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Small Business Insurance Checklist: Policies Every Small Business Should Think About for their Business and Review regularly

Insurance is more than protection. It's a foundation for **resilience, continuity, and growth**. Use this checklist to identify the policies your business may need and the benefits they bring. However, business needs change, sometimes very quickly. If you are to avoid being under insured, you need to review all your policies regularly: do you need them now when you didn't in the past; do you need to increase the cover to protect where your business has grown to?

1. Legally Required Insurance

These policies are compulsory for many businesses.

☑ **Employers' Liability Insurance**

Required if you employ anyone (including part-time, temporary, or casual staff). Protects against claims for work-related injury or illness.

☑ **Commercial Motor Insurance**

Required for any vehicle used for business purposes.

2. Core Protection for Most SMEs

These policies are not compulsory but are essential for managing everyday risks.

☑ **Public Liability Insurance**

Protects you if a customer or member of the public is injured or their property is damaged.

☑ **Product Liability Insurance**

Covers claims arising from products you design, make, repair, or supply.

☑ **Professional Indemnity Insurance**

Protects against claims of negligence, mistakes, or poor advice. Important for consultants, designers, IT professionals, trainers, and service providers.

☑ **Business Contents & Equipment Insurance**

Covers tools, stock, equipment, and materials against theft, loss, or damage.

☑ **Buildings Insurance**

If you own your premises, this covers the structure against fire, flood, or other damage.

3. Business Continuity & Financial Resilience

These policies help your business survive disruption.

☑ **Business Interruption Insurance**

Covers lost income if you can't trade due to an insured event (e.g., fire, flood). Often the difference between recovery and closure.

☑ **Cyber Insurance**

Covers cyber-attacks, data breaches, ransomware, and recovery costs. Increasingly important for all businesses, even micro firms.

☑ **Trade Credit or Export Insurance**

Protects against non-payment by customers and supports international trade.

4. People & Leadership Protection

These policies protect the individuals who run the business.

☑ **Directors' & Officers' (D&O) Insurance**

Protects directors from personal liability for decisions made in the course of running the business.

☑ **Key Person Insurance**

Provides financial support if a founder or critical employee becomes unable to work.

5. Sector-Specific Insurance

Depending on your industry, you may need:

☑ **Construction & Trades**

Contractors' all-risks, plant cover, tools insurance.

☑ **Retail & Hospitality**

Shop insurance, stock deterioration, loss of licence.

☑ **Creative & Digital**

Equipment cover, media liability, IP protection.

☑ **Health & Wellbeing**

Treatment risk, malpractice insurance.

6. Annual Insurance Review Checklist

Use this to stay on top of your insurance protection and make sure you don't become underinsured by simply renewing without reviewing:

- ☑ Have your business activities changed?
- ☑ Have you hired staff or contractors?
- ☑ Have you bought new equipment or stock?

- ☑ Have you moved premises or expanded?
- ☑ Are your turnover and wage figures up to date?
- ☑ Are you trading online or storing more data?
- ☑ Do you rely heavily on one or two key people?
- ☑ Are you planning to export or take on larger contracts?

If you tick **yes** to any of these, your insurance needs may have changed.

7. Why Insurance Matters for Growth

Even when not compulsory, insurance helps you:

- win contracts
- access finance
- protect cashflow
- recover from disruption
- build customer trust
- take on bigger opportunities with confidence

Insurance is a **strategic enabler**, not just a safety net.