subclass count and policy count will be equal.

- Standalone
- Package.
- Policy Type:
 - Employers' Liability ("EL")
 - Public Liability ("PL")
 - Commercial Property³.
 - Package⁴.
- Policy Type Band. The band that the premium of the policy type falls into. For package policies these are the relevant sub-components (EL, PL or Commercial Property). For standalone policies this will be the same as the Total Policy Band below.
 - €1 - €1,000
 - €1,001 - €2,000
 - €2,001 - €5,000
 - €5,001 - €10,000
 - €10,001 - €25,000
 - €25,001 - €50,000
 - €50,001 - €100,000
 - > €100,000.
- Total Policy Band. The band that the premium of the overall policy falls into. For package policies this is the sum of the sub-components (EL, PL and commercial property). For standalone policies this will be the same as the Policy Type Band above.
 - €1 - €1,000
 - €1,001 - €2,000
 - €2,001 - €5,000
 - €5,001 - €10,000
 - €10,001 - €25,000
 - €25,001 - €50,000
 - €50,001 - €100,000
 - > €100,000.
- Sector (as defined by Level 1 of the Statistical Classification of Economic Activities in the European Community ("NACE") system, Rev. 2 (2008), see section 2 for detail)

³ During the feasibility study it was identified that a material amount of liability insurance may be sold as part of a package including Property coverages. Therefore, to enable effective analysis, Commercial Property includes all of Commercial Property, for the purpose of this review.

⁴ The "Package" option, (PolicyTypeID 4 in the collection template) is used to report Earned Policy Counts for package policies (PackageIndicatorID 2) which by definition consists of more than one policy type e.g. Public Liability and Employers' Liability. Gross Earned Premium and Earned Policy Subclass Counts for package policies should be reported separately by policy type (PolicyTypeIDs 1-3).

1.3 Ultimate Claim Costs (2009 to 2022)

- Ultimate Measures
 - Ultimate Claim Costs (see section 2 for definition)
 - Ultimate Claim Numbers (Policy Type-level numbers).

Split by:

- Policy Category
 - Claims Made
 - Losses Occurring.
- Timeframe, either
 - Accident Quarter⁵ (2009–2022) for losses occurring policies OR
 - Report Quarter⁵ (2009–2022) for claims made policies.
- Policy Type:
 - Employers' Liability
 - Public Liability
 - Commercial Property.

Note that PPOs (see section 2 for definition) should be excluded from the Ultimate Claim Costs data requested. Information on PPOs will be collected in the PPO Claims data request (see section 1.6).

1.4 Historical Aggregate Claim Data (2009 to 2022)

Claim Cost Measures:

- Paid Costs
- Incurred Costs
- Settled Costs (i.e. paid costs on settled claims only) excluding Nils⁶. The total settled cost should be recognised in the development period when the claim is settled, in contrast to Paid Costs, which should be recognised in the development period when payments are made.

Policy Type-level counts⁷:

- Numbers Reported including Nils
- Numbers Settled excluding Nils
- Numbers Settled at Nil

⁵ If claims data is not available by Accident/Report Quarter, a company can provide claims data by Accident/Report Year; development period should always be by quarter.

⁶ A nil claim, as it applies to section 1.4, is defined as having zero incurred costs as at 31.12.2022 for the total claim.

⁷ Policy Type-level count to include one claim count for each unique policy type (EL or PL). For example, a PL claim that has multiple claim types, i.e. Injury and Damage, will have a Policy Type-level count of 1 for PL.

Claim Type-level counts⁸:

- Numbers Reported including Nils
- Numbers Settled excluding Nils
- Numbers Settled at Nil

Split by:

- Policy Category
 - Claims Made
 - Losses Occurring.
- Timeframe, either
 - Accident Quarter⁵ (2009–2022) for losses occurring policies OR
 - Report Quarter⁵ (2009–2022) for claims made policies.
- Development Quarter
- Package Indicator
 - Standalone
 - Package.
- Policy Type:
 - Employers' Liability
 - Public Liability
 - Commercial Property.
- Claim type:
 - Bodily Injury
 - Damage
 - Combination (to be used when reporting policy type-level counts).
- Sector (as defined by Level 1 of the Statistical Classification of Economic Activities in the European Community ("NACE") system, Rev. 2 (2008), see section 2 for detail).

