

GIRO Conference
20 - 23 October 2015

Day	Time	Session Title	Speakers	Synopsis	
Day 1: 20 Oct	18.00 - 19.00	Registration			
	19.00 - 22.30	Buffet Dinner and Exhibition			
	08.30 - 9.00	Registration			
	09.00 - 09.45	Chair's Welcome	James Armstrong		
	09.45 - 11.00	Plenary 1: Insurance in a Changed World	Steven Mendel, Bought by Many, David Brown, KPMG and Andrew Morgan		
	11.00 - 11.30	Morning Refreshments and Exhibition			
	Workshop A				
	11.30 - 12.30	A01: A Tried and Tested Framework for Reserve Uncertainty	James Widdows, Chaucer and Sarah MacDonnell, LCP	This workshop will cover the detail of a wider framework for measuring reserving uncertainty that has been implemented in practice and is proving to be popular with the board. The MUQ working party believes this serves as a good example of best practice and it will contain practical, useful information for anyone looking to improve their own reporting of reserving uncertainty. It will be presented by those who undertake this approach in practice and so will be able to provide detailed insight.	
		A02: A Stochastic Bornhuetter-Ferguson Model	Robert Scarth, Towers Watson	The Bornhuetter-Ferguson method is well known and widely used for claims reserving, however stochastic models consistent with the deterministic method have only recently been studied and are not well known and therefore not widely used. The speaker will discuss the stochastic Bornhuetter-Ferguson model introduced by Alai, Merz, and Wuthrich in 2009 and build on what they covered in their two papers. This session will be based on part of the paper produced by the Pragmatic Stochastic Reserving Working Party but will also go beyond what is covered in the paper. Specifically, the speaker will: <ul style="list-style-type: none"> •Describe the model, emphasising the connections with the ODP model as well as the differences •Use an example dataset to help the audience understand the model •Criticise the model, discussing its advantages and limitations •Extend Alai, Merz, and Wuthrich's work by showing how to bootstrap the model •Build on this by showing how to use the bootstrap output to apply an actuary-in-the-box method to this model to obtain a predictive distribution of the claims development result over one year •Discuss the practical and theoretical issues arising from attempting to apply the actuary-in-the-box method 	
		A03: Measuring and Comparing Diversification	Dimitris Papachristou, Bank of England	Diversification is a material element in the capital requirements calculation. Can diversification be measured by a single number? This will be desirable, but unfortunately there are serious obstacles which will be discussed. Several simple measures are used in the industry. For example, the diversification benefit. Pitfalls of these measures are discussed. Examples where use of this measures can be misleading are given. Some new alternative indices are presented. Examples are shown of how these indices can be used to measure diversification and compare diversification in different portfolios or firms.	

<p>A04: Risk! At the Boardroom table - Round Table</p>	<p>Paul O'Connor, LCP and Rob Jarvis, Aviva</p>	<p>In Boardrooms across the City, battlelines are quietly being drawn, territory claimed and empires won or lost. In a landscape left uncertain under Solvency II, many insurers are grappling with how best to structure their organisation, with titles like "Risk", "Finance" and "Actuarial Function" meaning very different things to different companies. In this interactive session, the speakers will explore management structures that are emerging in the market, highlighting advantages and disadvantages of each, focus on particularly contentious roles and responsibilities, highlighting significant sources of confusion underly Solvency II, propose further strategies for ensuring that risk management does not become a no-mans land, and that each function is left holding more than just Australasia.</p>
<p>A05: Solvency II One-Year and Ultimate Year Risk Horizons, Economic Balance Sheet, Technical Provisions (TP), Market Value Margins (MVM), and the One Year Reserve Risk for Long Tail Lo</p>	<p>Dr. Ben Zehnirith, Insureware Pty Ltd</p>	<p>This presentation discusses and demonstrates, using real data, Solvency II risk measures for the one-year risk horizon, including one year reserve risk, for the aggregate of several LoBs and the single most volatile LOB. The speaker will discuss:</p> <ul style="list-style-type: none"> •Volatility correlations between long tail LoBs and distinguish it between accident year and calendar year drivers — the latter being a stronger relationship. •A (single) composite model for multiple LOBs is designed for real data that includes volatility correlation between the LoBs. •A solution for SCR one-year risk horizon is presented that is not recursive or circular. •The one-year and ultimate year risk horizons SCR; Technical Provisions and Market Value Margins are compared for the aggregate of multiple LOBs and each LOB. It is explained how parameter uncertainty drives correlations between calendar year paid loss distributions. •No two companies are the same in respect of volatility, correlations and calendar year payment stream distributions. These statistics are critical inputs to SCR calculations, Technical Provisions and MVMs. •The comparison of companies' risk capital allocation for reserve risk, underwriting risk and combined risk. Risk capital, derived from either VaR or T-VaR is allocated to LOBs and calendar years and the allocation is different for each company.
<p>A06: Have you Herd what they are Doing?</p>	<p>Avni Gohil, KPMG; Laura Curtis, HCC Service Co. UK Branch; Alice Borman, Deloitte; Erica Kwon XL Group</p>	<p>How many decisions do you make in a day? From methods and assumptions to MI to choosing a capital modelling platform, we make important decisions every day.</p> <p>Given that we operate in a constantly changing and non-standard environment, these decisions are often hard to make let alone justify! Add to that the conflicting pressures, both internal and external, and we often find ourselves in a pickle. We're lucky, we are part of a community who share ideas, experiences and work together towards optimal solutions. We have regulators to keep us in check, we have auditors who share best practice with us, we have working parties whose work we can turn to when we have no data of our own. But there are dangers of operating as a collective. The result is a less diverse range of assumptions, software, methods and even metrics to run our business. Sometimes we miss the obvious because we are doing things the "standard" way.</p> <p>Our working party aims to explore the potential for herd like behaviour in the actuarial arena, the impact, whether it is a good or bad thing and what we can do to encourage the good behaviours and discourage the bad. Come and join us for a healthy debate on HLB and break free from the herd.</p>

