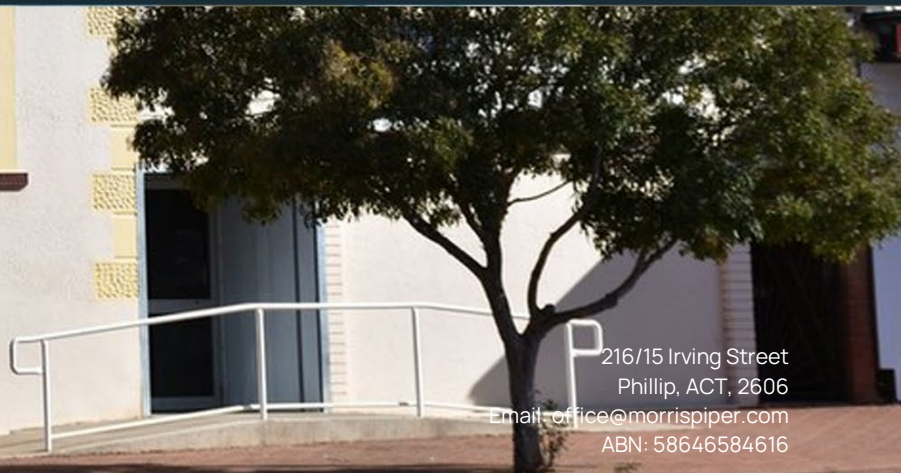


COBAR TOWN HALL REDEVELOPMENT
BUSINESS CASE

MARCH 2024



Business Case



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COBAR TOWN HALL REDEVELOPMENT BUSINESS CASE

Prepared For Cobar Shire Council
ABN: 71 579 717 155
Cobar, NSW

The information contained in this document has been compiled from various sources including information provided by the applicant and a range of publicly available data. Morris Piper has made various assumptions based on this information in the compilation of this document.

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Morris Piper acknowledges the NSW Government for providing the funding to undertake this important project.

Morris Piper acknowledges the traditional owners, custodians and all First Nations peoples of the Cobar region and acknowledge their continuing connection to land, waters and community. We pay our respects to the people, the cultures and the elders past, present and emerging.

KEY PROPOSAL DETAILS

PROPOSAL INFORMATION

Proposal name	Cobar Town Hall Redevelopment
Lead proponent	Cobar Shire Council
Lead proponent ABN	71 579 717 155
Proposal partners	DunnHillam Architecture & Urban Design

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PROPOSAL LOCATION

Proposal address	5 Barton St, Cobar NSW 2835 Australia
Local government area	Cobar
NSW electorate	Barwon
Federal electorate	Parkes

SUPPORTING INFORMATION

Key documents referred to here within have not been attached as appendices as they belong to and are available through Cobar Shire Council.

- Feasibility and Masterplan Report, Cobar Town Hall, DunnHillam Architecture & Urban Design, March 2024
- Concept Cost Report, Cobar Town Hall, Altus Group Cost Management Pty Ltd, March 2024
- Cobar CBD Master Plan and Grand Precinct Report, GHD, June 2023
- Cobar's CBD Masterplan Engagement Outcomes Report, GHD, November 2022

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1. EXECUTIVE SUMMARY

The Cobar Town Hall Redevelopment Business Case presents a detailed analysis and proposition for the revitalisation of a key historical and cultural asset in Cobar, NSW. Situated in the heart of the community, the Town Hall has long served as a venue for local events and gatherings. However, its current state of vacancy and disrepair necessitates an urgent and considered intervention.

This business case evaluates three redevelopment options, advocating for ***Option 3 - Partial Demolition and Refurbishment within the existing historic footprint***, as the preferred approach. This option strikes a balance between preserving the Town Hall's rich heritage and adapting it for contemporary use, thereby re-establishing it as a functional and respected local asset.

