

MAURICE DOUGLAS WARBURTON ELPHINSTONE
Bt, TD, MA (Cantab), FFA

Sir Douglas Elphinstone, actuary and stockbroker, died at Holme Eden Abbey (near Carlisle) on 5 December 1995. He was born on 13 April 1909 in Eynsford, Kent, the eldest son of the Reverend Canon Maurice Elphinstone and Christiana Almond. His childhood was spent in Sowerby Bridge, where his father was Vicar. His mother was the daughter of Dr Almond, Headmaster of Loretto School from 1861 to 1903, and Elphinstone himself was a pupil at Loretto from 1918 to 1928.

As a youngster Elphinstone showed particular ability in mathematics, but his talents did not lie solely in academic fields. He was a keen sportsman, playing fives and being a member of the school First XV. Subsequently, as a young man working in the business world, he continued his sporting activities. Throughout his life he enjoyed hill-walking and was an enthusiastic climber - especially fond of the mountains of the Lake District, which he visited regularly.

In 1928 Elphinstone went up to Jesus College, Cambridge, as a Rustat Exhibitioner. In 1929 he achieved first class Honours in Part I of the Mathematical Tripos and two years later, in Part II, he was classed as a Wrangler. He was elected a Scholar of his college.

After graduating from Cambridge, Elphinstone moved to Edinburgh, where he became an actuarial student with the Standard Life Assurance Company. He completed the examinations of the Faculty of Actuaries in the then remarkably short period of three years and was admitted a Fellow of the Faculty in 1934.

Immediately after qualifying as an actuary Elphinstone moved from the Head Office of his company to its London City Office. In 1938 he left the Standard to become Secretary of the Law Reversionary Interest Society, a subsidiary of the Equity and Law Life Assurance Society. In 1945, after War Service, Elphinstone was appointed Assistant Actuary in the Pensions Department at Equity and Law, of which company he was appointed Secretary in 1947.

At the end of 1956 Elphinstone left Equity and Law to become a partner in the City stockbroking firm of Robert Wigram and Company, where he remained until retirement in 1973. He was a member of the stock exchange, London, during the period 1957-1974.

In his early professional life Elphinstone worked mainly in the field of pensions. This fact was reflected in his first paper, a technical note entitled *The valuation of joint life and survivorship annuities*, written jointly with W G P Lindsay and presented to the Faculty of Actuaries in 1939. (A follow-up note on the same subject was published in 1957.)

The subject of graduation (i.e. the 'smoothing' of a series of data subject to random errors) has a special appeal to actuaries of mathematical inclination. It was, thus, perhaps no surprise when in 1950 Elphinstone produced a paper entitled *Summation and some other methods of graduation - the foundation of theory*. This paper, which generated a stimulating discussion when it was read to the Faculty of Actuaries, surveyed a large class of the then existing methods of graduation and attempted to develop a logical theory for the subject.

In the early 1950s the Councils of the Faculty of Actuaries and of the Institute of Actuaries (in London) were of the view that the growth of pension commitments in relation to national income was a matter of major public policy. Accordingly, in January 1952 the two Councils jointly invited a small Research Group to prepare a study of the subject. Elphinstone was one of the three persons who comprised this Group, which presented its findings (in a report entitled *The growth of pension rights and their impact on the National Economy*) to meetings of both the Faculty and the Institute in April and May 1954. The timing of the report was most opportune, since in July of the previous year the Chancellor of the Exchequer had set up a Committee under the chairmanship of Sir Thomas Phillips to consider the economic and financial problems of the provision for old age.

The memorandum of evidence submitted jointly by the Faculty of Actuaries and the Institute of Actuaries to the Phillips Committee referred to the work of Elphinstone and his two colleagues (F W Bacon and B Benjamin) on behalf of the UK actuarial profession. The significance of their work was reflected in the observation by the distinguished economist Lord Beveridge that, by studying the Group's report during a forthcoming transatlantic crossing on the Queen Elizabeth, he would have something more worth saying to the American social security experts with whom he was about to confer. (Beveridge's comment reflects also on the more leisurely forms of travel prevalent forty years ago.)

In the course of his work with Equity and Law Elphinstone played a leading rôle in the establishment of the company's Group Pensions business, for which he had overall responsibility. In the immediate post-war years this area of business had become of significant importance to life assurance companies. In the early 1950s a small but growing number of life offices were willing to allow group pension contracts to be issued on a 'with-profits' basis. The design of such schemes was of great importance and this subject was discussed in the paper *With-profits group pension schemes*, written jointly with M W Melton and presented to the Faculty of Actuaries early in 1955.

While working in the pensions field Elphinstone became increasingly involved with investment matters. The experience thus gained must have been highly relevant to the final phase of his career, when he was a stockbroker. During this period Elphinstone wrote one further actuarial paper, jointly with E J W Dyson. This was *The expenses of British Life Offices*, presented to the Institute of Actuaries in 1959.

Throughout his life Elphinstone had an adventurous spirit. This was exemplified by his continued interest in climbing and by his activities as a young actuarial student in the early 1930s, when - while having to devote much of his spare energy to preparing for demanding professional examinations - he still found time to enjoy foreign travel, to play rugby, and to participate in his office's Christmas pantomime!

Elphinstone was a person of the utmost integrity, strong-minded and willing to express his opinions - even if at times this was not always to his advantage. He enjoyed a good argument, but was always willing to listen to others and - if he felt it appropriate - to change or modify his own opinions in the light of the views presented to him. Those who knew him enjoyed his wry, dry sense of humour. He is remembered by his professional colleagues for his approachable nature and courteous manner. He was particularly kind and considerate to those much younger than himself.

Although Elphinstone spent almost all his professional career in London, he remained intensely loyal to the Faculty of Actuaries. He came regularly to Edinburgh for meetings of the Faculty, even during his later years when he was suffering from Parkinson's disease. He also acted briefly as a tutor and examiner for the Institute of Actuaries.

During the 1939-45 war Elphinstone served with the London Scottish and Sierra Leone Regiment, RWAFF, mainly in West Africa and India. He spent the last few months of the war in London, working on manpower-planning and casualty statistics in the

Directorate of Medical (Statistical) Research – under F A E Crew and L Hogben. He attained the rank of Major and in 1946 was awarded the Territorial Decoration.

In 1974 he retired to Cumberland and in the following year succeeded his cousin as fifth Baronet Elphinstone of Sowerby, Cumberland.

Elphinstone gave generously of his time and expertise for the benefit of others. He served on his Parish Church Council, was Treasurer of the Rochester Diocese Board of Education, and was a Governor of a local church-aided primary school. After retirement, when he had moved to Scotby, he continued to make his expertise available to his local community in a range of voluntary activities.

Throughout his life Elphinstone had a keen interest in music. He played the organ for many years - at school, at his father's church, and in his local parish. In the weeks immediately before his death he composed the music for a Christmas carol written by his sister. Two days before he died he had the satisfaction of knowing that it had been completed and was being printed (with a lino-cut by his wife) to make their 1995 Christmas card.

In 1943 he married Barbara Main, who survives him together with their son and daughter.

He was elected a Fellow of the Society in 1948.

I am grateful to professional colleagues and to Sir John Elphinstone for help in the preparation of this notice. I also thank Jesus College (Cambridge) and Loretto School for biographical information.

J. J. McCUTCHEON