<p>A07: Optimisation Techniques in General Insurance</p>	<p>Mark Sinclair-McGarvie, Marriott Sinclair LLP and Martin Pftzner, Aspen Re</p>	<p>Optimisation algorithms are used in every major industry, from airline logistics to “big data” analysis. Increasing computing power and the capability of new numerical algorithms means that problems that were previously intractable can now be routinely solved.</p> <p>In the area of financial modelling specifically, we have for example the areas of portfolio optimisation, collateral optimisation, insurance pricing optimisation, capital optimisation and reinsurance optimisation to name but a few. In all of these areas, “strategy optimisation” can be used to enhance profitability whilst keeping risk within acceptable limits.</p> <p>This workshop will introduce a new, streamlined process for how to apply optimisation techniques to business problems in the area of general insurance. It will first cover the essential elements of an optimisation problem, and then how to rigorously go about translating a practical business problem into a quantitative problem that can be solved. Techniques for interpreting the results from an optimisation, and applying those results in practical business contexts, will be covered.</p> <p>At a more fundamental level, advanced new optimisation algorithms that are already successfully used in the banking sector will be introduced, together with suggestions for how these algorithms could be used in the area of general insurance.</p> <p>Finally, this workshop will also cover a specific example of the real-life application of optimisation in the insurance industry. In recent years, Aspen have achieved significant increases in profitability and return on capital through a number of internal model-based optimisation projects. The workshop will focus on Aspen’s outwards reinsurance optimisation, which culminated in the creation of an internal reinsurance vehicle in 2013. This example will cover all aspects of the optimisation process described above in this particular context, and additionally will consider broader issues such as the real-world input required to guide the optimisation process, and the practical and political obstacles encountered in obtaining senior management buy-in into the project.</p> <p>Delegates will take away practical leading-edge knowledge of how to apply optimisation techniques in general insurance, and a customisable optimisation process that can be applied to their particular business problems. This is not something that is covered in the actuarial syllabus but in practice is an invaluable skill</p>
<p>A08: Actuarial Transformation – Looking to the Future</p>	<p>Alexander Panayi, Deloitte; Alastair MacLachlan, XL Catlin and Graham Robertson, Deloitte</p>	<p>A session to introduce actuarial transformation and discuss what it means for GI insurers, why it is happening and how it provides a new opportunity for actuaries. Topics covered will be:</p> <ul style="list-style-type: none"> •What is actuarial transformation? •Market perspective on what is happening and why •How can actuarial transformation be done? •Lessons learnt from doing actuarial transformation •Why this is an important opportunity for actuaries and their role in insurers •Audience participation to understand more about companies involved in transformation and the role actuaries are playing.
<p>A09: Lloyd's Issues</p>	<p>Henry Johnson, Lloyd's</p>	<p>This workshop is intended to give practitioners and those who wish to know more about Lloyd's a convenient update. The exact contents may change depending on events up to the time of the conference, but the speaker expects to cover:</p> <ul style="list-style-type: none"> •Year end and possibly half year results and analysis •Capital setting issues •Reserving issues
<p>A10: Field Test Best Practice</p>	<p>Reuven Shnaps, Earnix</p>	<p>Model Price Optimization (individual pricing) vs. Logistic Model where proportion in uptake (in deductibles or coverages) is fixed (possibly vary by segments). Description of a simplified stochastic LTV Optimization, individual over multiple years or rating factor fixed over multi years.</p>

