# New Generation Claims Group:
## No time to waste

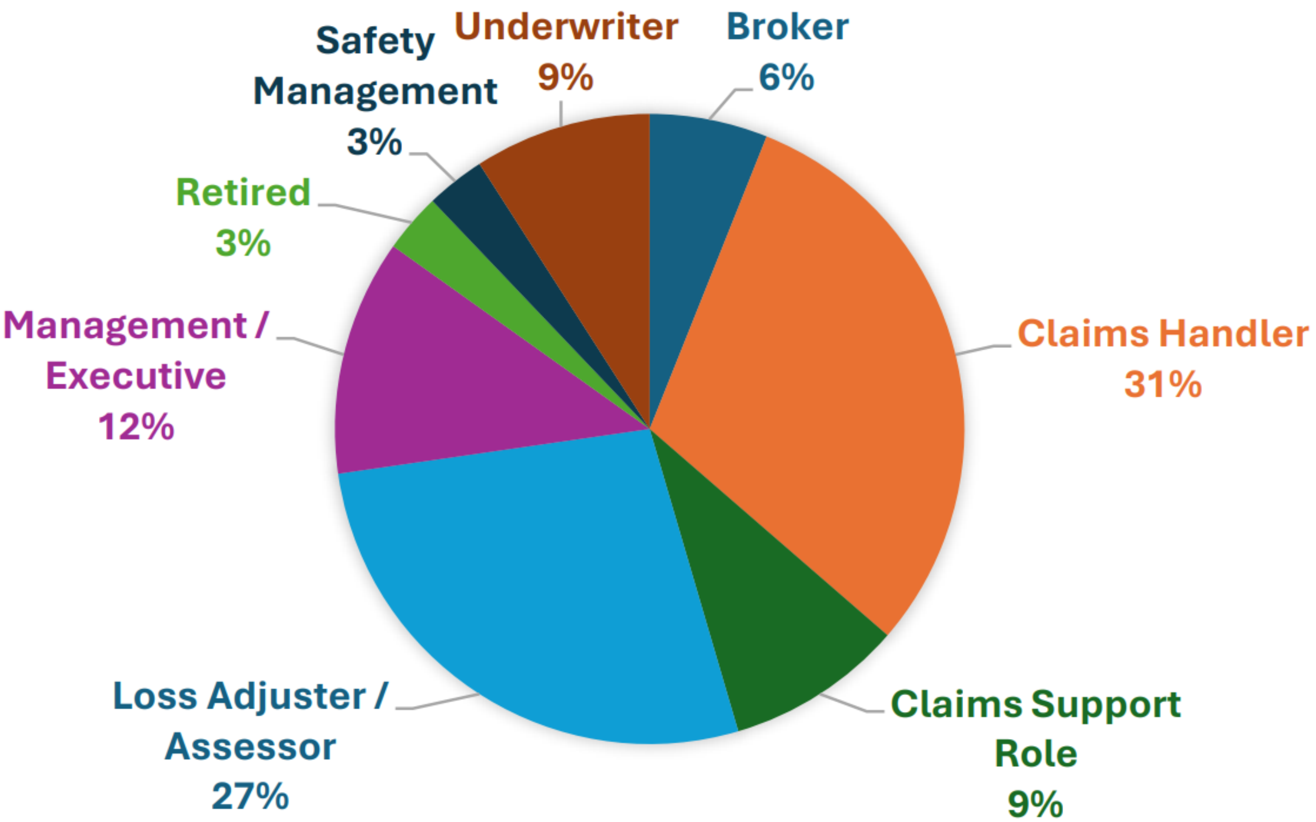
An exploration of how the insurance profession can utilise landfill avoidance solutions to maximise sustainability in claims