Note that PPOs (see section 2 for definition) should be excluded from the Aggregate Claim Data request. Information on PPOs will be collected in the PPO Claims data request (see section 1.6).

1.5 Historical Settled Claims (2015 to 2022)

Data for historical settled claims is required for years 2015 to 2022. Claimants with nil compensation/damages paid should be included. All settlement costs should be recognised in the quarter of settlement. Previously settled claims that have since been reopened should not be included.

- Numbers Settled in calendar quarter (claimant-level numbers)
- Settled Costs – Total in calendar quarter

⁸ Claim Type-level count to include one count for each unique claim type (Damage or Injury). For example, a PL claim that has multiple claim types, i.e. Injury and Damage, will have a Claim Type-level count of 1 for Bodily injury and a Claim Type-level count of 1 for Damage.

- Total costs are divided into sub costs, which are mutually exclusive:
 - Settled Costs – Compensation
 - Settled Costs – Compensation General Damages
 - Settled Costs – Compensation Special Damages
 - Settled Costs – Legal
 - Settled Costs – Legal Own Costs
 - Settled Costs – Legal Third Party Costs
 - Settled Costs – Other.

Provide the five-way split of costs where this data is available. This is required from settled year 2019 onwards:

- Settled Costs – Compensation General Damages
- Settled Costs – Compensation Special Damages
- Settled Costs – Legal Own Costs
- Settled Costs – Legal Third Party Costs
- Settled Costs – Other.

In the event that Compensation and Legal Settled Costs cannot be split out for years 2015–2018, provide the three-way split of costs instead:

- Settled Costs – Compensation
- Settled Costs – Legal
- Settled Costs – Other.

Total compensation settled costs in any year should equal the sum of:

- Settled Costs – Compensation
- Settled Costs – Compensation General Damages
- Settled Costs – Compensation Special Damages.

These are mutually exclusive, Settled Costs – Compensation is NOT the sum of Settled Costs – Compensation General Damages and Settled Costs – Compensation Special Damages.

Total legal costs paid in any year should equal the sum of:

- Settled Costs – Legal
- Settled Costs – Legal Own Costs
- Settled Costs – Legal Third Party Costs.

These are mutually exclusive, Settled Costs – Legal is NOT the sum of Settled Costs – Legal Own Costs and Settled Costs – Legal Third Party Costs.

Settled Costs – Total (overall) should equal the sum of:

- Settled Costs – Compensation
- Settled Costs – Compensation General Damages
- Settled Costs – Compensation Special Damages
- Settled Costs – Legal

- Settled Costs – Legal Own Costs
- Settled Costs – Legal Third Party Costs
- Settled Costs – Other.

Split by:

- Settled Quarter (format YYYYQ)
- Accident Quarter⁹ (format YYYYQ)
- Reported Quarter⁹ (format YYYYQ)
- Policy Type
 - Employers' Liability
 - Public Liability.
- Policy Claim type:
 - Bodily Injury
 - Damage.
- Settlement Channel:
 - Direct
 - Direct before PIAB
 - Direct after PIAB
 - PIAB
 - Litigated
 - Litigated before Court Award
 - Litigated with Court Award.

Provide the five-way split of Settlement Channel where this data is available. This is required from settled year 2019 onwards:

- Direct before PIAB
- Direct after PIAB
- PIAB
- Litigated before Court Award
- Litigated with Court Award.

In the event that Direct and Litigated Settled Costs cannot be split out for years 2015–2018, provide the three-way split by Settlement Channel:

- Direct
- PIAB
- Litigated.

Total settled costs/numbers in the Direct channel in any year should equal the sum of

- Direct

⁹ If claims data is not available by Accident/Report Quarter, provide claims data by Accident/Report Year.

- Direct before PIAB
- Direct after PIAB.

These are mutually exclusive, Direct is NOT the sum of Direct before PIAB and Direct after PIAB.

