



For any emergency. For our community.

A guide to insurance

Insurance can help people and communities prepare for and recover from emergencies.

Insurance companies can offer advice on reducing risks and protecting homes, businesses and property.

When a disaster happens, insurance payouts can help people recover more quickly by providing money to repair damage, replace lost items and rebuild.

This guide provides a simple overview of insurance, some common types of insurance and what to do if you need to make a claim.



What is insurance?

Insurance is a financial product that helps protect you, your property or your business against unexpected events.

You can buy insurance for many parts of your life, including your:

 Business	 Car	 Health
 Home	 Retirement	 Pet

Some types of insurance may be required by an agreement. For example, a mortgage provider may require you to have buildings insurance.

Some insurance policies are optional, such as travel insurance or cyber insurance, which protect against specific risks.

Personal insurance

Personal insurance helps individuals and families manage the cost of unexpected events. It can protect you from loss, damage and theft.

For example, personal insurance may help if:

-  your home is damaged by a flood or fire
-  your belongings are stolen
-  your car is involved in an accident
-  your pet needs unexpected medical treatment

Home insurance

Home insurance can help homeowners and tenants repair or replace property and belongings when something goes wrong. Examples include:

- Damage caused by storms
- Rebuilding after a fire or flood
- Replacing items stolen during a burglary

Buildings insurance

Buildings insurance helps cover the cost of repairing or rebuilding your home if it is damaged or destroyed.

It usually covers:

- Walls, roofs and windows.
- Permanent fixtures and fittings, such as fitted kitchens and bathroom suites.

Some policies may also cover garages, greenhouses and garden sheds. Insurance policies vary, so always check that the cover meets your needs before buying.

Contents insurance

Contents insurance covers the cost of repairing or replacing your possessions if they are damaged, destroyed or stolen.

This includes items you would take with you if you moved home, such as:

- Furniture
- Curtains and bedding
- Televisions
- Jewellery
- Kitchen appliances
- Clothing
- Computers and other electronic equipment

Find out more

[Personal insurance guidance from the Association of British Insurers](#)

[Find an insurance broker through the British Insurance Brokers' Association](#)

Business insurance

Business insurance helps protect businesses from unexpected costs and financial losses.

Whether you run a small business, a large company or work for yourself, insurance can help you recover when things go wrong.

Some common types of business insurance include:

Commercial property insurance

This insurance covers the cost of repairing or rebuilding business premises. It can also help replace stock, equipment or other business property

Business interruption insurance

This insurance helps cover lost income when a business cannot operate as normal because of an unexpected event.

Liability insurance

Liability insurance helps cover the cost of claims made against a business if it is found responsible for injury, damage or loss suffered by another person. It may cover:

- Compensation payments.
- Legal costs.
- Damage to someone else's property.
- Injuries to members of the public, customers or employees.

Cyber insurance

Cyber insurance helps businesses deal with the effects of cyber-attacks and online security incidents. It can help with:

- Detecting problems early.
- Preventing cyber-attacks.
- Responding to incidents.
- Recovering after an attack.

Find out more

[Business insurance guidance from the Association of British Insurers](#)

[Find an insurance broker through the British Insurance Brokers' Association](#)

Glossary of Insurance Terms:

DISASTER RESTORATION COMPANY	A company employed to clean and strip out your home after a flood. These firms may also supply drying equipment for your home.
DRYING COMPANY	A firm which specialises in supplying and operating drying equipment after a flood.
EXCESS	An amount of money that the policyholder has to pay towards the cost of a claim, for example, the first £50.
LOSS ADJUSTER	A person, independent of an insurance company but engaged and paid by it, who checks that a claim is covered and negotiates with the policyholder the amount payable for a claim. The fee for this service is paid for by your insurer.
LOSS ASSESSOR	A person who negotiates claims on behalf of policyholders. The fee for this service is paid for by the policyholder, not the insurer.
NEW-FOR-OLD	Cover for property where an item lost or destroyed would be replaced with a brand new one, with no deduction for wear and tear. Also called 'replacement as new'.
REINSTATEMENT	Where insured property is damaged, it is usual for settlement to be effected through the payment of a sum of money, but a policy may give either the insured or insurer the option to restore or rebuild instead.
SUM INSURED	The amount for which property is insured, and the maximum amount that the insurance company will pay for any claim.



Useful information

Association of British Insurers Guides

- **Guidance on Insurance**

<https://www.abi.org.uk/policy-and-guidance/general-insurance>

- **Home Insurance**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/personal-insurance/home-insurance>

- **Storm Guidance**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/storms>

- **Flooding**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/flooding>

- **Responding to Floods**

<https://keystone-cms-production-amfyhhecavg8gneq.northeurope-01.azurewebsites.net/blob/keystoneproduction/publicFile/2026/03/abi-guide-flood-guide-october2025-cmmxlzjlt001fggmmeu2103h6.pdf>

- **Subsidence**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/subsidence>

- **Wildfires**

<https://www.abi.org.uk/media-hub/news-post/the-abi-shares-advice-following-recent-wildfires-across-the-uk>

- **Cyber Insurance**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/business-insurance/cyber-insurance>

Useful information (continued)

Association of British Insurers Guides

- **Good practice guidance on cyber resilience**

<https://keystone-cms-production-amfyhhecavg8gneq.northeurope-01.azurewebsites.net/blob/keystoneproduction/publicFile/2026/08/abi-good-practice-guidance-cyber-resilience-july2026-cmsyolc075kchgao90lg47ghx.pdf>

- **Value of Commercial Insurance**

<https://keystone-cms-production-amfyhhecavg8gneq.northeurope-01.azurewebsites.net/blob/keystoneproduction/publicFile/2026/08/value-of-commercial-insurance-july2026-cmt05eix9004cg9qu4acr7cov.pdf>

- **Guidance for organisations considering payment in ransomware incidents**

<https://www.ncsc.gov.uk/guidance/organisations-considering-payment-in-ransomware-incidents>

- **Civil Unrest**

<https://www.abi.org.uk/policy-and-guidance/general-insurance/civil-unrest-faqs>

- **SME Resilience**

<https://keystone-cms-production-amfyhhecavg8gneq.northeurope-01.azurewebsites.net/blob/keystoneproduction/publicFile/2026/03/public-first-report-small-business-big-risk-tackling-sme-underinsurance-jan-cmmxeayvz0038g9pnc9it7hlu.pdf>

- **Environmental, Social and Governance**

<https://www.abi.org.uk/about-us/esg>



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