



**FLORIGUARD**

Insurance for Professional  
Florists



# Insurance for Florists

General Insurance for Florists can be broken down into several parts:

- Shop insurance
- Freelance Insurance
- Delivery vehicle Insurance

Traditionally, shop insurance is the most common product required and purchased by florists.

## Shop Insurance

Shop packages, such as our FloriGuard retail insurance, incorporate the usual requirements (known legally as demands and needs) of a retail florist to trade legally and protect certain normal assets, earnings and liabilities.

*Included in a Shops package are:*

### **Public & Products Liability Insurance**

Public Liability - Insurance to protect third parties and third party belongings whilst the Insured (Florist) carries out their normal work. For example injury to a customer.

Products Liability – Insurance to for damage to third parties or third party property as a result of the products the florist sells.

This cover offers protection to the Florist for anything from Slips and Trips on the premises to damage caused to a wedding dress whilst working away from the shop where you are legally liable.

It is important to select a policy that covers public liability throughout the UK and not limited to your trading premises as this will limit you to shop activities and you will have no insurance for working at events or weddings. The cover can vary depending on the insurance provider from £1,000,000 to £2,000,000. However, if you are intending to work away at venues that are owned or managed by local authorities, you may require a higher limit of £5,000,000.

### **Employers Liability**

When you employ someone to work for you, and this can include someone helping you out in return for some flowers, work experience or casual labour, you need Employers Liability Insurance. The standard limit for this cover is £10,000,000 and works in a similar manner to the Public Liability cover; however, in this situation it covers the staff not member of the public. This cover is required by law.

### **Property cover**

Property cover can be broken down into three different sections; Buildings; Fixtures and fittings; and Stock.

If you own the property from which you trade you should insure the structure for the re-instatement costs. This amount is often advised by a surveyor and will be the sum required to re-build the property and should include clearance costs and architects fees. It is important to remember that the price you pay for a building is not always the price you should insure for as the property market fluctuates and does not represent the actual cost of the brick and mortar!

When insuring your fixtures and fittings you must cover yourself for a sum that would fully replace all of the items in the shop in the event of a total loss. As cover is based on a new for old basis you must cost all the items as if you needed to buy them brand new, whether or not

you bought them new originally. Sometimes your insurance is index linked to take into account inflation and increased costs, however it is advisable to regularly review your sums insured, especially if your business is doing well and expanding!

Stock is all items that you would either sell directly or indirectly to your customers. Obviously flowers and plants, but also vases, cards, materials, etc. You should be insuring for the cost to you for these items, not for the cost including your profit.

Included in any good policy will be seasonal stock increase cover. This cover automatically increases your stock values by a certain percentage at different times of the year to take into account variations in trading patterns. For example with the FloriGuard contract stock is increased by 50% for November, December and 31 days prior to Easter day, Mothers' days and Valentines Day. However, these dates can be amended if the florist has specialised in a particular niche.

### **Revenue protection insurance**

This cover provides protection in the event that you are unable to trade following damage by an insured event. It will pay for fixed trading costs, temporary relocation, increased costs of working and loss of income. Insured events often include such scenarios as failure of public utilities (water, gas, electricity) or denial of access following damage to neighbouring property.

### **Money cover**

Like your property, money is covered, however, due the nature of money being a high risk item, there are specific limits and restrictions. It is always advisable to bank as much money as possible and if you are banking vary your pattern, route to the bank, time you go and person who takes the money.

### **Other useful cover sections to look out for :**

**Assault cover** - providing payments in the event of an aggravated burglary.

**Deterioration of stock** – If chillers used to maintain the flowers breakdown or are cut off by a failure of electricity the stock can be covered in them.

**Commercial Legal expenses cover** – This essential cover gives the owner/proprietor legal cover for commercial contract disputes, employment issues, boundary problems, etc.

**Goods in transit cover** – Your property and stock whilst it's out of the premises on the way to a delivery, back to your premises or event.

## **Freelance insurance**

Freelance insurance covers an individual, partnership or company that does not have a retail location and either works from home or at events.

This type of cover is not as a package, but is made up of sections that can be bolted together depending on the type of work the freelancer is undertaking.

*Typically Included in a Freelance policy are:*

**Public Liability** (as above) - Compulsory with this type of insurance

**Employers Liability** – Optional depending on if the insured has staff

**Stock and equipment cover** – Optional cover for items kept at a secure location (garage, etc) that belong to the business. This is not usually covered under a household policy.

**Tools and stock in transit cover** – Optional cover for your equipment and stock when you are out and about at events, weddings, etc.

Many individuals, who undertake wedding and event work, don't often appreciate that they need this cover to ensure that they and their customers are protected. It is vital that a minimum of public and products liability is cover even for small commissions or requests and can cost from as little as £100 per year.

## **Delivery Vehicle Insurance**

Like a standard car insurance policy, it is the minimum requirement of UK law to have third party liability insurance whilst using a vehicle on the roads.

Van insurance works in a similar way to car insurance, however, premiums tend to be more expensive purely because of the increased use of the vehicle, the types of journeys that they are being used for and the less care that is taken when driving by employees (as it is not their vehicle).

No claims bonus is earned for claim free driving, however, a lot of policies will require the no claims bonus to be earned on a previous van policy not on a private car insurance policy.

In addition to standard General insurance policies mentioned, there are other "financial" policies available that protect you for losses as a result of not being able to work. Income protection and personal accident policies are both something worth considering when starting up in business, especially if you are investing in retail premises.

These types of insurance can be obtained through a financial adviser.

## **About FloriGuard**

FloriGuard has been covering Florists in the UK since 2004 and has become a market leading insurance policy with low excesses and competitive premium rates.

Designed specifically for the floristry profession in consultation with florists and the British Florist Association, we have the only policy endorsed by the BFA and offer discount to the members of a further 15%.

FloriGuard became the official insurance provider to the BFA membership in January 2008 and since then we have started to develop a European wide insurance scheme for florists with the BFA and Florint (the new name for FEUPF). In September, we attended the FEUPF general assembly and Eurofleurs competition in Brussels to present our initial proposal and discuss plans for each member country.

More information is available at our website: [www.floriguard.com](http://www.floriguard.com). However, we also recommend [www.floristnews.co.uk](http://www.floristnews.co.uk) for more information, support and ideas.

FloriGuard Contacts: 0845 313 9871 or 0161 236 3141