

## Cultural Enterprise Factsheet

### Insurance

#### Introduction

All small businesses and self-employed people must have adequate insurance to protect their business, equipment and themselves in case of accident or loss. In order to find the best insurance package for your business, you will have to speak to a number of insurance companies and brokers as each case is judged on its individual merits.

If you are running a business from home, first ask your household insurer if they are able to cover your office contents as an extension of your household policy. Public liability insurance will already be part of your household insurance. It is always important to tell your household insurer if you work from home as failure to do so can invalidate your buildings and contents insurance.

There are a number of insurance companies that do specialise in providing cover for the creative industries. To find a company specialising in a particular field, ask other practitioners and look for adverts in industry magazines. Some trade bodies, such as the Musicians Union ([www.musiciansunion.org.uk](http://www.musiciansunion.org.uk)), Society for All Artists ([www.saa.co.uk](http://www.saa.co.uk)), Equity ([www.equity.org.uk](http://www.equity.org.uk)), or BECTU ([www.bectu.org.uk](http://www.bectu.org.uk)) offer insurance as part of their membership packages.

#### Types of Insurance

Ideally, self-employed practitioners and small businesses should have cover for some or all of the following areas;

- Personal Accident and Sickness Insurance: pays a regular cash benefit to you if you are unable to work as a result of an accident or sickness. A lump sum may also be payable on death or specified disabilities such as loss of a limb or an eye.
- Permanent Health Insurance (PHI): provides a regular income, based on a proportion of normal earnings, to compensate for the loss of earnings through incapacity and being unable to work.
- Life Insurance: provides financial security for dependants and protects the profitability of the business on the death of a key individual. Personal life insurance can be part of a Personal Pension Plan.

- Personal Pension Plan.
- Business interruption insurance: compensates for loss of income and any increased working costs when your work is disrupted.
- Legal expenses insurance: covers the costs of taking or defending legal action in contract, employment, bad debt and tenancy issues.
- Insurance cover for data wipe out: cover against the costs of recovering or re-entering data wiped from both computer systems and web sites.
- Public liability insurance: covers your legal liability to pay damages to members of the public for death, injury or damage to property which occurs as a result of your business activities.
- Product liability insurance: if you make, repair or sell products, product liability insurance covers your legal liability to pay damages for damage or injury arising from defects in the design or manufacture of those products.
- Goods in transit insurance: in addition to standard motor insurance, you may need to cover goods against loss or damage while in your vehicle or when sent by carrier.
- Professional Indemnity Insurance: insures against claims from clients for damages caused by your negligence or misconduct. It is generally only needed by those whose end product is expert advice and guidance. It does not necessarily apply to those who teach or run workshops, and in a lot of cases, public liability insurance will provide sufficient cover.

The insurance needs for film productions is very specialised and should include Employers' Liability, a higher rate of Public Liability, Pre Production and Cast Insurance, Negative Insurance, Errors and Omissions, and Completion Bonds. For more information contact the UK Film Council (<http://www.ukfilmcouncil.org.uk/filmmaking/filmingUK/location/insurance/>)

Contact Cultural Enterprise for further information on specialist insurers.

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