Survey results

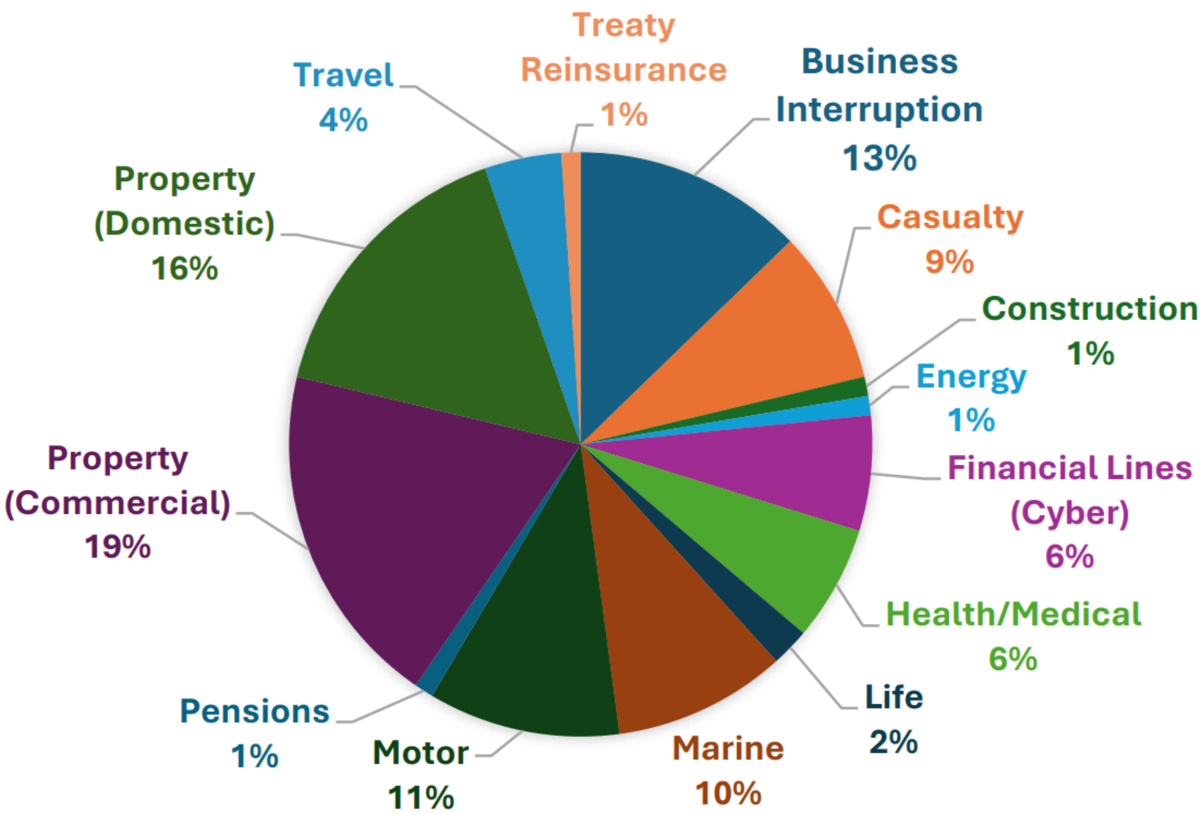
Chartered Insurance Institute
Standards. Professionalism. Trust.