Total settled costs/numbers in the Litigated channel in any year should equal the sum of:

- Litigated
- Litigated before Court Award
- Litigated with Court Award

These are mutually exclusive, Litigated is NOT the sum of Litigated before Court Award and Litigated with Court Award.

- Settled Cost Band:

- €1 - €5,000
- €5,001 - €10,000
- €10,001 - €15,000
- €15,001 - €30,000
- €30,001 - €45,000
- €45,001 - €60,000
- €60,001 - €75,000
- €75,001 - €100,000
- €100,001 - €125,000
- €125,001 - €150,000
- €150,001 - €250,000
- €250,001 - €500,000
- €500,001 - €1,000,000
- €1,000,001 - €5,000,000
- > €5,000,000.

- Compensation Band

- No Compensation Payment
- €1 - €5,000
- €5,001 - €10,000
- €10,001 - €15,000
- €15,001 - €30,000
- €30,001 - €45,000
- €45,001 - €60,000
- €60,001 - €75,000
- €75,001 - €100,000
- €100,001 - €125,000

- €125,001 - €150,000
- €150,001 - €250,000
- €250,001 - €500,000
- €500,001 - €1,000,000
- €1,000,001 - €5,000,000
- > €5,000,000.

Claimants should be banded based on the total settled cost of the claim and the compensation amounts paid. All claims with zero compensation, both injury and damage claims, should be reported using the “No Compensation Payment” compensation band (ID 0) and their appropriate total settled band.

- Non-nil claim: total settled cost band and compensation band IDs 1 to 15
- Nil claim: total settled cost band ID 1 to 15 compensation band ID 0.
- Judicial Guideline Used flag.
 - No
 - Yes
 - n/a.

All damage claims should be flagged as ‘n/a’.

For any injury claim that would have come under the judicial council’s personal injury guidelines regardless of how it eventually settled i.e. either before or after the involvement of PIAB should be flagged as ‘Yes’.

- Sector (as defined by Level 1 of the Statistical Classification of Economic Activities in the European Community (“NACE”) system, Rev. 2 (2008), see section 2 for detail).

Note that PPOs (see section 2 for definition) should be excluded from the Settled Claims data requested. Information on PPOs will be collected in the PPO Claims data request (see section 1.6).

1.6 PPO Claims

Indicate if the reporting agent has any PPO claims.

- PPO indicator flag

1.7 Historical Income and Expenditure (2009 to 2022)

Income and expenditure statements for 2009 - 2022 are required. This is to be completed using International Financial Reporting Standards (IFRS 4 - Insurance Contracts) or local Irish GAAP, in line with the Company’s local accounting basis. These items are to be submitted in respect of insurance written on risks located in the Republic of Ireland only for the following lines of business:

- Employers’ Liability
- Public Liability
- Commercial Property.

Income and Expenditure Statement (2009 to 2022), see section 2.2 for definitions.

1. Income

- Gross Written Premium
- Net Written Premium
- Gross Earned Premium
- Gross Earned Premium - Third Party Distribution
- Gross Earned Premium - Related Distribution
- Gross Earned Premium - Direct Distribution
- Earned Premium Ceded - Third Party Reinsurance
- Earned Premium Ceded - Related Reinsurance
- Net Earned Premium.
- Total Other Income (see section 2.2 for calculation definition)
- Investment Income
- Reinsurance Commissions and Profit Participations
- Reinsurance Commission & Profit Participations - Third Party Reinsurance
- Reinsurance Commission & Profit Participations - Related Reinsurance
- All Other Income.
- Total Income (see section 2.2 for calculation definition)

2. Expenditure

- Gross Claims Incurred
- Claims Incurred - Third Party Reinsurer's Share
- Claims Incurred - Related Reinsurer's Share
- Net Claims Incurred
- Gross Claims Paid
- Net Claims Paid
- Commission Payable
- Commission Payable - Third Party Distribution Sales Only
- Commission Payable - Third Party Distribution Other Services
- Commission Payable - Related Distribution Sales Only
- Commission Payable - Related Distribution Other Services
- Management Expenses
- Claims Management Expenses.
- Total Technical Account Expenses (see section 2.2 for calculation definition)
- Total Other Expenditure (see section 2.2 for calculation definition)
- Interest Payable and Tax
- All Other Expenses (including Investment Management Expenses).
- Underwriting Profit (see section 2.2 for calculation definition)

- Operating Profit (see section 2.2 for calculation definition).

