

Friends of the Old Bega Hospital Inc

10 September 2013

The Hon. Andrew Stoner, MP
Deputy Premier, Minister for Trade and Investment,
and Minister for Regional Infrastructure and Services
Level 30, Governor Macquarie Tower
1 Farrer Place
SYDNEY NSW 2000

Dear Minister

I am writing to you on behalf of the Friends of Old Bega Hospital Inc about the future of the Old Bega Hospital buildings and grounds, which are owned by the NSW government.

Friends of the Old Bega Hospital Inc. was formed in February 2013 to encourage and support restoration and maintenance of the Old Bega Hospital as a heritage and community precinct.

Construction of the Hospital buildings began in 1888 on the old Bega common. There are no other buildings from that period which match the heritage value of the Old Bega Hospital in the Bega Valley Shire. As the primary working hospital in the region it has played a major part in the social history of the Bega district.

The Hospital ceased operation as Bega's principal hospital in 1956 and for some time was poorly managed by the Department of Agriculture. However, the buildings were restored for the Hospital's centenary as part of celebrations of the Australian bicentenary in 1988. The precinct was then used extensively by up to 40 community groups before the main building accidentally caught fire and lost its roof on the night of 2 May 2004. Since then the main building has been unusable. Recent engineer's and architect's reports have established that the brickwork is still structurally sound, though it is inevitable that without repairs the building will gradually deteriorate. The separate former operating theatre, nurses quarters, morgue and laundry buildings have continued to serve the community and generate income. Photos of the main building, before and after the fire, are enclosed.

The Hospital buildings are on Crown land. We understand that the government of the day was inclined to sell the site but, following community representations, withdrew it from sale by notice in the government *Gazette* on 30 March 1990. Subsequently, the responsible minister has appointed a Reserve Trust to manage the Hospital buildings and grounds.

A principal objective of the Reserve Trust has been to replace the roof of the main building, to conserve its remaining heritage character and to allow it to be used again by the community. The building was not commercially insured at the time of the fire, and despite much effort the Reserve Trust has been unable to find either government or private funding sufficient to undertake the work. An estimate of the cost is of the order of \$800,000 to re-roof

the building and get it to a stage where internal fitout can commence. The main building has been estimated as likely to be worth in excess of \$2m once remedial work is complete.

We understand that the government is undertaking a comprehensive review of Crown land management.

The purpose of this letter is ask that the government, in considering and implementing the conclusions and recommendations of the Crown lands review, reconsider its management of the Old Bega Hospital to assure the future of its heritage and community values.

Despite specific requests by the Reserve Trust and others, the NSW government has been unable to identify funding to restore the building, conserve its heritage values and put it back into community use. For example, in answer to Parliamentary Question 3626 on 29 July 2008, the then government indicated that funding could not be sourced from the Public Reserves Management Fund, but did not suggest alternative sources of funds. The Friends of Old Bega Hospital think it is long past time when funding should be found. If the government - the owner of the building - is unable or unwilling to fund the project, whether from existing programs or through new funding, then we ask that it consider alternative options which will enable others to undertake the work. At present the building is still capable of being restored.

Our preferred option is that the Old Bega Hospital remain in government ownership, and that your government take financial responsibility for its restoration. We understand that the Bega Valley Shire Council does not have the resources to take it over. Our view is that the trustees on the Reserve Trust are doing an excellent job, at no cost to the government, in managing the buildings and grounds on a day to day basis. But they have access to nothing approaching the financial resources required to restore the main building.

In the absence of any evidence that funding is likely to be forthcoming from your government in the foreseeable future, we have approached the Commonwealth. In our view, it would be unfortunate if the Commonwealth were to pre-empt NSW funding of the work. Nonetheless, if the Commonwealth were prepared to provide some or all of the funding, we would be happy to accept it, and would hope that NSW would not stand in the way of a Commonwealth and community partnership to restore the main building.

We have also investigated opportunities for private funding. The community has raised \$30,000 to assist with restoration. The Friends have identified a further \$100,000 in potential donations. To attract further substantial private funding, we think it essential that donations be tax deductible. We have established that to achieve tax deductibility for arts purposes, the site would have to be run principally as an arts precinct. While we see that as a possibility, we consider it more desirable to have the Old Bega Hospital managed for general community purposes. Substantial community consultation would be required to establish: 1) that the arts community wants the Old Bega Hospital as an arts precinct; and 2) that the general community would agree to the Hospital being withdrawn from wider community uses.

We have also established, on advice from the National Trust, that tax deductibility for donations for heritage purposes will not be possible while the Hospital is owned by government.

We think it unlikely that we will be able to attract further substantial donations towards restoration of the Hospital while there is any likelihood that its government owner might at

any time choose to sell the restored building to a developer or other private interests. There is still a feeling in the community that the 1988 restoration effort was wasted because the building was not insured, and it is going to be more difficult to get in-kind and volunteer support for a second effort.

Our preference is that following the review of Crown lands your government restore the main building and assure use of the Old Bega Hospital in perpetuity for community purposes. If the government were to do that, then we think that a Reserve Trust would be appropriate to manage the property.

The Reserve Trust has again applied for a Community Building Partnerships Program (CBPP) grant this year. If the Trust were successful in getting the entire amount available to the entire Bega electorate this year, \$300,000, it, together with \$130,000 in private funding, would be sufficient to replace the roof, but not to get the building to lockup stage, let alone fitted out. The government might wish to consider funding one or two larger projects each year under the CBPP to cover cases such as the Old Bega Hospital.

If the government is not prepared to restore the main building within the next two years, then we think it should consider disposing of the buildings and site to an entity that would be willing and able to raise the funding required to restore the building and maintain the entire Old Bega Hospital precinct for community purposes. We suggest that a non-government community trust could be established for that purpose, though it might not be financially viable. A community trust may not be able to raise sufficient funds to undertake the restoration works without government contributions. However, a community trust would be able to apply to receive tax deductible donations for both arts and heritage purposes, as well as manage the buildings for wider community purposes. While a community trust might need to continue to call on government to contribute capital works funding, no longer would we see it as solely your government's responsibility - as owner - to protect, restore and maintain the buildings. We are also conscious that a community trust as owner would have to pay commercial insurance premiums and local government rates, costs that the current Reserve Trust does not face. So it is not a straightforward option.

What we do not think is acceptable is to see the Old Bega Hospital main building gradually fall into ruin because its owners apparently fail to recognise its values, and consequently fail to take actions required to protect its heritage value and return it to community use. If the building is ever to be restored, it should be done sooner rather than later.

We look forward to your advice on your intentions for the Old Bega Hospital, and hope, in particular, that in considering the review of Crown lands management your government will identify ways and means to assure its future.

Yours sincerely

Richard Bomford
President

cc The Hon Andrew Constance MP, Member for Bega