



## Old Bega Hospital Reserve Trust

301 Old Princes Highway Bega NSW 2550 - PO Box 382 Bega NSW 2550 - Email: [reservetrust@obh.org.au](mailto:reservetrust@obh.org.au)

29 February 2016

The Hon Troy Grant MP  
Deputy Premier of NSW  
Level 20, 52 Martin Place  
Sydney NSW 2000

Dear Minister

In January 2015 you wrote (ref OUT15/3663) to the Friends of the Old Bega Hospital offering a grant of \$0.5m from the NSW government towards reconstruction of the Old Bega Hospital.

The Friends of the Old Bega Hospital Inc accepted the offer and the Old Bega Hospital Reserve Trust, as the more appropriate legal entity, entered into a funding deed.

We, the Friends and the Trust, have been working hard to fulfil the conditions for release of the grant:

- We have applied for funding under the Public Reserves Management Fund, the Community Building Partnerships Program and the Stronger Communities Program; we have conducted and found sponsors for a 'Raise the Roof' festival day to maintain community engagement; we have an offer of \$100,000 from the community (with similar conditions to your offer of grant); and we will apply for a category 3 Clubs grant.
- We have investigated requirements for National Stronger Regions (NSRF) funding and the approach taken by a similar proposal from Cardinia shire that was successful in round 1; we have discussed approaches with the Federal member, the Hon Dr Peter Hendy, and State member, the Hon Andrew Constance.
- We have obtained the support of the Bega Valley Shire Council, including having the project included in Council's strategic planning.
- We have prepared a draft management plan and a draft business case. We have engaged with potential users. We are working on other documentation required for NSRF, including a risk management plan.

Early on it was clear to us that to meet the conditions of your offer of grant will require a coordinated approach to funding from the NSW government, which owns the site and which will own the restored building. The relevant departments and agencies are Crown Lands as owner on behalf of the government, heritage as it is a heritage building, community services as we are proposing to use the building as a community centre, and arts as we are proposing the restored site also be a cultural centre for the region. To that end we first discussed an approach to coordination with Megan Cleary, the contact officer for the NSW grant offer. She undertook to raise the matter with your Department, as the most appropriate body to coordinate funding within the NSW government administration.

We then approached Regional Development Australia, Far South Coast, which, we understood, had responsibilities for coordinating NSW and Federal infrastructure priorities in the region, and for assisting applicants with their applications for NSRF funding. The reply we received on 4 November 2015 was:

With regard to Old Bega Hospital, your entire suite of documents was presented to the Committee and raised as an Agenda item at last week's General Meeting.

The resolution passed was as follows:

Resolved to advise Mr Bomford [president of the Friends of the Old Bega Hospital] that RDA FSC is happy to direct him to Round 3 of the National Stronger Regions Fund (NSRF), if and when it is announced, and believes that this is the extent of the support that can be offered by RDA FSC at this stage.

We sought an explanation of that advice and were told that the RDA could only advise applicants re their documentation when an NSRF funding round was open and the criteria for that particular round were known; it had no role in setting priorities or coordinating government funding; and the response we received was the same as any other proposal would have received in the circumstances.

As those two approaches seeking coordination at an administrative level had failed, on 16 November 2015 we wrote to Andrew Constance seeking his assistance to facilitate coordination at the political level. On 11 February we received an initial reply from Mr Constance, enclosing letters from the Hon Niall Blair and the Hon Mark Speakman. Both Ministers advised that they were unable to commit to funding and that we should apply for grant funding through regular programs in the regular way. We find those letters discouraging as it appears to us to continue a piecemeal approach within the NSW government. We see no prospect in those letters of getting whatever NSW government funding is available together in one place at one time: it seems that even though sufficient funding may well become available, we will not succeed in getting the required \$1m to add to your January 2015 offer of \$0.5m *in a way that will enable us to make a single approach to the Commonwealth for a matching grant of \$1.5m* to raise the total of \$3m which is required to complete the project in one funding round, and meet the primary condition of your offer, which is to have the all funds in place to complete the project.

We therefore have turned once more to alternative approaches that will make funding of the project practicable.

The purpose of this letter is to seek your agreement to relax the terms of your January 2015 offer so as to allow the project to be implemented in stages. The principal advantage we see in that is that it will make the full project feasible on a piecemeal funding basis. It is not our preferred approach, and no doubt it was your intention in setting the conditions of your offer to avoid just this outcome. We do note that it is the approach suggested by Minister Blair in his response to Mr Constance.

If the terms of your offer of grant were relaxed, our intentions are that we would:

- develop stage one of the project to get the building weather tight and secure, i.e. with a roof and at a minimum a complete set of external doors and windows
- seek matching funding of the NSW offer (\$0.5m) from the National Stronger Regions Fund, to take the total available government funds to \$1m at this stage

We also propose to engage an architect to produce a sufficiently developed plan for both stage one and the complete restoration so that all work done at this stage will meet the requirements of the final building; and engage consultants to work with the architect and the community to ensure we get the best possible design of the building to meet both present and long term future needs of the region, and produce professional documentation for the NSRF to maximise the chances of success.

As we read it, the principal term of the 2015 agreement that needs to be relaxed is the requirement to secure funding to undertake the full restoration project with a value of \$2.24m. Rather, we suggest a requirement to secure funding to undertake *stage one of* the full restoration project, with a value, including the NSW contribution, of \$1m. If in the meantime we are successful in obtaining other funds, we will add that to the pool and seek NSRF matching of all available funds.

We will continue to pursue sources of funds to advance reconstruction of the building as fast as possible and return it to the community as a productive asset. It remains our intention to have a complete, functioning and self-funding building operating as a regional community and cultural centre for the south coast as soon as possible.

Yours sincerely



Patricia Jones  
Chair

Enclosures

- A. Proposal for a Regional Community and Cultural Centre
- B. Letter from the Hon Mark Speakman, Minister for the Environment, Minister for Heritage and Assistant Minister for Planning
- C. Letter from the Hon Niall Blair MLC, Ministers for Primary Industries, Minister for Lands and Water
- D. Letter from Bega Valley Shire Council to Dr Peter Hendy
- E. Draft business case
- F. Draft management plan

cc The Hon Dr Peter Hendy  
The Hon Andrew Constance