For those items that do not already have an EL, PL or Commercial Property allocation, attribute Liability and Property totals proportionately.

2 Definitions

2.1 General Definitions

- **Bordereau** – a report providing premium or loss data with respect to identified specific risks. This report is periodically sent to an insurance company by an insurance intermediary. The ‘Bordereau indicator’ flag should be used to identify any policy information that is provided to the firm via a bordereau.
- **Claims Made Policy** – a claims made policy is an insurance policy that covers an insured for claims reported during the policy period irrespective of when the claim event occurred.
- **Losses Occurring Policy** - a losses occurring policy is an insurance policy that covers an insured for claim events that occur during the policy period irrespective of when the claim is made.
- **Package** – a policy that combines coverage from two or more lines of business into one policy e.g., a single package policy could contain cover for Employers’ Liability, Public Liability and Commercial Property.
- **Periodic Payment Order (“PPO”)** – a claim that has been formally settled by a court by means of a Periodic Payment Order.
- **Recovery of Benefits and Assistance Scheme** – payments made by undertakings to the Department of Employment Affairs and Social Protection under the RBA scheme should be classified as Compensation Costs, and specifically as Special Damages, for the purposes of the Database.
- **Sector** – For the purposes of the NCID, economic activity should be classified into sectors using the NACE system¹⁰. The top level of the NACE system is as follows:
 - A: Agriculture, forestry and fishing
 - B: Mining and quarrying
 - C: Manufacturing
 - D: Electricity, gas, steam and air conditioning supply
 - E: Water supply; sewerage, waste management and remediation activities
 - F: Construction
 - G: Wholesale and retail trade; repair of motor vehicles and motorcycles
 - H: Transportation and storage
 - I: Accommodation and food service activities
 - J: Information and communication
 - K: Financial and insurance activities
 - L: Real estate activities

¹⁰ <https://ec.europa.eu/eurostat/web/nace-rev2/overview>

- M: Professional, scientific and technical activities
- N: Administrative and support service activities
- O: Public administration and defence; compulsory social security
- P: Education
- Q: Human health and social work activities
- R: Arts, entertainment and recreation
- S: Other service activities
- T: Activities of households as employers; undifferentiated goods- and services-producing activities of households for own use
- U: Activities of extraterritorial organisations and bodies.
- **Settlement Channel** – The 3-way split of settlement channel (to be used in respect of historical data requested in section 1.5) is defined as:
 - a) **Direct:** to include claims resolved by direct settlement between the claimant and insurer (regardless of whether there is a solicitor involved) where the initiation of legal proceedings was not required – this includes cases settled both pre-PIAB, during PIAB (other than accepted PIAB awards), and post PIAB but without legal proceedings having commenced.
 - b) **PIAB:** to include claims resolved by an award made by PIAB which was accepted by both parties.
 - c) **Litigated:** to include claims resolved following the initiation of legal proceedings (regardless of whether PIAB had made an award that was rejected, and regardless of whether the case ended up in court).
- The 5-way split of settlement channel (to be used in respect of data requested in section 1.5) is defined as:
 - a) **Direct, before PIAB:** to include claims resolved by direct settlement between claimant and insurer (regardless of whether there is a solicitor involved) where the initiation of legal proceedings was not required and the case was settled before going to PIAB.
 - b) **Direct, after PIAB:** to include claims resolved by direct settlement between claimant and insurer (regardless of whether there is a solicitor involved) where the initiation of legal proceedings was not required and the case was settled after going to PIAB (other than accepted PIAB awards).
 - c) **PIAB:** to include claims resolved by an award made by PIAB which was accepted by both parties.
 - d) **Litigated, before Court Award:** to include claims resolved following the initiation of legal proceedings, but before a court award (regardless of whether PIAB had made an award that was rejected).
 - e) **Litigated, with Court Award:** to include claims resolved by court award following the initiation of legal proceedings (regardless of whether PIAB had made an award that was rejected).
- **Settlement Costs** – The 3-way split of settlement costs (to be used in respect of historical data requested in section 1.5) is defined as:
 - a) **Compensation:** The amount paid to a claimant in respect of a claim they have made.

