

“Operational Risk, A Regulators Insight”

The Hilton Carlton Hotel, North Bridge, Edinburgh

20 September 2016

09:30 – 16:30



Sponsored by:



Agenda

09:30 – 10.00 - Registration and Refreshments

10.00 – 10.15 – Welcome:

- Ian Wilson, IOR Scottish Chapter Lead
- Ian Little, IIA Scotland Region Vice Chair

10.15 – 11.00 - Managing IT Risk and Cybercrime ; Preparedness Benchmarking

- Ian Wilson, IOR Scottish Chapter
- Simon Onyons, FCA

11.00 – 12.00 - Developing a quantitative approach for assessing operational risk capital requirements with limited data:

- Duncan Fortune, Tesco Bank
- Bharat R Raj, Grant Thornton

12.00 – 1245 - Lunch

12.45 – 13.30 - Panel Q & A session – Lines of defence roles and responsibilities:

- Risk Management – Peter Docherty, IOR Scottish Chapter
- The External View – Sandy Trust, Grant Thornton
- Internal Audit – Neil Machray, Standard Life

13.30 – 2.15 - Operational Risk - Supervisory review and evaluation process from a regulators lens:

- Ian Wilson, IOR Scottish Chapter
- Tin Lau, FCA

2.15 – 2.45 – Refreshment

2.45 – 3.30 Managing Conduct Risk:

- Peter Lovegrove, Grant Thornton

3.30 - Closing remarks:

- Ian Little, IIA Scotland Region Vice Chair
- Grant Thornton representative

Speakers Biographies

<p>Peter Docherty IOR Scottish Chapter</p>	<p>Peter is an experienced risk management professional with over 10 years experience in the insurance and investment management sectors. Peter is currently Risk and Compliance Director with Alliance Trust Savings. Previously, Peter was Chief Risk officer, Scottish Friendly and prior to that a Senior Manager within the Investment Management practice of KPMG UK, This followed on from various operational risk focused roles with Standard Life, LBG Insurance, AEGON UK and the Financial Services Authority. Peter specialises in designing and implementing risk management frameworks and capital adequacy assessments with specific focus on operational risk quantification. Peter is a Professional Member of the Institute of Operational Risk, Chartered Insurance Practitioner, Member of the Institute of Risk Management and holds a BA (Hons) Degree in Risk Management from Glasgow Caledonian University.</p>
<p>Duncan Fortune Tesco Bank</p>	<p>Duncan joined Tesco Bank in 2009, shortly after it became a standalone entity. He is currently Head of Financial and Capital Risk with responsibility for key elements of the Bank's Prudential Risk framework, including both the ICAAP and the Recovery and Resolution Plan. Prior to the current role he worked in the Tesco Bank Credit Risk team, developing and implementing its Credit Risk Policy and Assurance framework.</p> <p>Before joining Tesco Bank, Duncan worked for HBOS where he undertook a number of roles. Initially he led the team responsible for developing its first Operational Risk Capital methodology, before moving into Group Credit Risk roles including Credit Analytics and Credit Oversight, leading a project to embed Basel Use Test requirements for the US operation. He is a Member of the Chartered Institute of Bankers.</p>
<p>Tin Lau FCA</p>	<p>Tin's early background includes earning a dual-honours Masters in Engineering from the University of Warwick, being called to the Bar of England and Wales in 2004, qualifying as Chartered Accountant (ACMA, CGMA) in 2006, holding an investment management certificate (2007), CFA level I (2008) and qualifying as a Chartered MCSI (2010).</p> <p>His experience includes three years as a financial services/SOX auditor focusing on investment banking and pensions companies. I was then a quantitative analyst and portfolio manager of a multi-asset hedge fund for six years in the asset management arm in a leading Swiss bank with an AUM of CHF 63B. In addition, he worked at PIMCO for almost two years as a global portfolio oversight manager for the mutual funds group (AUM of \$1.7T) including UCITIS, ETFs, Cayman Islands and Bermuda 40 Act Funds. This also included a significant amount of quantitative regulatory work and providing leadership on EMEA's KIID process. Prior to joining the FCA in January 2015, he was the head of market risk management at MUTB in London, the trust bank of MUFJ; where he was the principal market risk and economic capital analyst and modeller.</p>
<p>Peter Lovegrove Grant Thornton</p>	<p>Peter is a qualified financial adviser and specialises in life, pensions and investments business, as well as understanding and applying the FCA's approach to conduct regulation. He worked as a supervisor at the FCA from 2008-14, managing the thematic supervision team in the Investment Advisors & Platforms department, overseeing thematic reviews including firms' adherence to the post-Retail Distribution Review rules, non-advised and simplified advice propositions and structured deposits. His time at the FCA also included a key manager role in the team that designed and launched the FCA's supervision model, prior to the inception of the new regulator.</p> <p>Prior joining Grant Thornton from a major UK retail banking group, where he was the Head of Group Regulatory Liaison, leading the group's relationship with the FCA, he supported senior executives and Board members in their regulatory engagements; developed a proactive group-wide regulatory engagement strategy (maximising opportunities to assure and influence the FCA); and worked with all three lines of defence to complete regulatory actions and produced regular reporting.</p>