The Cobar Local Government Area is home to over 4,000 residents and boasts a rich history and a robust economy primarily driven by the mining and pastoral industries. The Cobar Town Hall, built in 1893, has historically played a central role in the town's cultural and social life. Recent years have seen the building fall into disuse, prompting discussions on its future.

The proposed redevelopment is embedded in a deep understanding of the Town Hall's significance to the Cobar community. It seeks not only to address the building's physical deterioration but also to rekindle its role as a centre for arts, culture, and social connection. The revitalisation effort aligns with broader strategies to enhance Cobar's appeal as a vibrant and cohesive urban centre, contributing to the town's overall liveability and economic resilience.

The project aligns with local, regional, and state strategic frameworks, including the Western Plains Regional Economic Development Strategy and the Creative Communities Policy. It supports key objectives such as economic diversification, tourism enhancement, cultural and heritage preservation, community well-being, and the support for creative industries.

The redevelopment is expected to deliver genuine grassroots benefits:

- Enhanced community engagement and accessibility.
- Preservation and promotion of Cobar's heritage and identity.
- Stimulation of local economy through increased community and business activity.
- Potential for new partnerships and further investments in surrounding infrastructure.

Strong community support has been demonstrated through various consultation sessions. Key values such as historical preservation, multi-purpose use, and focus on arts and culture have been emphasized as priorities for the Town Hall's future.

The project forecasts a positive net revenue over five years, predicated on a realistic assessment of operating costs and revenue from diversified uses. The preferred option requires an initial investment of \$3.3 million, for which government grant funding will be pursued. The Cobar Town Hall Redevelopment represents a strategic investment in the community's future, promising to restore a cherished local landmark while adapting it to serve contemporary needs.

This business case lays out a clear, viable path forward, underscoring the project's potential to significantly contribute to Cobar's cultural richness, social cohesion, and economic vitality.

2. CASE FOR CHANGE

2.1 BACKGROUND

Cobar Shire is situated in the centre of New South Wales and covering approximately 45,600 square kilometres. Cobar is placed at a unique geographical junction, about 700 kilometres northwest of Sydney and 450 kilometres east of Broken Hill, at the crossroads of three major highways: the Kidman Way, the Barrier Highway, and the Wool Track. These routes not only facilitate significant transport and connectivity across the region but also underscore Cobar's strategic importance as a gateway between regional towns and communities. Cobar Shire is home to just over 4,000 residents, the majority of whom live in the town of Cobar itself.

Core demographics for the Cobar Local Government Area, based on the 2021 ABS Census are: the gender distribution was almost equal with 50.9% males and 49.1% females. The median age was 37 years. There were 925 families residing in Cobar with an average household size of 2.3 people. The median weekly household income was \$1,740, with median monthly mortgage repayments of \$1,096 and a median weekly rent of \$200. On average, there were 1.9 motor vehicles per dwelling and the Indigenous population comprised 14.3% of the total Shire population.

The Shire's economy is built on the mining (gold, copper, lead, silver, zinc) and pastoral industries, which are strongly supported by a wide range of attractions and activities, all of which make it a key tourist stop-over point in the region. As a result of this strong mining sector, Cobar boasts an unemployment rate of 3.2% as of the 2021 Census, meaning the opportunities for economic growth are ripe.

This backdrop sets the stage for the Cobar Town Hall located at 5 Barton Street, strategically situated in the Cobar town centre. This important building in the town's cultural and social history has served numerous community functions since its inception in 1893. From its days hosting lively dances and concerts to its adaptation into a cinema and dance studio, the Town Hall's versatile use reflects the evolving spirit of Cobar. However, its current state of vacancy since 2020 prompts a re-evaluation of its role in serving the contemporary needs and aspirations of the Cobar community.

The architectural significance of Cobar Town Hall, with its origins dating back over 130 years, presents both a challenge and an opportunity. The building embodies the architectural and historical narratives of the region, serving as a physical reminder of Cobar's development. In preserving and enhancing its architectural integrity, the proposed option explored within this business case will pay homage to the past while adapting the space to meet modern needs. This approach not only ensures the building's continued relevance but also contributes to the broader aims of heritage conservation within the community.