cii.co.uk

# What is your primary role?

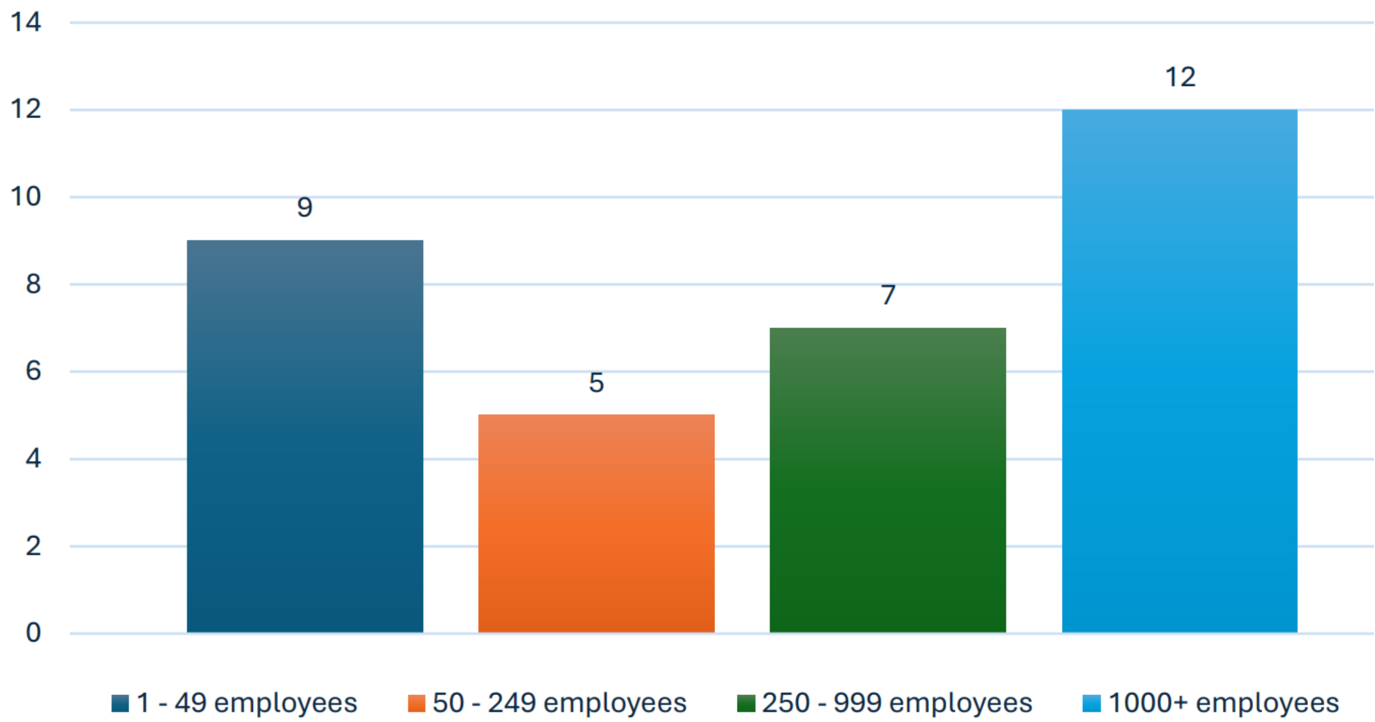



# Which line/s of business do you work in?*

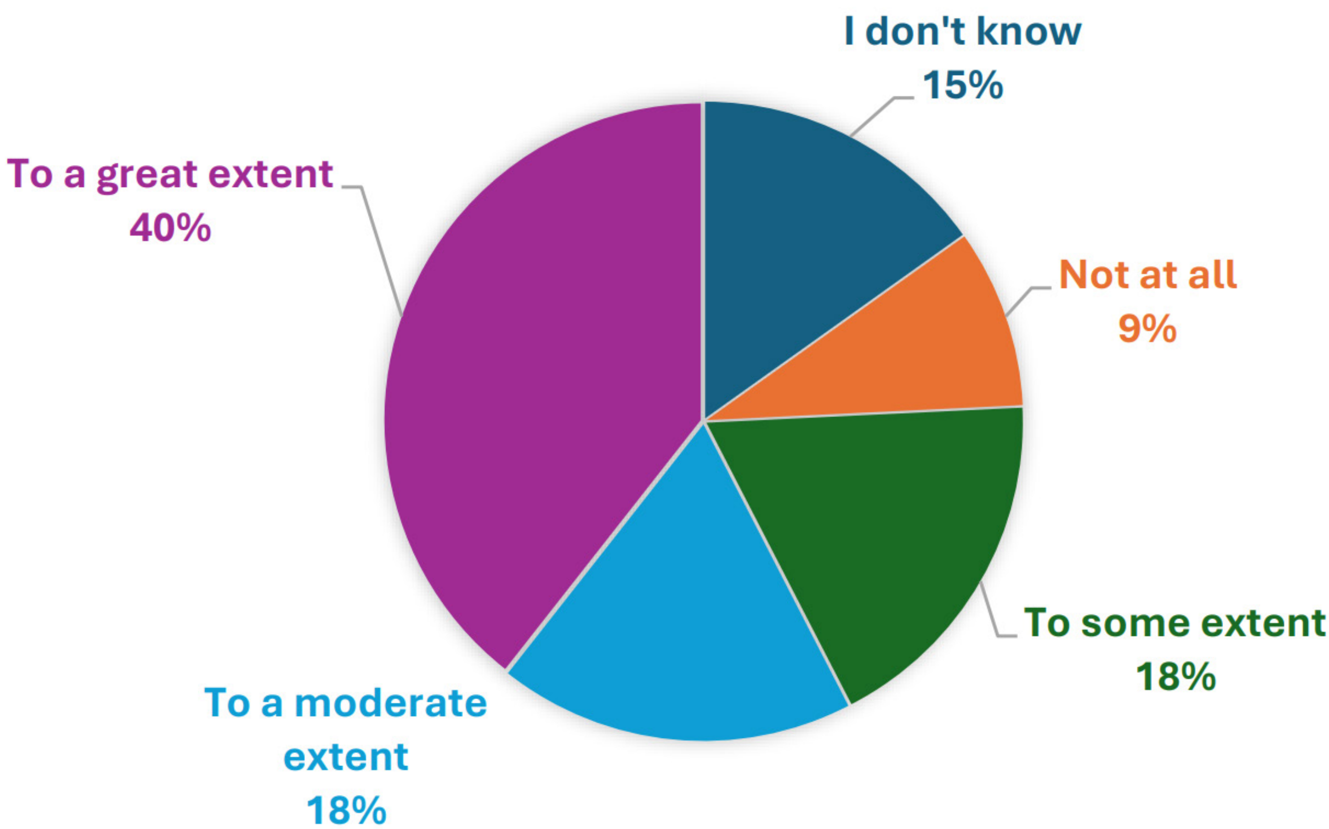



* Multiple selections allowed

## Number of UK employees in your company




## To what extent do you agree with the statement: my employer's claims process is environmentally conscious?

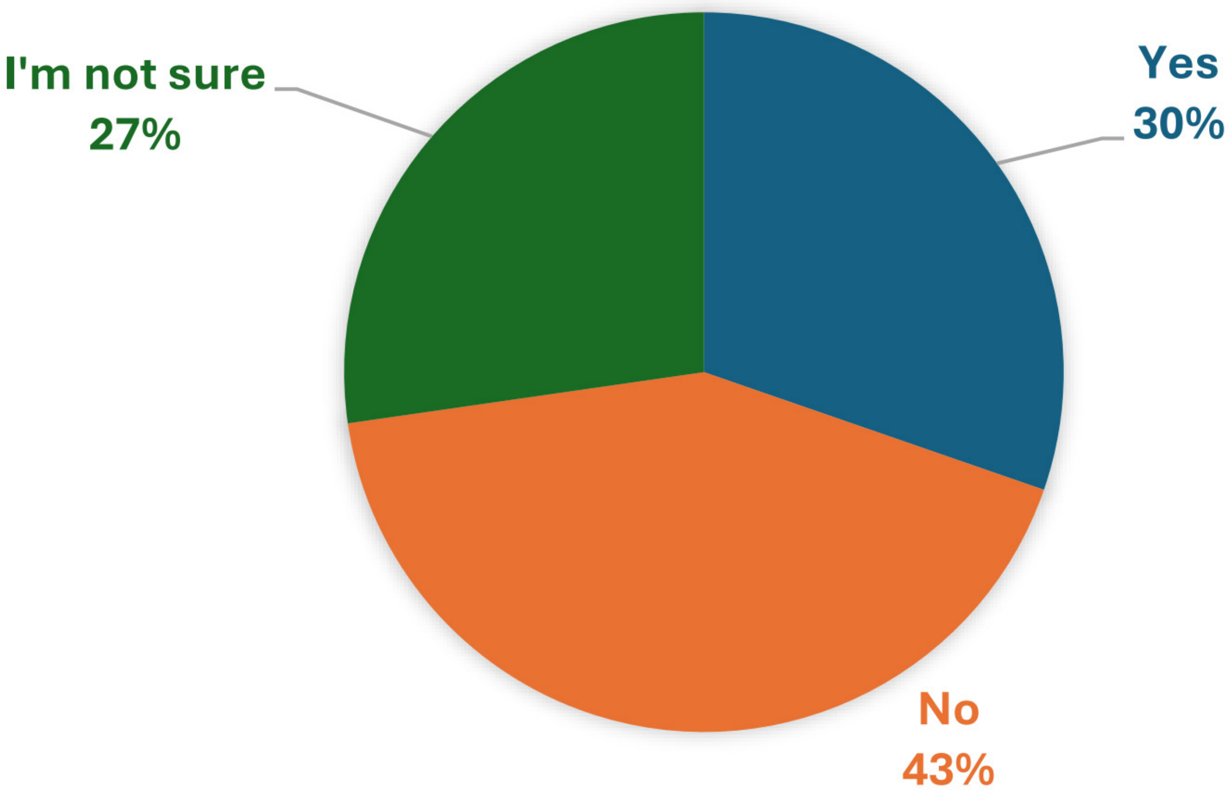


# Why did you answer this way?*

| Response | Reason |
|---|---|
| **"I don't know/not at all"** | • "I don't know"<br>• "Wrong"<br>• "Each case has to be dealt with on a case by case basis"<br>• "Not really "I don't know" more that as a Claims team at a broker we facilitate the claim process so don't have as much input into salvage and waste as the insurer of adjuster/surveyor." |
| **"To some extent"** | • "Environmentally conscious claims handling actively considered but ultimately it is the Insured that controls reinstatement - we can offer options and seek to influence but the Insured's commercial concerns take priority."<br>• "Salvage is not something that is considered and I think more could be done"<br>• "Insurer driven" |
| **"To a moderate extent"** | • "We can do more, but mindset to managing claims in a sustainable manner continues to be a barrier"<br>• "My company shares its sustainability policy and addresses the challenges posed to reduce emissions and carbon output and 'green' products, but no great detail of how physical waste forms part of those plans or in any great detail as to the process of how waste is managed and recycled" |
| **"To a great extent"** | • "All work is carried out electronically"<br>• "Claims are handled paperless via web application"<br>• "As much as possible customers are encouraged to go online and on certain products online claim is the only option"<br>• "We are digitalised company and air travel is consciously limited"<br>• "Our company Automation is 95 % and now adopting AI modules"<br>• "We have several sustainability processes to consider when handling claims as do a number of our principals"<br>• "Specific programmes and emphasis" |

* Not everyone answered.

