

Consideration of Infrastructure Funding for Wem Town Hall Trust (Deferred from 18.12.25)

Purpose of Report

To consider whether Wem Town Council should change its funding approach for Wem Town Hall Trust (WTH), from supporting services and activities to potentially supporting infrastructure improvements, and to decide whether to set aside a budget provision that could be used for this purpose, or allocated to another organisation or project, subject to future council decisions.

Background

Wem Town Council has provided financial support to Wem Town Hall since it reopened. Since 2019 this funding has been formalised into a series funding agreements with identifiable objectives. The latest funding agreement has ended, the objectives set out in that funding agreements were as follows

Objective 1: To support the development of Wem Town Hall so it can provide activities and services for residents of all ages and backgrounds.

Objective 2: To support economic activity in Wem, including initiatives that benefit the local economy.

Over the past ten years, the Council has provided approximately £200,000 in total funding with little public acknowledgement of this by the Town Hall Trust. Since 2019 annual funding to WTH has reduced incrementally from £22,000 in 2019 to £14,000 in 2025.

The Trust has requested that any future funding the Town Council provide to the hall now be redirected away from objective led service provision and instead be used for specific capital or infrastructure items, for example upgrading the tiered seating. This request follows discussions about long-term sustainability and potential shared use of the building.

This represents a significant change in funding approach. Council resolved on 18.12.25 that this should be considered further as part of the budget-setting process. The Trustees have been advised accordingly.

Funding Options

Option 1: Continue Funding Services and Activities (Current Approach)

Advantages

- **Direct community benefit:** Supports inclusion, wellbeing, learning, and community cohesion.
- **Flexible:** Allows the Trust to adapt activities as community needs change.
- **Lower risk:** Avoids investing public money in physical assets the Council does not own.
- **Encourages innovation:** Supports new initiatives and partnerships.

Disadvantages

- **Less visible outcomes:** Benefits can be harder to measure and evidence.
- **Value-for-money challenges:** Difficult to link funding to long-term impact.
- **Ongoing dependency:** Risk of reliance on Council support.

Option 2: Infrastructure-Only Funding (Preferred by WTH)

Potential Advantages

- **Visible results:** Clear, tangible improvements residents can see and use.
- **Safety and compliance:** Can address aging infrastructure and reduce risk.
- **Improved viability:** Better facilities may attract hirers and support sustainability.
- **Clear accountability:** Capital projects can be specified, costed, and evaluated.
- **Non-recurring:** Infrastructure funding does not necessarily need to be provided every year.

Key Risks and Disadvantages

- **Non-Council asset:** Public funds would be invested in a building not owned or controlled by the Council.
- **Asset risk:** Without safeguards, funded items could be sold, removed, or poorly maintained.
- **Future expectations:** May create pressure for repeat or replacement funding.
- **No guaranteed benefit:** Improved infrastructure does not automatically increase use or income.

Due Diligence Requirements (If Infrastructure Funding Is Considered)

If councillors wish to consider infrastructure funding, it is recommended that no funding is released unless the Trust provides information broadly aligned with National Lottery Awards for All standards, including:

- 1. Business Case** – Evidence of need, sustainability and community benefit
- 2. Project Details** - Inclusion of itemised costs and quotes and clear delivery timescales
- 3. Asset Protection** - Agreement preventing disposal without Council consent, Clawback provisions and maintenance responsibilities
- 4. Transparency** - Public acknowledgement of Town Council funding
- 5. Monitoring** - Evidence that funded items are in use and delivering benefit

Conclusion

Infrastructure funding could deliver visible benefits but carries greater financial, governance, and reputational risk than the current service-based approach.

Decision Required

Council is asked to resolve, in the following order:

1. Whether to change its funding approach in relation to Wem Town Hall Trust:

- a) to move from funding objective-led service provision to considering funding for infrastructure improvements; or
- b) to retain the current approach of funding services and activities in support of agreed objectives.

2. If Council agrees in principle to option (a) (infrastructure funding):

- to decide whether to establish a budget provision for potential infrastructure funding as part of the 2026/27 budget-setting process; and if so, to agree the amount to be placed in that budget code.

If Council agrees to option (b) (continuing service provision funding):

- to determine whether to continue to provide revenue funding for services and activities; and to agree the level of funding to be included within the 2026/27 budget for that purpose.

3. To note and agree that, under either option:

- The inclusion of any provision in the 2026/27 budget does not create an automatic entitlement to funding.
- Any release of funds would be subject to a further specific Council decision, appropriate conditions, and satisfactory reporting.
- Council may vary, reduce, or withhold funding depending on priorities, performance, or the availability of funds.
- A working party will be needed to be established to consider terms and conditions relating to either funding model.