

Recycling Risks

Property Material Damage & Business Interruption Insurance

Underwriting : Required Risk Information & Guideline Risk Requirements

1. Required Risk Information for Insurers

- Completed [Navigators] proposal form or recent survey by Navigators in-house or appointed surveyor; recent, comprehensive survey by others, comprehensive broker presentation and/or non-Navigators proposal form, may be considered for initial non-binding indication of terms.
- Included in the above should be detailed information on:
 - construction, including details of any combustible building materials
 - processes being carried out
 - waste materials being handled
 - machinery being used
 - storage arrangements
 - security and safety installations (such as fire suppression systems on machinery, dust extraction etc.)
 - local exposures, e.g. neighbouring risks
 - detailed information of all previous claims, losses, also all fire or explosion incidents, for the past 10 years or more.
- Inception date.
- Sums insured.
- Site plan.
- Plan of the layout and arrangement of the process line(s) and key machinery.
- Selection of current photos of the buildings (in- and outside), all storage arrangements within buildings, all external storage plus process lines, machinery and equipment.

2. Guideline Risk Requirements for Recycling Plants

- Premises will usually need to be entirely enclosed by security fencing, at least 1.8 metres in height, including gates.
- Gated access that does not allow un-authorised access, especially after working hours.
- Automatic fire detection and alarm system(s), covering all process and storage areas / buildings, with direct connection to a permanently manned central service station. Audible only alarms might be acceptable, if someone is present at the premises after working hours (such as owner living on/very near the grounds, security guards with regular watch rounds etc.). Other ways of raising the alarm after working hours in the event of a fire could be reviewed for individual cases.
- Shredders: almost always need to be fitted with automatic fire suppression system with automatic shut-down of process line, depending on materials being shredded. Protection to include the inlet hopper just upstream of the shredder knives, and the output conveyor or other discharge area. Exceptions might be made for pre-sorted, clean plastic and smaller scale/clean document shredding.
- Minimum storage distances to machinery, buildings and perimeter apply, but are also assessed individually.
- Financially stable, as evidenced per our credit check facilities, or from latest financial accounts.
- Low or nil incidence of claims, &/or of “near misses”. For past claims (or near misses) we would require information on what measures have been taken to prevent recurrence.
- Compliance with regulations and good community profile.
- Fire Prevention Plan accepted by the local EA [Environmental Agency] officer, or local equivalent authority acceptance for fire prevention planning; or as otherwise reviewed and accepted by the Navigators underwriter.
- Evidence of active risk management.
- For AD plants [anaerobic digestion]: copy of HAZOP and DSEAR risk assessments, and plant Operating Manual; copy of the site plant layout, including detail of ATEX Zones; plant design, construction, commissioning and management by technicians experienced in AD plant design & operation.
- For sprinkler-protected sites: details of design parameters for the sprinkler systems and fire-water supplies.