<p>Neil Machray, Standard Lif1</p>	<p>Neil joined Standard Life in 2016 as Group Chief Internal Auditor, having responsibility for the audit and assurance work performed in investments, pensions and savings in UK, Europe, Asia and USA. Previously Neil was Chief Internal Auditor at Aegon UK, where he spent three years developing and implementing the transformation of the internal audit function to increase their influence and impact with greater strategic and commercial capabilities. Before joining Aegon Neil spent twelve years in various senior Finance roles with Scottish Widows/Lloyds Banking Group, where his latter role was Finance Reporting Director for Insurance. Neil is a chartered accountant, having joined PwC as a graduate and spending ten years with them mainly in financial services. Neil is a member of the IIA, and chairs the FS Heads of Internal Audit Forum</p>
<p>Simon Onyons FCA</p>	<p>Simon Onyons joined the Financial Conduct Authority in 2013 and is currently working within the Specialist Supervision team, leading on defining and executing the FCA's cyber resilience supervision strategy. Since joining the FCA, Simon has had responsibility as a specialist resilience advisor to the divisions of Supervision, Financial Crime, Intelligence, Markets, International, Strategy and Competition, and has played a key role in developing the FCA's approach to cyber risk and crisis management within the financial sector.</p> <p>Simon is a co-author of the CPMI-IOSCO 'Guidance on Cyber Resilience for Cyber Market Infrastructures' and also sits on British Standards Committee RM/1/3 writing the forthcoming British Standard on Cyber Resilience. Simon has 17 years' experience in the resilience arena, is Prince2, MSP, ITIL and BCS qualified and is a full member of the Business Continuity Institute.</p>
<p>Bharat R Raj Grant Thornton</p>	<p>Bharat joined Grant Thornton in 2015 as a Senior Manager in the Financial Services Group's Actuarial and Risk Practice. Bharat has over 13 years' of experience covering a broad range of technical areas including actuarial reserving, dynamic financial analysis, capital modeling, pricing, reinsurance modeling, reinsurance optimisation, stress and scenario testing and enterprise risk management.</p> <p>Prior to joining Grant Thornton, Bharat has held a number of senior actuarial roles in the UK insurance industry including with Munich Re Underwriting, Liberty Mutual Insurance Europe and ACE European Group Limited. Before this he was a Consulting Actuary at Tillinghast-Towers Perrin. Bharat is a Fellow of the Institute and Faculty of Actuaries and holds a B.Sc. with first class honours from the London School of Economics and Political Science and a M.Sc. with distinction from the Cass Business School.</p>
<p>Sandy Trust Grant Thornton</p>	<p>Sandy is a qualified actuary with over 10 years of consulting experience in the UK life insurance sector, where he has worked on a variety of risk, capital, governance and conduct projects. He leads for the Financial Services Group's Actuarial & Risk team on life sector conduct topics.</p> <p>Sandy joined Grant Thornton from a major listed insurer, where he was Head of Unit Linked Funds for workplace pensions, leading the launch of new funds, reviewing the unit-linked control environment and developing a value for money reporting framework to support the Independent Governance Committee. He has strong knowledge of the UK insurance market with a particular focus on workplace pensions propositions, innovation around long-term savings solutions and conduct risk.</p> <p>Sandy has significant knowledge of FCA thematic work, carrying out a number of projects relating to the unit-linked thematic review including FCA visit preparation, gap analyses, reviews of unit-linked governance frameworks, s166 skilled person reviews and unit-linked transformation projects. He has also recently led a number of projects relating to customer outcome modelling –both from a product design and conduct risk perspective.</p>
<p>Ian Wilson IOR Scottish Chapter</p>	<p>Ian is an experienced retail banking risk management professional who has held executive level positions in a number of major financial services businesses including Chief Risk Officer roles at Tesco Bank and GE Money UK, Strategic Risk Director at Virgin Money, Director, Retail Credit Risk at RBS/Nat West and Managing Director, Business Banking, Santander UK</p> <p>Ian has been played significant roles in a number of business transformations, acquisition and integration programmes with a specialisation in risk management. More recently he has been involved in the new bank start ups including authorisations with the FCA and PRA. Ian is a qualified Chartered Banker, and also holds an MBA from Edinburgh University and an MSc in Marketing from the CIM/Napier University. Ian is also a Fellow of both the Chartered Banker Institute and the Institute of Financial Services.</p>