# Are you aware of your employer taking steps to reduce landfill waste generated during the claims process?

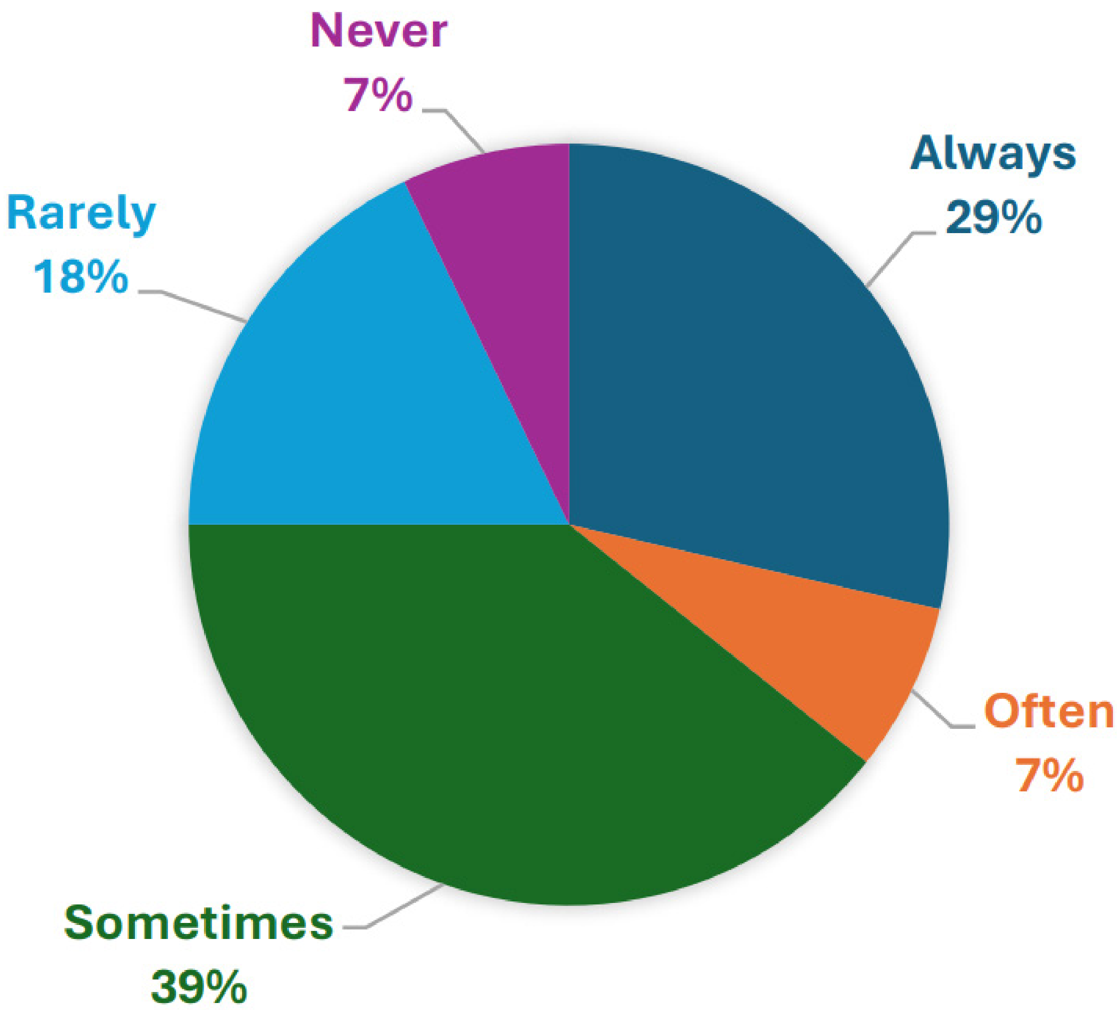


# Please describe any initiatives and results you're aware of e.g. sustainable suppliers, repair-vs-replace policies, donations, materials recycled, % or tonnes diverted, etc.*