- b) Legal: The legal fees paid by an insurer in the course of settling a claim. These include the cost of the insurer's own legal expenses and, where relevant and available, the legal expenses of the claimant.
- c) Other: All other expenses incurred by an insurer in the course of settling a claim. This may include the cost of assessing claims (e.g. medical or engineering), administration costs or recoveries from a third party claimant (where they are found to be liable).
- The 5-way split of settlement costs (to be used in respect of data requested in section 1.5) is defined as:
 - a) General Damages: Compensation for non-monetary loss suffered by the claimant, e.g. pain and suffering.
 - b) Special Damages: Compensation for financial loss, e.g. loss of earnings or medical expenses.
 - c) Own Legal Costs: Legal costs incurred by the insurer in the course of settling a claim.
 - d) Third Party Legal Costs: Legal costs incurred by the claimant in the course of settling a claim, and which were paid by the insurer.
 - e) Other: same as 3 way split above.
- **Ultimate Costs** – This is made up of paid costs to date and a best estimate of future payments. As defined by Solvency 2, the best estimate shall correspond to the probability-weighted average of future cash flows. However, for the requirements of the NCID, the best estimate should not take account of the time value of money, i.e. the best estimate should be undiscounted. Additionally, for the requirements of the NCID, the best estimate should:
 - not include unallocated loss adjustment expenses (“ULAE”).
 - not include precautionary risk margins either explicit or implicit.
 - not incorporate unreasonable, unduly optimistic or pessimistic, or unrepresentative past development experience.
 - not include the emergence of events that may occur in the future but cannot reasonably be foreseen and are not reflected in historical company or available market data (i.e. “ENIDs”).
 - include an allowance, where practicable, for known operational changes and recently enacted legislation that is not yet reflected in historical data.

2.2 Income and Expenditure Statement Definitions

- **Third party distributor:** A company or other service provider that distributes policies on behalf of the insurer, and which does not have the same ultimate parent as the insurer.
- **Related distributor:** A company or other service provider that distributes policies on behalf of the insurer, and which has the same ultimate parent as the insurer. This includes structures internal to the insurer, e.g. branches, for which commissions are recorded.
- **Direct distribution:** Refers to an insurer selling an insurance product directly to a consumer without a third party or related distributor, i.e. non-intermediated business.
- **Third party reinsurer:** A reinsurer which does not have the same ultimate parent as the insurer.
- **Related reinsurer:** A reinsurer which has the same ultimate parent as the insurer.
- **Gross Written Premium:** Definition of premiums written comprise all amounts due during the financial year in respect of (re)insurance contracts regardless of the fact that such amounts may relate in whole or in part to a later financial year.
- **Net Written Premium:** Gross Written Premium less reinsurer's share.
- **Gross Earned Premium:** Shall comprise all gross written premium plus the change in gross provision for unearned premiums.
- **Gross Earned Premium - Third Party Distribution:** Gross earned premium in respect of policies distributed by third party distributors.
- **Gross Earned Premium – Related Distribution:** Gross earned premium in respect of policies distributed by related distributors.
- **Earned Premium Ceded - Third Party Reinsurance:** The sum of the reinsurer's share in gross premiums written minus the change in the reinsurer's share in provision for unearned premium. In respect of third party reinsurers only.
- **Earned Premium Ceded - Related Reinsurance:** The sum of the reinsurer's share in gross premiums written minus the change in the reinsurer's share in provision for unearned premium. In respect of related reinsurers only.
- **Net Earned Premium:** Shall comprise 1) all gross written premium 2) less outward reinsurance premiums 3) plus the change in gross provision for unearned premiums & 4) less change in the provision for unearned premiums, reinsurers' share.
- **Investment Income:** Defined as income from participating interests, income from other investments (including income from land and buildings and income from other investments), value re-adjustments on investments and gains on the realization of investments.
- **Reinsurance Commission & Profit Participations:** Reinsurance commissions are amounts received from reinsurers relating to business ceded to reinsurers that are not in respect of benefit payments or expenses incurred by the firm that are recoverable from the reinsurer under the reinsurance contract. Typically these commissions are intended to compensate the firm for the commission and other acquisition expenses it has incurred in obtaining the business it has ceded to the reinsurer. Profit participations include amounts received from reinsurers during the year relating to profits made on the business ceded to the reinsurer (these amounts can be negative).
- **Reinsurance Commission & Profit Participations - Third Party Reinsurance:** Amounts received from reinsurers relating to business ceded to reinsurers that are not in respect of benefit payments or expenses incurred by the firm that are recoverable from the reinsurer