Day 2: 21 Oct		A11: Masterclass: Negotiation Skills	Deborah Wain, LDL	This session covers the fundamentals of negotiation and goes beyond the 'win-win' concept. Debunking myths along the way, we cover the essentials that all effective negotiators know to bring about a successful outcome. We identify the tactics that are thrown at us by the other party and develop a tool-kit of countermeasures. Whether you are negotiating commercially or trying to achieve an agreement internally with colleagues the session will be invaluable
	12.30 - 13.30	<i>Lunch and Exhibition</i>		
	Workshop B			
	13.30- 14.30	B01: Introducing Compartmental Reserving – a New Reserving Approach	Charl Cronje, LCP and Jake Morris, Liberty Specialty Markets	<p>Compartmental reserving is an entirely new, triangle-based reserving method. It is independent of chain-ladder and BF-type methods. It also provides uncertainty modelling that is independent of ODP bootstrap and Mack. We will explain the methodology and share case studies applying it to actual data. Key features:</p> <ul style="list-style-type: none"> •Models the claims process directly, making the most of both paid and outstanding data •A reserving framework that can be as simple or sophisticated as the situation demands •Model parameters have real-world meanings and are easy to communicate •Enables key business features to be modelled explicitly •Provides a new way of analysing case reserve robustness •Based on mainstream mathematical techniques used routinely outside the insurance industry
		B02: What Does the Bootstrap Trap?	Matt Locke, UMACs and Andrew Smith, Deloitte	The need to quantify reserving risk has driven renewed interest of stochastic loss prediction methods, specifically the over-dispersed-Poisson bootstrap method. Like all models, the ODPB relies on parameters to be estimated and assumptions about the structure of the loss development process. Failure to consider these deeper sources of uncertainty can result in prediction intervals that are too narrow, with subsequent losses too frequently exceeding stated percentiles. This workshop explores the chief limitations of the ODPB method and considers how prediction intervals can be refined more fully to capture the wide spectrum of uncertainty in reserving.
		B03: Interest Rates: What the Past Tells us about The Future	Extreme Events Working Party Members	The early months of 2015 have seen negative yields on government and corporate bonds in several European markets and there have been isolated periods of negative rates on various currencies prior to the current crisis and quantitative easing response. The extreme events working party considers the impact of quantitative easing relative to its stated aims, what limits might apply to how negative rates can go, what this implies for investment, as well as the lessons actuaries can draw from events their models said was impossible.
		B04: Analyzing the Disconnect Between the Reinsurance Submission and the Global Underwriter's Needs	John Buchanan, ISO/Verisk, Enrico Biffis, Imperial College of London, Adam Shrubshall, Tokio Millenium Re Zurich	The quality of reinsurance submissions is key to pricing property per risk contracts. This session will discuss various issues explored in recently conducted industry surveys, including investigating the impact on pricing of submission quality and benefits to primary insurance companies. The discussion will include a status update from the newly formed Joint GIRO-CARE International Reinsurance Pricing Research Working Party. Panelists are drawn from the Working Party, which represents a global cross-section of actuaries, underwriters, and educators.
	B05: Seeing is Believing - a Visual Approach to Validation	Adrian Ericsson, Dynamo Analytics	In the session we'll explore the appropriateness and power of data visualisation techniques in assessing aspects of the technical models in use in businesses. This can add insight in new and interesting ways, and brings engagement from all levels of the business.	

<p>B06: The Rise of Investment in GI - Balancing Investment Risk and Return in a Low-Yield Environment</p>	<p>Sarah MacDonnell, John Clements and Carolyn Schuster-Woldan, LCP</p>	<p>Investment considerations have long been almost ignored by many GI companies but that is now changing. Recent research suggests that, faced with a persistent low-yield environment, insurers are being pushed to take more risk simply to maintain previous levels of investment return. Motor insurers face the additional challenge of the emergence of PPOs, which represents a step-change in market risk. To compound the scale of the challenges faced, all this comes at a time when the introduction of Solvency II is rewriting the rulebook used to define market risk. This session will explore practical ways to address these issues, by drawing on the experience of insurers and other long-term investors, as well as providing constructive thoughts for the future. We will consider how insurers can best balance the need to generate income with robust risk management and capital requirements</p>
<p>B07: Managing what we don't Know</p>	<p>Andrew Cox, Guy Carpenter and Members of the Uncertainty with Professionalism Working Party</p>	<p>The Managing Uncertainty with Professionalism Working Party has developed some principles supported by a taxonomy of assumptions and other sources of uncertainty within general insurance work. The taxonomy provides a language for communicating what we do not know, and offers a safeguard against over-optimism in our ability to predict the future. This workshop uses a series of case studies to illustrate good practice in commercial management, explaining how firms can improve decision-making (and associated governance) from confronting uncertainty, without paralysing the decision-making process.</p>
<p>B08: What's Your New Role? - Round Table</p>	<p>Sonia Styles and Bharat Raj, Grant Thornton UK LLP</p>	<p>Last year the Governor of the Bank of England asked actuaries to take more responsibility. Now we have the senior managers regime. How will the role of actuary change under this new regime? What will actuaries now be required to do? Will this help or hinder actuaries? This interactive session will explore these questions and more.</p>
<p>B09: Learning to Live Together: Post Merger Integration in the Insurance Sector</p>	<p>Simon Sheaf and Alan Dale, Grant Thornton UK LLP</p>	<p>After the celebrations of the merger, reality kicks in. Can the two parties live together in a harmonious union? And how do they go about achieving this? This session will discuss what insurers need to do in order to ensure that they have a long and happy marriage rather than heading for divorce. It will look at the practical steps that need to be taken in the first hundred days following a transaction and will identify the pitfalls. This session is particularly timely considering the recent spate of mergers and acquisitions in the insurance sector. One of the presenters will be a senior practitioner who managed the post-merger integration for one of the largest insurance mergers of recent years</p>

