

# WHAT DOES PUBLIC LIABILITY INSURANCE COVER?



## PUBLIC LIABILITY INSURANCE

is designed to help businesses meet the costs of a claim made against them for damages or injury that occur to a third party in connection with their business activities

### What does it cover you for?

Public Liability insurance covers claims brought against you by people that interact with your business, such as customers, clients, and members of the public. It will cover you for:

- Your legal fees, as well as the legal fees of the claimant, if necessary**
- Personal injury to the claimant, including any loss of earnings as a result and any medical bills due to the injury**
- Any damage to a third party's personal belongings or property as a direct result of actions related to your business**
- If you have multiple trades, you can be covered for those too**

### What level of cover will be available?

Depending on a number of factors that are largely associated with the level of risk of your business, you can be covered anywhere from **£1m up to £10m**.

**Generally speaking, the riskier your business is deemed, the higher level of cover you will need.**

### Is having public liability insurance part of my compliance?

While it is not a legal requirement for most businesses to have Public Liability insurance cover, it is still very important!

### Who can take out cover?

Whether you operate as a **Sole Trader, Partnership** or as a **Limited Liability Company**, it is likely your business will benefit from Public Liability insurance cover, to protect you and your business - and ultimately give you peace of mind.



### WHAT IS NOT COVERED?

Public Liability insurance does not cover injury/damage claims brought against your business by your employees

This would come under **Employers' Liability insurance**

### LEGAL COSTS

Legal expenses can be costly, especially if you end up needing to pay compensation to a claimant for an incident caused by your business practices.

Public Liability insurance will cover solicitors' fees as well as any costs towards legal hearings that may occur as a result.

### PERSONAL INJURY



These can be from minor injuries to more life threatening conditions - as well as incidents that result in accidental death.

If your business is found to be responsible for causing personal injury to a third party, you will likely need to compensate them for any medical bills and/or medical equipment, loss of earnings as a result of the injury and even compensation for pain and suffering caused by the incident itself.



### DAMAGE TO PROPERTY



This can be either on your business' premises or off-site (ie. at a client's home).

If an incident occurs where a third party's property is damaged, then you may be liable to pay for repairs, replacements or compensation of lost earnings of the claimant. It could be something as minor as spilling paint on a client's carpet, to something more serious such as falling bricks landing on a car parked on the street.

**REMEMBER - NO MATTER HOW CAREFUL YOU ARE  
ACCIDENTS CAN STILL HAPPEN!**

#### Sources

<https://www.tradedirectinsurance.co.uk/insurance-products/public-liability-insurance/>  
<https://www.fsb.org.uk/resources-page/what-do-you-need-to-know-about-public-liability-insurance.html>  
<https://www.abi.org.uk/products-and-issues/choosing-the-right-insurance/business-insurance/liability-insurance/public-liability-insurance/>  
[https://en.wikipedia.org/wikil/Public\\_liability](https://en.wikipedia.org/wikil/Public_liability)  
<https://www.moneysupermarket.com/business-insurance/public-liability/faqs/>  
<https://www.nimblefins.co.uk/business-insurance/public-liability-insurance-uk/average-cost-public-liability-insurance-uk>