

General Insurance Reserving Oversight Committee (GIROC)

Terms of Reference

To be responsible to the General Insurance (GI) Board for all matters relating to the profession in connection with the practice and process of reserve estimation for general insurance business (other than those falling within the remit of the other Board committees) including the quantification of reserve variability and communication of the findings and conclusions.

In particular,

- 1) *Horizon scanning and research co-ordination*: To monitor and respond to on-going developments in the general insurance reserving area, both in the UK and in other countries, to identify the need for, to promote and to co-ordinate research in reserving-related matters, with the aim of improving the toolset available to reserving actuaries and also reserving actuaries' ability to use those tools.

Within this:

- a) to consider whether reserving methodologies currently in use are fit-for-purpose;
- b) to consider whether current reserving practices and processes are fit-for-purpose;
- c) to identify other methods that could be usefully applied to reserving and any barriers currently holding back their usage; and
- d) to liaise with the Institute and Faculty of Actuaries (IFoA) regarding the funding and promotion of research.

- 2) *Education*: To co-ordinate the promotion of knowledge and understanding of GI reserving in general.

Within this:

- a) to work with the GI Education and Continuing Professional Development (GI ECPD) committee to
 - i) ensure that the syllabuses for the GI examinations reflect current practice in reserving and the estimation of reserve uncertainty and specifically in the context of differing accounting conventions.
 - ii) upon the request of the GI ECPD committee, review and comment on the core reading relating to reserving and reserve uncertainty.
- b) to work with the GI ECPD and the GIROC committees to suggest topics and potential speakers for CPD events, to consider the feedback from events to assist those committees to deliver effective CPD for actuaries interested in GI reserving issues.

- 3) *Communication*: To provide commentary from the perspective of GI reserving actuaries to debates within the profession, and external discussions/consultations that the profession would like to respond to, on issues relevant to reserving or reserving actuaries.

Within this:

- a) to comment on issues through representation on the GI Board;
- b) to further the development of clearer and relevant communication by reserving practitioners through research and education; and
- c) to develop a broader communication programme, as appropriate, with the appropriate stakeholders in the wider General Insurance industry.

- 4) *Supporting reserving actuaries*: The IFoA has functions and committees focussed on supporting its members and monitoring and maintaining professional standards. The GIROC's role is therefore limited to raising issues relevant to reserving actuaries to these bodies and responding

to requests for information or consultations issued by them on issues likely to affect reserving actuaries.