

**Report into the operation of the Wem Sports and Social Association (WSSA); paying particular attention to the annual financial contribution it receives from WTC**

1. This working party was established as a result of a councillor motion put forward during an ordinary meeting of Wem Town Council (WTC) on 26 September 2024. The motion, which was carried, was 'To agree to establish a working party that would review the operation of the Wem Sports and Social Association (WSSA); paying particular attention to the annual financial contribution it receives from WTC, and the cost in man-hours of the support provided by the town's Groundsman and Town Clerk'.

2. The working party consisted of Councillors Barker, Johnson and Parry. The group met on 3 occasions over a period of 3 months. On the first occasion councillors first thoughts and concerns were shared for consideration. At the second meeting the WSSA Chairman (Councillor Towers) and the WSSA secretary/treasurer (Town Clerk) were invited to explain and comment on the operation of the WSSA. During the third meeting the contents of this report were formalised and agreed. The working party had access to the Briefing Note presented to all town councillors earlier in 2024, the current constitution of WSSA, a lease (dated 14 January 1974) between WTC and the then appointed trustees of WSSA, a WSSA agenda item 6 (date of meeting unknown) outlining costs incurred relating to Butler Sports Centre maintenance costs and, finally, finance reports/budgets from WTC records and WSSA.

3. The working party established that there were current and historic issues in the relationship between WTC and WSSA that need to be addressed. Early in its deliberations the working party agreed that the WSSA had in the past, currently and, hopefully in the future, much to contribute to the fabric of Wem. It also acknowledged that all Trustees involved in WSSA have acted with integrity and consistently worked towards positive outcomes for the people of Wem. However, due to various historic events the relationship between WTC and WSSA has become complex, rather unwieldy, and a little impenetrable. In particular the working party agreed there was a lack of transparency regarding the funding and incurred labour costs of the Association. This lack of transparency was considered a hindrance to decision making by both WTC and WSSA.

4. The events that the working party considered contributing factors to what complicated the relationship between WTC and WSSA were as follows:

a. 2006 Originally the town groundsman was employed directly by WSSA, however his contract was subsequently transferred to WTC. During the this transfer the WTC annual contribution to WSSA was adjusted accordingly. The equipment (ownership/maintenance/storage etc) remained under WSSA control although the annual contribution was again adjusted accordingly.

b. 2009 - it was agreed that Wem Town Council would take over as the Association's Financial Advisor. The role of Assistant to the Town Clerk (Sue Thornhill's role) was created to help with the extra workload this would create. By 2010 the Town Clerk was also Secretary to The Association.

c. 2019 Wem Sports and Social Club became a separate entity - Wem Sports and Social Club Ltd., and they were granted a licence to occupy the Social Club rooms. The Association was set up to become a Foundation CIO (Charitable Incorporated Organisation, where the only members are the trustees). As it was becoming increasingly

difficult to recruit Trustees it was agreed that out of the 9 Trustees, Wem Town Council would always have 3 Trustees on the Association who were Town Councillors.

d. 2020 - It was discovered that the Social Club building (which was originally a separate temporary building) that was incorporated into the original changing rooms by the addition of a brick skin and a linking corridor, was in a very poor structural state due to damp penetration. Water had penetrated both the frame and the longitudinal sections of the building, and a structural report showed that the building was in danger of collapse. The building was demolished in 2021 and this work was funded by the Bulmer Cottage fund which is earmarked for the swimming pool and the Butler Sports Centre.

5. The first consideration made by the working party was to increase transparency of finances for both Wem Town Councillors and WSSA Trustees. The change to the employment status of the Groundsman and the associated wages bill has resulted in that financial burden being lost in budgets and reports. WSSA create budgets that balance, but do not include this added cost to its operation. WTC consider the headline annual contribution to WSSA (currently £14k plus £7k TC Machinery Contribution), but do not consider the additional wages bill. This can result in approximately an additional 33% contribution that WTC should consider when agreeing its annual contribution to WSSA. The agreement of WTC in 2009 to provide administrative support to WSSA, with permission given for the Town Clerk to act as secretary and treasurer to the Association, places a further financial burden on WTC. However, this financial burden is more difficult to calculate as there are some commonalities with additional work undertaken by the Town Clerk for other organisations in the town. The working party could see no way of resolving this arrangement by changing current practice. However, it was agreed that all financial reports and budgets (both WTC and WSSA) should clearly identify and signpost this anomaly for both Councillors and Trustees to ensure consideration of this cost when planning finances.

**Recommendation (1)** – WTC should instruct the Town Clerk to take whatever steps necessary to ensure the estimated proportion of the WTC Groundsman's wages bill that is spent on WSSA activities is clearly identified as a footnote to any relevant financial reports/budgets presented to WTC. WSSA Trustees should be respectfully reminded of this additional financial support provided by WTC for inclusion in its reports and deliberations.

6. The relationship between WTC and WSSA is significantly different to other relationships built between other groups and organisations in Wem. It would be virtually impossible to remodel this relationship given the Associations charitable status, but given WTC's financial commitment and interdependence on all things ground maintenance associated, WTC should become more influential in the management of the Association. The working party agreed that in order to achieve this objective, WSSA should be approached to increase the number of WTC appointed charity trustees from "up to three" to "up to five" as stipulated in their constitution. WTC should endeavour to appoint the maximum number to ensure it maintains both influence and transparency. It was also agreed WSSA should be approached to ensure one of the five appointed WTC charity trustees must hold the office of WSSA Chairperson.

**Recommendation (2)** - WTC should approach WSSA and respectfully request they make amendments to their constitution to permit up to five WTC charity trustees and that one of these appointments should hold the office of WSSA Chairperson.

7. The working party found little evidence that the wider sporting community in Wem (beyond Wem Town Football Club, Wem Bowling Club, Wem Albion Bowling Club and Wem Tennis Club) were significantly benefiting from the existence of WSSA. Indeed, Wem Bowling Club, Wem Albion Bowling Club and Wem Tennis Club hold little more than self-maintaining leases with the Association. Wem Town Football Club does benefit significantly with the provision of a well maintained changing room, stand, football pitch and floodlights. Although the Club does pay a very significant annual fee (£9k) for the use of these facilities, WSSA (unfortunately) manages this facility at a financial loss. However, the working party could not identify what the Association could do to reverse this deficit unless it were to significantly increase rents, reduce spending on the pitch (which would be self-defeating as the standard of football strived for in Wem relies on a quality playing surface) or encouraging Wem Town Football Club to enter into a self-maintaining lease as per the other sporting clubs previously mentioned. This would also be a poor option given WTC (through WSSA) needing to retain control over the asset. Although unable to offer any workable suggestion to improve this aspect of WSSA's management, the working party agreed that WSSA should provide WTC with comprehensive written reports annually to enable the Council to give better informed consideration as to whether its annual contribution is spent to best effect.

**Recommendation (3)** – WSSA should be requested to submit an annual report to WTC detailing its financial status and its progress (including significant landmarks) through the year. This report should be provided in sufficient time for the council to consider it as part of its budget setting process for the forthcoming financial year.

8. The final thoughts of the working party was that WSSA and WTC are not sufficiently credited with the effort they exert to maintain these particular assets in Wem. It was agreed that WTC should consider better visibility through social media, signage or by other means to ensure the local community (and visitors to the town) see that their taxes are spent wisely and are benefiting individuals of all ages.

**Recommendation (4)** - WTC should consider better visibility through social media, signage or by other means to ensure the local community see that their taxes are spent wisely and are benefiting individuals of all ages.