

Case Study



Title: Insurance for Small Business

Source: Moneywise <http://www.moneywise.co.uk/>

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I am a sole trader running a small cafe in a south Wales valleys village. I have no staff and it's quiet but essential. I have been paying £400 per year insurance, which is crippling, through a broker. I only want buildings, contents and public liability insurance but the brokers can only find shop policy insurance packages that include vehicles, which I don't have and employees, which I also don't have. Where can I get the insurance that's for me and that doesn't cost over a pound a day?

It should not be essential to have a policy that includes vehicle insurance. It is fair to say that most shop insurance arrangements do come as a package deal but not to the extent that you are forced to insure significant assets that you do not own, such as vehicles. It maybe that your broker does not specialise in this area and therefore only has a few insurers to compare, as opposed to the whole if the market, or even a broad panel.

Policies such as the one you require are rated according to the contents so, based upon the business you describe, you should only need to have a relatively low sum assured. I suggest you acquire a comparable quote from a broker who specialises in this area (if your current one does not). Preliminary enquiries that I have made from one such broker are that a similar business with a stock limit of £15,000 should expect to pay in the region of £250 per year.

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