



## **5 Minute Presentation to**

### **Joint Committee on Finance, Public Expenditure and Reform, and Taoiseach**

#### ***Insurance Costs for Community Groups.***

At the outset, the Irish Men's Sheds Association wishes to thank the Joint Committee Chairman for inviting us to attend this meeting about insurance costs for community groups. The availability and cost of insurance are important considerations in developing and sustaining men's sheds.

By way of background, Men's Sheds provide a valuable and welcomed service to local communities. The initiative was introduced to Ireland in 2011 and there are now more than 400 sheds located in communities across the 32 counties of Ireland, with more than 10,000 men in regular attendance.

A shed should be a safe environment where men can meet and participate in various activities. In this way, they can overcome social isolation, improve personal wellbeing and contribute to the community. The rapid growth of Men's Sheds in Ireland indicates its value to members and their families.

The Irish Men's Sheds Association offers an umbrella organisation to affiliated sheds, in particular to those in the early stages of development. Our priorities

include sustaining sheds (individually and collectively), improving the wellbeing of shed members, coordinating volunteers and communicating key messages.

In this capacity we have heard countless inspirational stories from shed members and their families about the benefits of participation in a shed, sometimes life changing experiences. This brings us to the nature of participation in sheds, the activities undertaken and the need for insurance.

Once a shed has overcome the challenge of finding a suitable property, they must then obtain suitable insurance. While this may be a common challenge for many community groups, the nature of activities in a shed may incorporate particular risks, e.g. undertaking workshop activities such as carpentry.

It is a precondition of IMSA membership that affiliated sheds have appropriate insurance in place for the activities they undertake in order to protect the health and safety of shed members. Unfortunately, our experience to date indicates limited availability of insurance and volatile insurance premiums.

In response to these issues, which we believe threaten the sustainability of sheds, IMSA is continually exploring insurance options on behalf of affiliated sheds. While we have had some success the issue continues to frustrate many sheds, most recently the perceived growth in insurance premiums.

The pain is particularly acute for small sheds challenged by low economies of scale and with limited capacity to raise subscriptions or attract donations. In addition, standardised policies do not accommodate the diversity of activities in local sheds and their very different insurance-risk profiles.

We are just coming towards the end of a nationwide engagement programme, which we call 'cluster meetings' and where we bring together all the sheds in each county for open dialogue on key issues. Insurance is one of many issues that we discuss, including how different sheds overcome the challenge. The cost of insurance brings significant pressure on many sheds limited financial resources.

It is important to state at this point that we have recently developed a good working relationship with one particular insurance provider (FBD Insurance) for which we are very grateful. This is a practical partnership where local agents meet with local sheds to discuss ways to make the shed a safer place.

It is also important to acknowledge that insurance underwriting is a complex discipline of which we and our affiliated sheds have limited direct experience. We can only speak from the perspective of a community group that requires insurance and struggles to obtain it at a cost we believe to be reasonable.

We recognise the role of this committee in advising relevant ministers on proposals that promote and coordinate economic and social planning. Whereas we are not making a specific proposal today, we welcome to opportunity to speak as an interested party with practical experience.

While we also recognise the commercial needs of the insurance industry and our own obligations as community groups providing services to the public, we simply wish to express a very real concern that the availability and cost of insurance may needlessly restrict important community services such as ours.

By their nature, most community groups are thinly spread across the country and, unlike commercial enterprises, they find it difficult to consolidate in pursuit of scale without negatively impacting on their reach into communities. In this context, continued rising insurance costs could threaten the sustainability of men's sheds in Ireland.

Thank you.

Barry Sheridan

CEO

Irish Men's Sheds Association