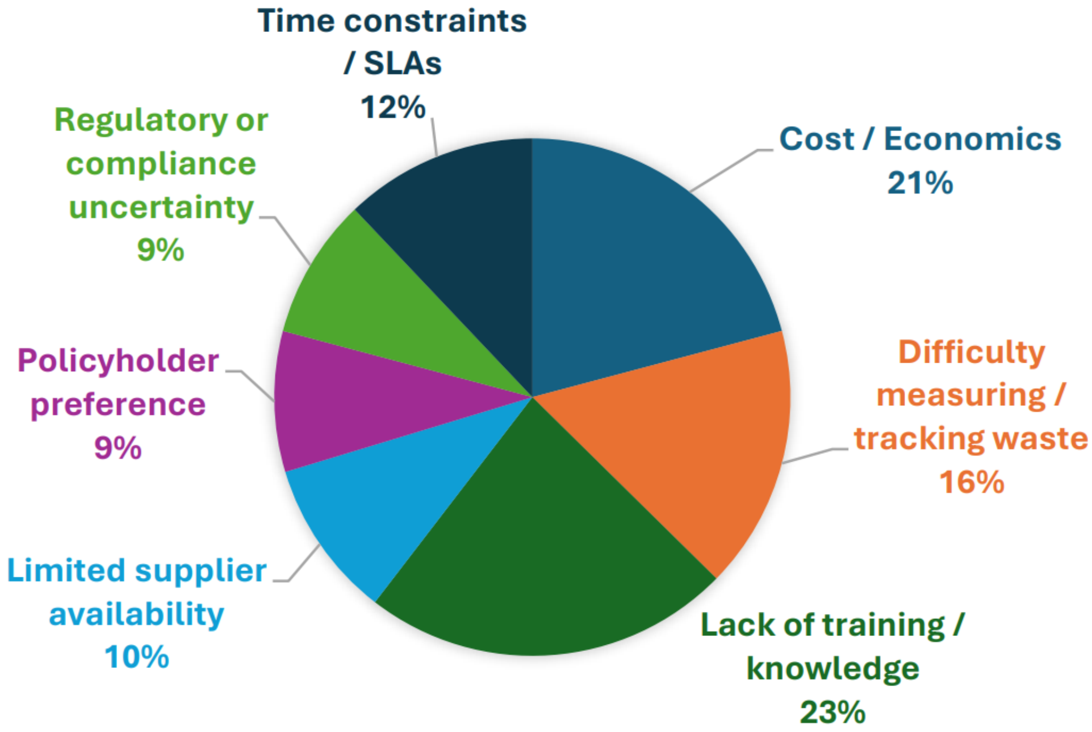
| |
|---|
| "Salvage of products no longer fit for human consumption into animal feedstock." |
| "Materials recycled. Use of sustainable suppliers." |
| "Zero to landfill policy that focuses on diverting waste from property claims from landfill and increasing recycling rates." |
| "Build back better and resilience." |
| "Recycling of materials, donations of contents to charities, carbon saving initiatives." |
| "Zero to landfill policies with waste management, recycling in all offices." |
| "We do minimal strip out (resilience process) and dry in-situ with the aim to reduce replacement at reinstatement stage." |
| "Recycling waste. Using carbon neutral materials for reinstate. Using recycled materials for reinstatement ie recycled steel. Detailed review of repair possibilities and consideration of repair v replacement even if not economic." |

* Not everyone answered. Multiple selections allowed.