	B10: Climate Change Working Party Update	Charlie Ullman, Working Party Member	<p>The workshop will be an update on the work so far of the Climate Change Working Party. The workshop will also offer an opportunity for attendees to comment on the work and guide further areas for the working party to research.</p> <p>The presentation will cover the following areas:</p> <ul style="list-style-type: none"> •The science of climate change: •Review of developments since the 2007 Institute of Actuaries Working Group report •Identification of significant developments from the 2007 AR4 IPCC summary, as reported in the most recent AR5 IPCC summaries and related literature •The working group's view on the validity and significance of the science, as it currently stands, focused in particular on the appreciation of risk and uncertainty •Impact on insurance and investment assumptions: •Identifying possible implications for different insurance markets eg life, property, political risk, liability etc •Consequent implications for insurance business models •Timing and scale of possible macro-economic impacts of climate change or of climate policies •Particular issues for the financial sector in general, eg stranded assets •Capital market tools available to deal with climate change issues: •Possibility of opportunities to develop new products •Role of insurance and financial markets in enabling mitigation and adaptation •Approaches to communicating the science of climate change: •Relevance of different sections or aspects of the Working Group findings to different audiences. •Identification of best means of communicating findings to different groups. •Understanding the particular challenges in presenting findings on the controversial issue of climate change.
	B11: Masterclass: The Mindset of Engagement – Confidence and Self-Belief	Deobrah Wain, LDL	To engage colleagues in our organisation in a positive and productive way we need to work hard on how we communicate with them. In this session we explore how to develop a confident and flexible approach to build great working relationships, get involved earlier in the business process and win commitment and buy-in to our ideas. The session provides tips and techniques to develop meaningful goals, a resilient mindset and confidence to deal with people at all levels in the business.
14.30 - 14.40	<i>Delegates move between sessions</i>		
14.40 - 15.00	Presidential Update	Fiona Morrison	Hear from the President of the IFoA
15.00 - 16.30	Plenary 2: Who Profits? Delivering an Ethical Return	Duncan Minty, Business Ethics Consultant, Chartered Insurance Practitioner	
16.30 - 17.00	<i>Afternoon Refreshments and Exhibition</i>		
Workshop C			
17.00 - 18.00	C01: Regression Models Based on Log-incremental Payments	Markus Gesmann, Lloyd's	This presentation will look at the chapter Regression models based on log-incremental payments by Stavros Christofides, published as part of the Claims Reserving Manual (Version 2). The model is very straightforward to implement in a statistical environment like R, while quite complex in Excel.