The building was adapted to be a tiered cinema in 1997 and was used by different tenants sporadically as a cinema until around 2010, then a dance studio from 2013-2020 but has been vacant since. Today, the vacant building is largely non-compliant and unsafe, presenting numerous challenges that stem from its years of varied use and modifications.

2.1 RATIONALE FOR INVESTMENT

Revitalising the Cobar Town Hall presents a strategic investment opportunity to support a cultural resurgence and community uplift through utilisation of this historic centrepiece. The Town Hall will also integrate with the broader plans for the ongoing town centre master planning and renewal.

Any decision to invest in the Cobar Town Hall needs to appreciate that it goes beyond simply restoring a building; it's about revitalising the heart of the community. The preferred design option highlighted in the DunnHillam Feasibility and Masterplan Report, Concept Design Option 3, is supported as the preferred option (Option 3) in this Business Case as it represents the most cost effective and efficacious redevelopment out of the concept design options explored. The Masterplan Report should be read in conjunction with this document to capture the full breadth of the opportunity at hand. The proposed option will present a unique opportunity to breathe new life into a central part of Cobar's heritage and provide a versatile space that meets the evolving needs of Cobar's residents and visitors.

Community buildings are more than just physical structures. In regional and remote towns especially, they are places of genuine sentimentality and cultural connection to place and identity. From casual gatherings to formal events, workshops to celebrations, these spaces bring people together, encouraging a supportive network that is vital for the community's well-being. They serve as a foundation for building trust among residents, creating an environment where everyone feels valued and included.

However, since becoming vacant in 2020, the Town Hall has not only lost its utility but has also become a safety concern due to numerous non-compliance issues and unsafe areas. This decline not only affects the building itself but also diminishes the vibrancy of the town centre. Council has been investing in a range of planning works to support the renewal of the town centre and as such the Town Hall is not viewed in isolation, but rather a key piece of a broader strategy to ensure Cobar can remain a viable and sustainable community.

The proposed investment Option aims to transform this once-lively asset into a safe, compliant, and versatile community space. By doing so, Council would not only address the immediate physical concerns but also breathe new life into a venue that has been at the centre of Cobar's social and cultural activities for over 100 years. Additionally, growth in domestic and international tourism markets across regional Australia, Cobar and the Far West of NSW continues to position Cobar as an attractive destination for authentic 'Australiana' experiences.

Revitalising the Town Hall offers a chance to address these issues head-on, transforming a neglected space into a dynamic and safe venue that caters to a wide range of activities and events. Investment in the Town Hall is a commitment to Cobar's heritage and its future. It is an acknowledgment of the building's potential to once again be a focal point of community life, offering a space where culture, arts, and local events can thrive. This project is about making a lasting contribution to the town's vibrancy, attractiveness, and social cohesion, ensuring that the Town Hall continues to be a source of pride and a pillar of the community for generations to come.

2.3 STRATEGIC ALIGNMENT

The Cobar Town Hall redevelopment aligns with a healthy cross section of local, regional, State, and Australian Government strategies and policy priorities.

Undertaking Option 3 for the Cobar Town Hall aligns with multiple strategic frameworks and visions at the local, regional, and state levels, signifying its importance not only as a local project but as part of a broader strategic agenda. It supports key objectives in the Council's own *Community Strategic Plan 2032, Delivery Program 2022/2023 – 2026/2027*, and the *Annual Operational Plan 2022/2023*. The key themes a redeveloped Town Hall would address relate to the community's desire to better support arts and culture through improved facilities and opportunities. This dovetails into the economic development needs such as the desire to support and encourage new businesses and growth within Cobar – both of which the Town Hall has the potential to support.