under the reinsurance contract plus amounts received from reinsurers relating to profits made on the business ceded to the reinsurer. In respect of third party reinsurers only.

- **Reinsurance Commission & Profit Participations - Related Reinsurance:** Amounts received from reinsurers relating to business ceded to reinsurers that are not in respect of benefit payments or expenses incurred by the firm that are recoverable from the reinsurer under the reinsurance contract plus amounts received from reinsurers relating to profits made on the business ceded to the reinsurer. In respect of related reinsurers only.
- **All Other Income:** Any other income attributable to the financial year not included elsewhere.
- **Total Other Income:** Calculated as the sum of Investment Income, Reinsurance Commission & Profit Participations, and All Other Income.
- **Total Income:** Calculated as the sum of Net Earned Premium and Total Other Income.
- **Gross Claims Incurred:** Gross Claims incurred shall comprise all payments made in respect of the financial year plus the closing provision for claims minus the provision for claims for the preceding financial year.
- **Claims Incurred - Third Party Reinsurer's Share:** The sum of the claims paid and the change in the provision for claims during the reporting period related to insurance contracts arising from the reinsurer's share. In respect of third party reinsurers only.
- **Claims Incurred - Related Reinsurer's Share:** The sum of the claims paid and the change in the provision for claims during the reporting period related to insurance contracts arising from the reinsurer's share. In respect of related reinsurers only.
- **Net Claims Incurred:** Net Claims incurred shall comprise all payments made in respect of the financial year less amount recoverable from reinsurers plus the closing provision for claims (less reinsurer's share) minus the provision for claims for the preceding financial year (less reinsurers' share).
- **Gross Claims Paid:** Gross Claims Paid shall comprise all payments, net of salvage and subrogation, excluding expenses made during the current year.
- **Net Claims Paid:** Net Claims Paid shall comprise all payments, net of salvage and subrogation, excluding expenses made during the current year less amount recoverable from reinsurers.
- **Commission Payable:** Commission is commission costs relating to the acquisition of new business or previously acquired business which can be identified at the level of individual insurance contract and have been incurred because the firm has issued that particular contract.
- **Commission Payable - Third Party Distribution Sales Only:** Commission costs to a third party distributor in respect of the sale of a policy on behalf of the insurer identified at the level of individual insurance contract.
- **Commission Payable - Third Party Distribution Other Services:** Commission costs to a third party distributor in respect of all other costs of the intermediary that are not related to the selling of a policy, e.g. profit commission and administrative expenses.
- **Commission Payable - Related Distribution Sales Only:** Commission costs to a related distributor in respect of the sale of a policy on behalf of the insurer identified at the level of individual insurance contract.