<p>C02: Cat Models: Useful Tools or Budget Sinkholes?</p>	<p>Matthew Jones - Cat Risk Intelligence, Adam Podlaha - Impact Forecasting</p>	<p>This session will cover:</p> <p>Background:</p> <ul style="list-style-type: none"> •Overview of what Cat models are, what they are used for and why the construction of them has developed into quite an industry, and the actuarial involvement to date •Overview as to how Cat models are developed •Current and future considerations that should be borne in mind when using Cat models or forming a Cat risk management strategy <p>Uncertainty:</p> <ul style="list-style-type: none"> •Change in model versions •IT constraints •Europe storm clustering •Non Modelled Risk •Regulation / Solvency II •Future developments
<p>C03: Multi Year Modelling: The impact of Management Decision Rules</p>	<p>Nigel Hooker, Conning Asset Management</p>	<p>This session provides examples of implementing "management rules" for greater risk management insights. Solvency II's SCR focus on the one-year time horizon, however ORSA requires a multi-period approach. In that context, management decisions can have a significant impact on results. Yet capital models often fail to consider this crucial aspect.</p>
<p>C04: Demand and Elasticity Modelling</p>	<p>Ji Yao, EY</p>	<p>In the session, the speakers will discuss techniques of demand and elasticity modelling in pricing. This is a work in association with CAS (http://www.casact.org/pubs/Monographs-Call.pdf). The presentation will discuss the GLM approach that is commonly used in pricing and its limitation, other techniques that are available for demand and elasticity modelling, not limited in insurance industry. The speakers will show the results of different approach and compare the results and will use data available in public domain to demonstrate techniques in this session.</p>
<p>C05: Flood Working Party Update</p>	<p>Stephen Cox and Members of the Flood Working Party</p>	<p>This presentation will cover:</p> <ul style="list-style-type: none"> •Recent events in the area of flood (UK focus) •Solutions to the problems of availability and affordability and emerging success of Flood Re •What should view of Profession be (strawman and debate)
<p>C06: Investment Risk Considerations in the Determination of a Strategic Asset Allocation - Round Table</p>	<p>James Kenney, Novae</p>	<p>In defining an investment strategy a number of significant key decisions need to be taken to set the problem up initially. This workshop looks to explore some of these decisions: 1) how to define investment risk, 2) what to include and what not to include in an investment strategy exercise, 3) how to measure investment risk, 4) what model to use for designing the investment strategy, and 5) how to monitor investment risk once the strategy is in place.</p>
<p>C07: The Good Actuarial Report</p>	<p>Christopher Smerald, AIG and Matthew Pearlman, LCP</p>	<p>A report should be clear to the audience, but to deliver this you need to be clear on what they require, do the analysis in a way that will cater to this, write it effectively, and engage afterwards in ways that maximize value created. All within time, budget and regulatory constraints. The working party is writing a report to explain the Good Actuarial Report Framework with practical example and this session will engage a lively of their findings.</p>

		C08: Cyber - the Electronic Black Hole	Phillip Larbey, Prudential Regulatory Authority – Bank of England and Anthony Long, Sector Cyber Team, Bank of England	This presentation will provide background on the Cyber risk: <ul style="list-style-type: none"> •Where is the threat coming from •Operational and Underwriting perspective •Latest trends on losses and learnings from these events •Data / information sharing
		C09: PPOs - 10 Years In and a Long Way to Go	Emma Potter, Towers Watson	An update from the PPO Working Party - A reflection on how far we've come 10 years after the introduction of PPOs - An update from the industry survey on market experience and trends - An update on how insurers and reinsurers are pricing, investing, reserving and modelling PPOs - Insight into hot topics and key concerns regarding PPOs.
		C10: Measuring Uncertainty Beyond Bootstrap - MUQ Working Party Findings	Sarah MacDonnell, LCP, Tim Jordan, MPS and other Working Party Members	The GIROC reserving survey found that GI actuaries were measuring and communicating uncertainty inconsistently which can be confusing for stakeholders. A key recommendation from the survey was that the profession should focus more on this area and share best practice. This is what the GIROC MUQ (Measuring Uncertainty Qualitatively) working party has been doing. The workshop will cover what we have found so far, including methods currently in practice, what we can learn from Australia, the US and Ireland and the concept of a framework to make sure all aspects of risk have been considered.
		C11: Regulatory Revelations	Philip Doggart and Christine McConnell, IFoA	Find out what the IFoA's regulatory regime means for you at this informative and interactive session including: How does the IFoA's regulatory framework remain relevant in the increasingly diverse areas in which our members work How will the IFoA reflect current risks in its regulatory strategy? What is the IFoA doing to identify future risks to the public interest arising from the activity of actuaries? What is the IFoA asking of, and from, Chief Actuaries? How does the IFoA's new Quality Assurance Scheme for organisations fit within the IFoA's regulatory regime?
	18.00 - 19.30	<i>Delegate Leisure Time</i>		
	19.30 - 23.30	Drinks Reception, Dinner and Entertainment		
	09.00 - 10.30	Plenary 3: Alleviating Reserving Stress	James Orr, Bank of England Chris Moulder, Bank of England Kevin Chan, Catlin Michael Raymar Markus Gesmann, Lloyd's	
	10.30 - 11.00	<i>Morning Refreshments and Exhibition</i>		
	Workshop D			

