

# Continuing Professional Development Certificate

## The new discount rate: what you need to know

**Date:** Tuesday 28 March 2017

**Time:** 1.15pm - 2.00pm

**Speaker:** James Arrowsmith, Partner, Browne Jacobson LLP

In this IIL lecture James Arrowsmith discussed the shock announcement of a minus 0.75% discount rate, the impact it is having on claims and insurers, and the response the rate has received. He considered the merits of the Lord Chancellors' approach to setting the rate, and future developments which may mean the new rate is short-lived. On 27 February 2017 the new discount rate for injury claims was announced. The announcement was overdue but the decision to fix the rate at minus 0.75% likely came as a surprise to many. We know the change will increase claims spend, hit insurers' bottom line, and impact premiums. This seminar assisted brokers, underwriters and claims professionals in considering the impact the change will have on their portfolio, and in dealing with customers who wish to know what the change will mean for them. The lecture also included the emerging response to the new rate and considered possible future developments in relation to setting the rate and the level at which the rate is fixed.

By the end of this lecture members would have gained an insight into:

- What has changed
- Impacts on injury claims
- Which claims will be affected
- Impacts of the change
- Claims behaviours which may emerge
- The future of the discount rate



This lecture or podcast can be included as part of your CPD requirement should you consider it relevant to your professional development needs. It is recommended that you keep any evidence of the CPD activity you have completed and upload copies to the recording tool as the CII may ask to see this if your record is selected for review.