

# Required insurances for limited company contractors



At Salt we ask all of our limited company contractors to be appropriately insured to work. We have provided answers to some of the most frequently asked questions on the topic.

## Why do I need insurance?

If your actions lead to anything being damaged or anybody being injured it is essential that you are insured, as it may result in a costly claim being made against you. Likewise, if you give your client any advice or complete any work for them that leads to them losing money, they may bring a claim against you.

In such a situation, having insurance in place could be what keeps you in business. To ensure that your business is protected financially and that you are complying with the requirements of your client, all of our limited company contractors should have suitable insurance in place at all times.

## Do Salt require me to have insurance?

Yes, we require contractors to secure no less than £1,000,000 Professional Indemnity insurance, £1,000,000 Public Liability insurance, alongside any other industry-specific insurance at all times. You may also be asked to provide evidence of this to Salt on request.

## What types of cover should I consider?

**Professional indemnity** - covers you if you are accused of professional negligence, making an error or omission, or giving bad advice which results in your client losing money. This provides cover for legal defence costs and damages awarded against you.

**Public liability** - provides cover if someone is injured or property is damaged as a result of your actions whilst supplying services. Whether you are on your own premises or at a client's site, you have a duty to protect anyone who might be affected by your activities. If you fail to do this, you may have to pay substantial compensation.

**Employers' liability** - provides protection against claims from employees. It is compulsory for almost all UK businesses. Regardless of your set-up, this is often insisted upon by clients who may require you to comply with a standardised contract.

# Arranging cover for your limited company



## Where can I buy the right insurance?

There are a limited number of insurance providers that offer cost effective and comprehensive insurance to the contracting community. Our insurance partner is Kingsbridge Contractor Insurance, a specialist insurance broker for contractors.

Kingsbridge provide a package which includes all the key insurances you may need – professional indemnity, public liability & employers' liability. This means you only need one policy to cover your main exposures and meet your contractual obligations. The cost with Kingsbridge starts at £315 + Insurance Premium Tax for this level of cover per annum.

## Key benefits of the Kingsbridge package

- One package, full cover
- A policy that complies with the terms in our contract
- Cover for previous work
- Instant access to policy documents
- Monthly payment options
- Insurance that acts as an IR35 indicator
- Tax deductible business expense

## Get in touch

If you would like to discuss your business insurance arrangements please get in touch with Kingsbridge directly.

**Call: 01242 808740**

**Email: [refer@kingsbridge.co.uk](mailto:refer@kingsbridge.co.uk)**

**Visit: [salt.kingsbridge.co.uk](http://salt.kingsbridge.co.uk)**

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