11.00 - 12.00	<p>D01: Reserve Risk - "We had a good year, but why the CoV increased?"</p>	<p>Ashwani Arora and Kevin Chan, XL Catlin</p>	<p>This session will cover:</p> <ul style="list-style-type: none"> •A brief recap of Mack (1993) model and the two approaches in calculating CoV Formula and Bootstrap •A breakdown of the formula into various key components and examine how each component is impacted from a new diagonal •Illustrate those components but from Bootstrap perspective •Results: Bring clarity to all Reserve Risk users of why CoV fluctuates from year-to-year •Additional study: Based on a "Pure Mack" triangle, by adding one diagonal, we generate a distribution of CoV movement in order to truly quantify the year-to-year fluctuation of CoV. (This study will answers many questions. E.g. What is the reasonable fluctuation of CoV from one year to the next? What's the confidence interval of CoV one year from now? What is the sample error in CoV?)
	<p>D02: Tailflation Risk: Are we Heading for Very High Inflation or Deflation?</p>	<p>Sam Worthington, Towers Watson</p>	<p>As some of the world's largest central banks begin to emerge from a monetary and fiscal experiment on an unprecedented scale, now is the time to worry about tailflation (extreme inflation outcomes). What should we expect in future: a continuation of the low, stable inflation of recent experience, the Great Inflation of the 1970s or deflation "Japan-style"? This session will explore:</p> <ul style="list-style-type: none"> •The main drivers behind inflation and deflation, namely monetary and fiscal policy, inflation expectations, demographics, scarce resources and technology •Using these drivers to consider worked examples for several countries and assess whether high inflation or deflation is more likely •Ways to measure and model inflation risk, in particular the magnitude and duration of tailflation scenarios, dependencies with other risk factors, historical benchmarks •The impact of inflation on assets and insurance claims and protection strategies
	<p>D03: Model Telematics Data and its Application</p>	<p>Ji Yao, EY and other Working Party Members</p>	<p>This presentation will cover:</p> <ul style="list-style-type: none"> •How to process and manipulate telematics data •Statistical mining techniques that could be used to model telematics data •Possible application of the telematics data and its limitations •Telematics data that available in public domain to illustrate the process and techniques that discussed in the session.

<p>D04: Undertaking Specific Parameters: Worth the Hassle?</p>	<p>Vincent Robert and Peter Moore, Milliman</p>	<p>You don't have the budget and resources to build an internal model? You think that the Standard Formula approach is mis-estimating your SCR for insurance risk? Undertaking Specific Parameters ("USPs") might be a solution to your problems. The standard methods to calculate USPs are prescribed, so how difficult could this be? The speakers will present and discuss examples of the challenges experienced during the application process, i.e. in:</p> <ul style="list-style-type: none"> • Interpreting the existing guidance and testing all of the possible ways to proceed • Collecting data and demonstrating that the data is fit for purpose • Adjusting the historic data to ensure relevance as an input to the USP formula, including justifying and validating such adjustments • Adjusting the data to reflect the risks to which the insurance undertaking is exposed over the next 12 months (especially for premium risk), including justifying and validating such adjustments • Avoiding the perception of cherry-picking <p>The speakers will present and discuss examples of the ramifications of choosing the USP route, including:</p> <ul style="list-style-type: none"> • Managing the SCR for a portfolio where both the premium volume and the USP parameters fluctuate over time • The possible impact on USP (and SCR) of writing (acquiring) or discontinuing (divesting) new risk portfolios
<p>D05: Practical Issues in Deploying First Loss Curves and Increased Limit Factors - Round Table</p>	<p>Matthew Evans, Insight Risk Consulting</p>	<p>This presentation will give some (light) technical background to the techniques, then discuss practical issues and market practice. 1) Introduction to ILF/FLC techniques 2) Characteristics and properties 3) Why the approaches are essentially the same! 4) Practical issues in fitting and deploying 5) Communicating use of techniques to underwriters 6) Market usage (and abuse!)</p>
<p>D06: Beyond the Technical: Coaching Tools for Actuaries</p>	<p>Simon Warsop, Aviva</p>	<p>Help others to get the most out of their lives! Help them to avoid the traps that you fell into!</p> <p>As respected members of society and of our organisations, actuaries often find themselves in the role of coach or mentor. This session offers a set of very useful coaching tools that have been collected over 25 years.</p> <p>Whether you are new to coaching or have plenty of experience: I guarantee you will take away some useful tools or tips.</p>
<p>D07: Irish Issues</p>	<p>Ger Bradley, Milliman and Clive Niven, XL</p>	<p>An overview of current issues impacting general insurance in Ireland, including 1. New Reserving Requirements one year on 2. Flightpath of Regulation to Solvency II including latest updates on Certification and Practising Certificates 3. Guidance being drafted by the Society of Actuaries in Ireland in response Latest market trends / developments e.g. 1. PPO's 2. Russell Case 3. Frequency and severity trends 4. Summary of Published results Agenda will be expanded closer to GIRO date to take in major developments in 2015.</p>
<p>D08: 2016 Global Reinsurance Outlook - A Rating Agency Perspective</p>	<p>Martyn Street and Harish Gohil, Fitch Ratings</p>	<p>This presentation will discuss:</p> <ul style="list-style-type: none"> • Update on major issues affecting reinsurers • Driving forces currently reshaping the global reinsurance landscape, including M&A • Risk and challenges faced by the sector in 2016 • Update on alternative reinsurance capital

