A Beginner's Guide to

Business Insurance in Derby

What it covers, what's compulsory, and where to start

Produced by Mortgage & Finance Arena, Derby

Why this guide

If you run a business in Derby or Derbyshire, insurance is probably one of those jobs that's easy to keep putting off. There's no rush, until there is. This guide is a plain English starting point: what business insurance actually covers, what's optional, what's compulsory, and how to work out what your own business needs without wading through a stack of policy documents.

There's no obligation attached to reading it, and nobody will call you because you've downloaded it.

What counts as "business insurance"?

It's a broad label that covers a lot of different types of protection. Some of it protects your physical assets, like premises, stock and equipment. Some of it protects you against claims from other people, such as a customer injured on your premises or a client unhappy with your advice. And some of it protects the business itself if something happens to you or a key member of your team.

The main categories most Derby businesses come across are:

- Public liability insurance, covering claims from members of the public
- Employers' liability insurance, covering claims from staff
- Professional indemnity insurance, covering claims of negligent advice or work
- Property and contents insurance, covering your premises, stock and equipment
- Business interruption insurance, covering lost income if you can't trade
- Key person and shareholder protection, covering the loss of someone critical to the business

What's compulsory, and what's optional?

Employers' liability insurance is a legal requirement in the UK if you have staff, even if that's just one part-time employee. Most other cover is optional in the sense that the law doesn't demand it, but many contracts, landlords and professional bodies will insist on certain policies before they'll work with you. A commercial landlord will typically require buildings insurance. A client contract might require a minimum level of professional indemnity cover.

Worth knowing

Trading without cover you're contractually required to hold, even by accident, can void a contract or leave you personally liable. It's worth checking what your leases, contracts and professional body require before assuming a policy is optional.

How much does it cost?

There's no single answer, because it depends on your industry, the size of your business, your claims history and the level of cover you choose. A sole trader working from home with no staff and low public contact will pay a fraction of what a construction contractor with a team on site will pay. The best way to get a realistic figure is a quote based on your actual circumstances, rather than a generic online estimate.

As a whole-of-market broker, we compare providers rather than being tied to one insurer, so we're looking for cover that fits your budget and your risk, not pushing a single company's policy.

When's the right time to sort it?

Before you need it, ideally. New businesses often leave insurance until they take on their first member of staff or sign their first big contract, by which point they're already exposed. It's usually easier and cheaper to arrange cover early, before claims history or contract obligations start narrowing your options.

Talk it through with us

If you're not sure what your business actually needs, that's exactly what an initial conversation is for. We'll ask about what you do, who you work with, and what you're already required to hold, then talk you through the options in plain English.

Call our Derby team on 01332 300 300, or get in touch through the website, for a free, no-obligation chat.