

# Public Liability Insurance

Wirksworth Town Council require proof of public liability insurance from anyone who wishes to have a stall on the market. This may seem discouraging but it is a standard requirement when working in public spaces. Annual cover can be purchased for as little as £45 and this covers an individual for all eligible events they attend throughout the year.

## Public liability insurance is one of the main types of business insurance

Unlike employers' liability insurance, public liability insurance is not a legal requirement. However, it is considered an essential among business owners, and in some professions you may find it impossible to trade without it. It's particularly important for businesses that have contact with the public, because it covers compensation claims for injury or damage made by a third party against your business. This means that it's a key policy for with tradespeople, shops and restaurants, although it can benefit many other business types too. You would need to claim on your public liability insurance policy if a customer or other member of the public demands compensation from your business because they're hurt or their property is damaged. For example, you're shopkeeper and a customer is badly injured in a fall on your stairs, caused by a loose carpet tile. In this situation, the customer could sue your business for damages, and your public liability insurance would step in to cover legal costs as well as any compensation payments.

Public liability is important because most businesses interact with the public in some way, and compensation claims can be so high that they can cripple a business that doesn't have insurance to fall back on. You might also find that some of your clients will require you to have a certain level of public liability insurance before they'll agree to work with you. This is particularly likely if you work with the public sector or local government. It will protect you in the event of a claim for damages and help your business survive if it's confronted with a costly compensation claim.

## Do I need public liability insurance?

Some clients may stipulate that you must have a minimum level of public liability insurance in place before you can work for them. If you wish to undertake public sector contract work, you will almost certainly need public liability cover.

Public liability insurance will not cover:

- Accidents that happen to you.
- Damage to your own property or accidents that affect your employees or their possessions. Incidents like these should be covered under your general business insurance policy and / or your employers' liability insurance policy, which is a legal requirement.