

# What to look for in a commercial property insurance policy



Buying insurance is not an easy task. Over complicated policy documents, unnecessary industry jargon and hidden exclusions all come together to make it a complicated and time consuming experience.

For commercial property owners, buying property insurance can often be one of the most important purchasing decisions you make, with the right policy protecting your hard-earned assets if you need to make a claim, while an inadequate policy will leave you out of pocket should the worst happen.

There are a few must-have features to look out for, however, that can help ensure you get the right cover that will be there to support you in your time of need.

## • Sum Insured

If your property is ever totally destroyed, whether that be fire, flood or some other catastrophe, the sum insured must be high enough to cover the cost of clearing the site and rebuilding the property. This policy feature can be linked to the cost of inflation, known as an index-linked sum insured, to help protect against future increases in property costs.

Many property-owners often fail to adequately estimate this cost, but speaking to an insurance broker or other industry professional can help in providing reassurance that the right level of cover has been taken out.

## • Leaks and Underground Services

A good commercial property insurance policy will provide cover for damage to any underground pipes and cables supplying utilities such as electricity, gas and water to the property, as well as covering the cost of clearing any blockages to sewage pipes servicing the property.

Good policies will also cover the cost for tracing, accessing and repairing a leak, which is vital cover given the extensive damage that can be caused by a water leak hidden within your property or underground.

## • Public Liability

If someone is injured or killed while on your property, or their own property is damaged while on-site, then you may be liable for damages. Public liability insurance protects you against the legal costs should you be taken to court following an accident, and cover levels of £5m plus are commonplace in many policies.