Day 3: 22 Oct		D09: What Next for Noise Induced Hearing Loss Claims?	Brian Gravelsons, Zurich Insurance and Gary Brankin, BC Legal	<p>This presentation will explore what is driving NIHL claims - this will include an update from the Deafness Working Party on their latest trends observed post LASPO / MOJ. The presentation will stimulate debate as to whether NIHL claims have a future - Gary Brankin will present an engaging look at the following areas: -recent consolidation in claimant solicitor landscape.</p> <p>The speakers will assess whether the cost of these claims can be reduced with mutual trust between insurers and Claimants and explore what solutions are available including an analysis of Association of British Insurers (ABI) calls for an RTA fixed fee model in NIHL claims. Question whether claims can carry on at current repudiation rates and how an ABI backed fixed fee scheme could impact on Claimant Solicitors business model -consideration of medical expert / audiologist behaviour - future impact of Claims Management Companies and the impact of ABI backed fixed fee scheme. The speakers will also consider the future of NIHL claims.</p>
		D10: Underneath the Bonnet of GIST 2015	Gavin Hill and Stefan Claus, PRA	<p>This presentation will look at objectives of the PRAs stress testing exercise and provide additional background from the perspective of the PRA on considerations and development issues for each stress test. The speakers will allow participants (particularly from firms that were requested to submit a response) to engage in issues encountered and look at the next steps for the PRA.</p>
		D11: GI Board Strategic Workshop	Colum D'Auria and Michael Tripp, GI Board	<p>The number of IFoA actuaries (qualified and trainee) working in GI has continued to increase and is now estimated at 3,100. The range of work is highly varied and yet we are also subject to increasing focused roles e.g. under Solvency II and the new Senior Insurance Managers Regime.</p> <p>The IFoA General Insurance Board have stood back and drafted a high level strategic look at the future direction for us as professionals. What areas of work? How technical? What new tools and techniques? What does it mean for education and CPD?</p> <p>This workshop is a chance for active discussion and we hope participants will roll their sleeves up and contribute openly. Opinions of those attending this session will be pursued by board. It is also anticipated there will be a panel Q&A session as part of the workshop.</p> <p>The outcome is intended to be a refined strategic vision and some initial engagement/buy-in to the GI Board thinking.</p> <p>To help the discussion, places are limited to 30 attendees only.</p>
	12.00 - 12.10	<i>Delegates move between sessions</i>		
Workshop E				

12.10 - 13.10	E01: Deterministic ORSA modelling: A Case Study	Lamia Amouch and Ger Bradley, Milliman	<p>As an introduction we will present the results of a worldwide ORSA survey. The survey was commissioned by three actuarial organisations, CAS (Casualty actuarial Society), CIA (Canadian Institute of Actuaries) and SOA (Society of Actuaries), through their Joint Risk Management Section as part of their review of "ORSA Process Implementation for Internal Stakeholders."</p> <p>Participants will be invited to answer an interactive series of questions, the responses to which we will compare with the outcomes of the ORSA survey. We will then consider the assessment of future capital requirements under the ORSA. This can be done using different projection methods. There is no requirement to use stochastic models so there is a trade-off to be found between complexity and accuracy. The principle of proportionality must underpin the choice of the right methodology to be adopted giving the specific risk profile of the company. Using a case study we will show how a pragmatic deterministic approach can fit into an ORSA process.</p> <p>We will provide examples of both inputs (data and assumptions) and outputs from the model that can be used for reporting to senior management and in the decision making process.</p>
	E02: Lloyd's Update	Henry Johnson, Lloyd's	<p>This workshop is intended to give practitioners and those who wish to know more about Lloyd's a convenient update. The exact contents may change depending on events up to the time of the conference, but the speaker expects to cover:</p> <ul style="list-style-type: none"> •Year end and possibly half year results and analysis •Capital setting issues •Reserving issues
	E03: GLM-Free Predictions of Rate Change Impacts	Jan Iwanik, Iwanik Ltd	<p>Personal and commercial lines pricing is heavily dependent on regression modelling (GLM) for claim costs, retention, conversion and elasticity. Unfortunately these models are time consuming to build, are difficult to validate and are limited by their functional form. The amount of model risk the GLMs introduce is often underappreciated.</p> <p>We will demonstrate how to conduct the most basic pricing analysis - the prediction of the impact of a rate change - without a retention, conversion and elasticity model and instead how to directly leverage the elasticity information inherent in a randomised price test using quotation data. This GLM-free method is still be fully multivariate, unbiased and in most cases more accurate than relying on a suit of GLMs would be.</p> <p>In addition to the GLM-free method, we will show practical examples based on insurance data and discuss the sample size needed for the GLM-free method to be reliable.</p>
	E04: Fundamentally rethinking ALM post Solvency II	Paul Fulcher, Nomura International plc and Neil Synman, Aviva Investors	<p>Insurers have got lost in the detail of Solvency II. We take a step-back and rethink ALM in the new world where insurers - even general insurers - are the natural providers of long-term finance:</p> <ul style="list-style-type: none"> •How to think of liabilities as a way to fund asset portfolios, rather than assets as a way to match liabilities •Diversification benefits between insurance and investment risk •Structural advantages, and disadvantages, that insurers have over other investors e.g. hedge funds, banks •Inevitably, the impact of regulation including Solvency II •Asset-management mandates for the new world - separating liability management from return generation

