



Old Bega Hospital Reserve Trust

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16 November 2015

The Hon. Andrew Constance MP
Member for Bega
122 Carp Street
Bega NSW 2550

Dear Mr Constance

Thank you again for organising the offer of \$500,000 from the NSW government to put a roof on the main building at the Old Bega Hospital, as part of its restoration for a Regional Community and Cultural Centre. There have been developments since the Friends of the Old Bega Hospital wrote to you on 14 April. We'd like to bring you up to date and suggest we meet again to discuss where we go from here. We were sorry you were unable to get to the Spring Festival to 'Raise the Roof' at the end of October. It was a great day.

The Reserve Trust finalised the deed of agreement with the Department of Trade and Investment for the offer of \$500,000. Under the terms of the deed we have until 31 October 2016 to secure the additional \$2.5m funding required to complete the project.

We also met with Dr Hendy in April. He suggested that we would need Council support if we were to have any chance of getting National Stronger Regions (NSRF) funding from the Commonwealth. To that end we met with Council officers, addressed a Council meeting, made a submission to Council's budget and strategic planning process, met again with Council officers and the Mayor, and finally got the attached letter from Council to Dr Hendy in support of the project. Council's main difficulty as we understand it is that Council is an applicant to the NSRF in its own right and it sees the OBH proposal as a competitor to Council's immediate interests. Given those circumstances, we think Council has written a strong letter of support. Council has been quite clear throughout that it cannot provide funding, but will provide in kind support as the project develops.

We have also been drafting supporting documentation for an NSRF application, including a management plan for the site, a more formal project proposal, consideration of alternative options, a risk management plan, and a business plan.

We applied for \$250,000 from the Crown Lands Public Reserve Management fund for repairs and maintenance to the Nurses Quarters, the building currently used by EDGE FM and other

community groups. In the event, PRMF applications were severely cut back and we received \$32,500. We have sought to supplement that with up to \$20,000 through the Stronger Communities Program, a Commonwealth program administered locally through Dr Hendy's office, so that we can provide disabled toilets in the main building - a concrete start to work there. We will know the result of that in February. We have also sought \$31,500 through the Community Building Partnerships Program to resheet and insulate the now ancient roof on the Nurses Quarters.

While those funding efforts are useful, they will not get the Regional Community and Cultural Centre up and running. The total funding required for the project, on the basis of professional quantity surveys for the roof and for the remaining work, is of the order of \$3m. We have the conditional offer of \$500,000 for the roof. At this stage we need to find a further \$1m to provide a total of \$1.5m which we can put to the Commonwealth to be matched through the NSRF.

It seems to us that the principal likely sources of the \$1m required are:

- Crown Lands - PRMF - perhaps \$500,000, as 'owners' of the site
- Community Services - perhaps \$250,000. The CBPP would be an appropriate vehicle, but it seems that it continues to lack the capacity to fund larger projects
- Arts - perhaps \$500,000. We understand that 'poles and wires' money will become available at some point
- Heritage - we think unlikely to have funds for restoration work, but should be engaged and supportive
- community sources, including businesses, foundations, families and individuals - perhaps \$100,000. The Commonwealth has directed the National Trust not to run tax deductible campaigns for State owned heritage.

The key issue at this point seems to be coordination and commitment, to identify where funds are going to come from and when so that we can be sure that if we make the appropriate application we will end up with a package that adds up to \$1m and that is provided in a way that enables us to apply for and obtain the NSRF grant before the next federal election and before the \$500,000 offer expires - both around September or October 2016. If we end up with too little money, or it comes too late, we risk losing the project.

We have sought a mechanism to coordinate the relevant NSW departments, initially through the Department of Infrastructure as administrators of the \$500,000 grant; and then through Regional Development Australia (RDA). RDA advised that it was unable to assist, and the Department of Infrastructure advised that coordination was a matter for the Deputy Premier's Department. Both identified you as the best bet.

We were encouraged by the success of a proposal by Cardinia Shire in Victoria in the first round of the NSRF. It was to upgrade and extend an existing Mechanics Hall to include a new commercial kitchen, space and facilities for University of the Third Age and the Men's Shed, new foyer, art display space, local tourism information, space for a community radio station and a versatile meeting space. There are many parallels in that to our proposals for the Old Bega Hospital. We therefore spoke to the consultants who prepared the Cardinia application and got some useful advice. Apparently feedback on the Cardinia application was that it set the standard for the NSRF. The downside from our point of view is that preparation of the documentation was done by an

international consulting firm and it cost the Council \$30,000 - an indication of the scale of effort required for us to succeed. We will also need to engage architects, draft building contracts and submit a development application before we can proceed.

We are determined to succeed. The \$500,000 that you organised is the best chance in a long time to get the Old Bega Hospital back working for the community. We should not let it go.

Yours sincerely

A handwritten signature in cursive script that reads "Jay Ellard". The signature is written in black ink on a white background.

Jay Ellard
Secretary