- **Commission Payable - Related Distribution Other Services:** Commission costs to a related distributor in respect of all other costs of the intermediary that are not related to the selling of a policy, e.g. profit commission and administrative expenses.
- **Management Expenses:** Management expenses include expenses related to the development of new insurance and reinsurance business and renewal of business, advertising insurance products, improvement of the internal processes such as investment in systems required to support insurance and reinsurance business (e.g. buying new IT system and developing new software). Management expenses also include salaries to general managers, auditing costs and regular day-to-day costs e.g. electricity bill, rent for accommodations and IT costs.
- **Claims Management Expenses:** Claims management expenses are expenses that will be incurred in processing and resolving claims, including legal and adjuster's fees and internal costs of processing claims payments. Some of these expenses could be assignable to individual claims (e.g. legal and adjuster's fees); others are a result of activities that cover more than one claim (e.g. salaries of staff of claims handling department).
- **Total Technical Account - Expenses:** Calculated as the sum of total Net Claims Incurred, Commission Payable, Management Expenses and Claims Management Expenses.
- **Total Other Expenditure:** Calculated as the sum of Interest Payable and Tax, and All Other Expenses (including Investment Management Expenses).
- **Interest Payable and Tax:** Calculated as the sum of Interest payable before deduction of tax, and Taxation amount payable for the year selected.
- **All Other Expenses (including Investment Management Expenses):** Investment Management Expenses Incurred, Other Management Expenses incurred, Business Transfers Out, and All Other Expenditure (excluding Interest and Tax).
- **Underwriting Profit:** Calculated as the sum of Net Earned Premium and Reinsurance Commission & Profit Participations, minus Total Technical Account Expenses.
- **Operating Profit:** Calculated as the sum of Total Income minus Total Technical Account Expenses and Total Other Expenditure.

2.3 Background to NCID

It was proposed by Recommendation 2 of the Cost of Insurance Working Group's (CIWG) Report on the Cost of Employer and Public Liability Insurance (January 2018) that the Central Bank of Ireland (the Central Bank) would produce a report on the merits and feasibility of collecting employers' liability (EL) and public liability (PL) insurance data in the National Claims Information Database.

OBJECTIVE 1: INCREASING TRANSPARENCY						
Rec No.	Recommendation	Action Point	Action Point	Deadline	Relevant Bodies	Lead/Owner
1	CSO TO CONSIDER THE FEASIBILITY OF COLLECTING PRICE INFORMATION ON THE COST OF INSURANCE TO BUSINESSES	1	CSO to commence feasibility study on data related to the cost of insurance to businesses	Q2 2018	Central Statistics Office	Department of Finance
		2	CSO to report to Department of Finance with proposals with the outcome of review, and if it considers such an index feasible, make appropriate proposals	Q4 2018		
2	CENTRAL BANK OF IRELAND TO EXAMINE THE MERITS AND FEASIBILITY OF COLLECTING DATA FOR EMPLOYER LIABILITY AND PUBLIC LIABILITY INSURANCE CLAIMS IN THE NATIONAL CLAIMS INFORMATION DATABASE	3	Central Bank of Ireland to produce a report on the merits and feasibility of collecting employer liability and public liability insurance data for inclusion in the National Claims Information Database	Q4 2019	Central Bank of Ireland	Central Bank of Ireland

The Central Bank, when publishing the Merits and feasibility study¹¹, identified the following key conclusions:

1. There is merit in extending the scope of the NCID to include EL and PL data and it is feasible to do so.
2. Producing credible, publicly available data in relation to EL and PL insurance would be of benefit to all stakeholders in the insurance market. The data produced will relate to premiums, claims and settlement costs.
3. Liability insurance consists of a broad range of business sectors covering a variety of risks; this increases the complexity of data collection. The collection of EL and PL data needs to be an incremental undertaking. There is certain insight that will not be possible to obtain from the initial collection of this data including:
 - a) Trends within certain subsectors
 - b) Whether the cost of insurance has stopped firms taking out EL and/or PL cover
 - c) Comparing costs across an industry-wide definition of risk.
4. A material amount of liability business is purchased as part of a formal or informal package including non-liability coverages, most notably commercial property. To obtain full insight on EL and PL therefore it would also be necessary to get an understanding of other commercial lines.

The Central Bank commenced data collection in H3 2020 and published the first Employers' Liability, Public Liability and Commercial Property NCID report in H2 2021.

¹¹<https://www.centralbank.ie/docs/default-source/statistics/data-and-analysis/national-claims-information-database/ncid-el-pl-feasibility-study.pdf?sfvrsn=4>