	E05: Update from the UK Asbestos Working Party	Robert Brooks, PwC and other members of the Working Party	This presentation will cover: Results from the latest market survey. Comparing the experience of the market against our 2009 estimates. Things to consider when thinking about extreme scenarios. An update on legal and other developments.
	E06: Update from TPWP	David Brown, KPMG and Rob Treen, Towers Watson	Synopsis to be received
	E07: TORP – Materiality and RI for Fast Close: Catching the Big Fish with Nets	Fergal Dolan, KPMG, Joe Ryan, Barnett Waddingham	This presentation will explore: <ul style="list-style-type: none"> •More practical detail around the fast close process based on our previous prize winning paper! •How to engage stakeholders and set materiality thresholds •Considering how the size of both the expected movement and deviation from that can alter the reaction of both actuaries and management •How to consider RI impacts in various scenarios across a wide variety of RI structures <p>The speakers will also look to providing examples of how an AvE framework should be designed to ensure it reacts appropriately to different scenarios.</p>
	E08: Developments in the Regulatory Framework and Technical Actuarial Standards	Robert Inglis and Natasha Regan, FRC	This presentation will provide an update on TASs (TAS 100 and specific TASs), co-ordinated risk based approach to regulation and table feedback on risks and responses.
	E09: Defining Claims Inflation - Round Table	Markus Gesmann, Lloyd's	Claims inflation is a vital input to planning, pricing, capital setting and reserving. However, one of the biggest challenges is to establish a consistent definition across different business functions . Lloyd's worked with the market to establish a consistent definition of claims inflation which will be discussed in this session. A guidance document has been published on www.lloyds.com/claimsinflation .
	E10: Why Do Models Have Limitations?	Matthew Lightwood, Conning	Mathematical models are a vital tool in many areas of the insurance, pension, investment and risk management industries. Understanding the limitations of models is an important topic under Solvency II and other regulatory regimes. While most understand that all models have limitations fewer stop to analyse why. Drawing on over a decade of practical experience of building and implementing capital models the speaker answers the questions: <ul style="list-style-type: none"> •Why do we care about limitations? •Can we identify the main sources of limitations? •Where is the right balance between simplicity and complexity? •Why is it so hard to fix limitations? •And importantly how should we approach quantifying materiality?
13.10 - 14.10	<i>Lunch and Exhibition</i>		
14.10 - 15.40	Plenary 4: Hot Topics	multi	The most current topics of the moment will be 'sold' to you on stage for you to choose the session that takes your interest
15.40 - 16.10	<i>Afternoon Refreshments and Exhibition</i>		

	16.10 - 17.40	Plenary 5: Modelling: The Next Generation	Gordon Woo, RMS Paul Goodwin, Emeritus Professor of Management Science at the University of Bath Andrzej Czernuscewicz	
	17.40 - 19.00	<i>Delegate Leisure Time</i>		
	19.00 - 19.30	Drinks Reception		
	19.30 - 23.30	Dinner and Entertainment		
Day 4: 23 Oct	09.00 - 10.15	Plenary 6: Tomorrow's World: Customer, Investor or Risk?	Stuart Robinson, Aviva James Tye, PwC Mary O'Connor, Willis	
	10.15 - 10.45	<i>Morning Refresments and Exhibition</i>		
	10.45 - 12.00	Plenary 7: Keynote speaker	Professor John Kay CBE	
	12.00 - 12.15	Chair's Closing	James Armstrong	
	12.15 - 12.30	<i>Packed lunches available to collect</i>		