## For those in claims, how often do you choose the more environmentally friendly option when it's available?

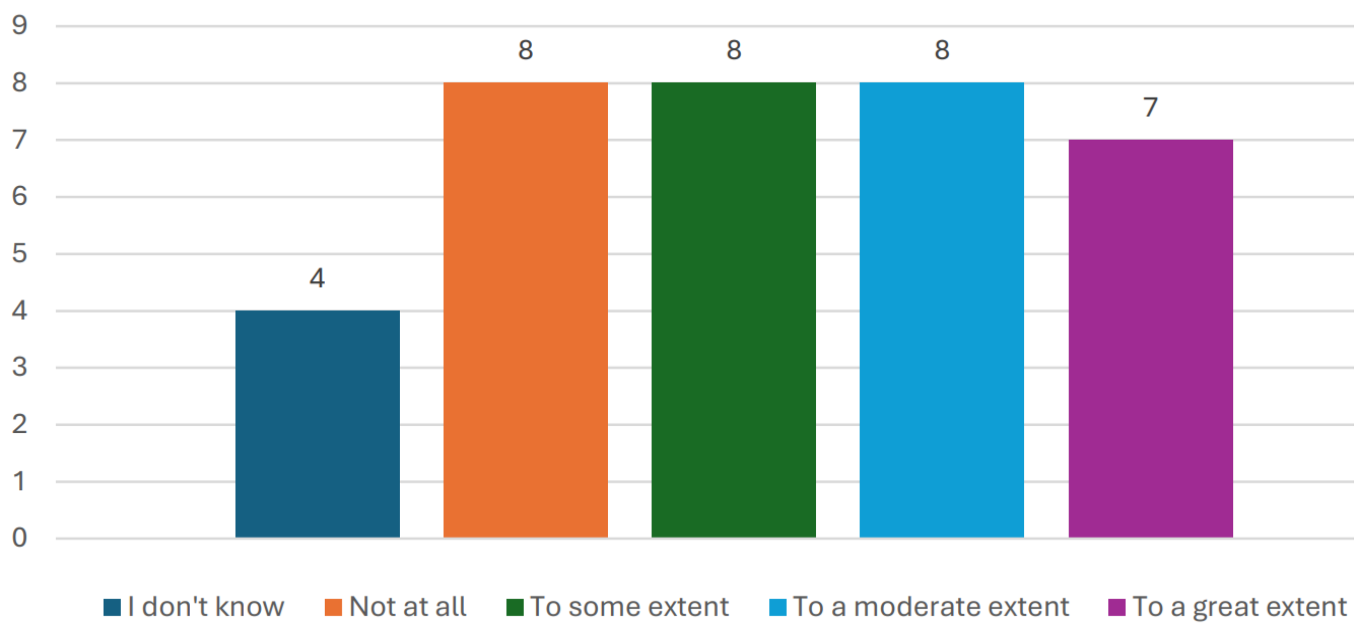


## What do you see as the main barrier/s to reducing landfill waste within claims?*




* Multiple selections allowed

## To what extent do you agree with the statement: my company is doing enough to reduce landfill waste from claims?



# What additional practices or methods would you like to see implemented? E.g. stronger repair-vs-replace guidance, supplier incentives, data dashboards*

| |
|---|
| “Not sure” |
| “I don’t think it is clear what options are out there in terms of salvage options and recycling options on things like property claims. Focus is on quick and cost effective settlements.” |
| “Repair v replace. Utilisation of 2nd hand markets, giving away elements of undamaged sets etc. Having a 2nd hand market that does not generate a liability for those giving away or selling items.” |
| “More open information about what they are doing and the small changes we can make.” |
| “None.” |
| “I hadn’t really considered the environmental impacts as a result of claims until this survey. That would suggest education around the issue needs to be a key factor in raising awareness, which may lead to insurers and adjusters considering alternative settlement options that are kinder to the environment. Having said that, claim settlement is dictated by economics, so any alternatives would need to be on a par from a cost perspective, or have buy in from all stake holders, with the understanding that increased costs will be incurred, but are justified by the reduced impact on the environment.” |
| “Regulatory change to support this and thereby encourage Insured’s to be more engaged with this as an option.” |
| “Data dashboards to raise awareness of the reality v perception, stronger repair push and guidance vs replacement.” |
| “Insurers specifying repair and env practice, making insured parties aware of these practices/preferences, educating it is not better to rip out and renew versus repairs considered a “botch up job.” |
| “More loss mitigation - reducing strip out, more compliant waste practices (contractors).” |
| “Recycling of damaged contents stock. Better logistical planning avoid unnecessary trips.” |
| “Incentives for policyholders to pay more for policies that offer environmentally friendly claims solutions.  Higher payments to suppliers for environmentally better solutions.” |
| “Restoration companies wed to be held accountable for the waste that they remove.” |
| “Supplier incentives and supplier performance metrics on waste. A shared process on steps being taken to address these challenges internally and how this compares to competitors.” |

* Not everyone answered.

# Further comments - is there anything else you would like to share about waste disposal in claims?*

| |
|---|
| “Most policy includes Control of Damage clause which make loss mitigation/repair difficult.” |
| “Salvage explained and how this is managed should be shared more widely and exploring the process from claims to settlement and the carbon footprint throughout the life of a claim would raise awareness and shine a spotlight on areas for improvement.” |
| “Not paying compensation.” |
| “You need appointed surveyors to be on board.” |

* Not everyone answered.

Chartered
Insurance
Institute

# New Generation Claims Group:
## No time to waste