Whilst we acknowledge in this Business Case that none of the options examined will directly or highly stimulate tourism, the preferred Option does enable some tourism boosting activities. Should the Town Hall regain a diversity of function, through hosting of events or markets, the town centre gains an additional reason for visitors to stay longer and engage with the Cobar community. We do not see this project as a significant tourism drawn card in and of itself, rather it is a piece of the larger tourism picture for Cobar as other facilities and attractions come online.

To complete the local alignment, additional importance and emphasis needs to be placed on the significant planning work Council has already undertaken. The Town Hall is important from precinct perspective as explored in the follow report.

COBAR CBD MASTER PLAN AND GRAND PRECINCT REPORT

The redevelopment of the Cobar Town Hall needs to be considered within the context of the Cobar *CBD Master Plan and Grand Precinct Report* which Council was presented in June 2023. Developing the Town Hall could achieve several objectives and aid the broader goals of revitalising Cobar's central business district/town centre. The Master Plan contains key references and implications for the Town Hall:

1. Community and stakeholder engagement

The engagement process identified a strong desire for enhancing Cobar's cultural and civic infrastructure. The Town Hall, being a significant community asset, is implicitly supported by this objective to revitalise public spaces and facilities for cultural and social activities.

2. The Grand Precinct objectives

The Town Hall is adjacent to the Grand Precinct. Its redevelopment will be consistent with and extend upon planned development of the Grand Precinct, and aiding broader CBD integration and connectivity, which establishes a framework supporting enhanced community facilities and public spaces. The Grand Precinct objectives to create hubs for the community and visitor destinations, clearly align with the notion of redeveloping existing cultural and community assets like the Town Hall.

3. Design scenarios and implementation matrix

The various design scenarios and the implementation matrix provided for different sections of the CBD and the Grand Precinct illustrate a comprehensive approach to urban renewal and infrastructure improvement. The Matrix's overarching principles of enhancing public spaces, preserving heritage, and improving functionality and accessibility are applicable to the Town Hall redevelopment.

4. Cobar CBD facade improvement program

Through its focus on the facades of buildings within the CBD, this program underscores the importance of enhancing architectural heritage and the overall streetscape quality. This program would serve as a model for any external refurbishment or visual enhancement of the Town Hall as part of its redevelopment.

5. Other opportunities

The document lists several innovative ideas to improve the vibrancy and functionality of Cobar's CBD, such as introducing microbreweries, pop-up shops, and free WiFi zones. Some of the listed concepts could be integrated into the redevelopment of the Town Hall, making it a more versatile and attractive facility for both residents and visitors. Possible uses have been explored further in this document.

6. Precinct objectives and design principles

The detailed objectives and design principles for the Grand Precinct, focusing on creating legacy projects, optimising economic potential, and retaining ease of access, to demonstrate a holistic vision for Cobar's urban centre that includes enhancing cultural and community facilities.

In summary, while the document primarily focuses on the broader CBD and the Grand Precinct, the principles, objectives, and strategies outlined can be applied to the redevelopment of the Town Hall. This includes enhancing its role as a community and cultural hub, improving its physical and functional aspects, and integrating it into the broader vision for a vibrant, accessible, and sustainable Cobar CBD.

This leads to regional and State level alignment with the preferred Option complementing the NSW Government's strategies such as the *Country and Outback NSW Destination Management Plan 2022-2030*, the *20-Year Economic Vision for Regional NSW*, and the *Statewide Destination Management Plan*. These plans emphasising the importance of investment in regional infrastructure which enables the showcasing of local strengths and endowments, leaning into the 'small town charm' and enabling 'vibrant contemporary culture'.

Whilst the above strategies provide degrees of alignment, the following key State strategies and plans are worth elaborating on further:

1. Western Plains Regional Economic Development Strategy (REDS) 2023 Update.
2. Creative Communities Policy, 2024-2033.

WESTERN PLAINS REGIONAL ECONOMIC DEVELOPMENT STRATEGY (REDS) 2023 UPDATE.

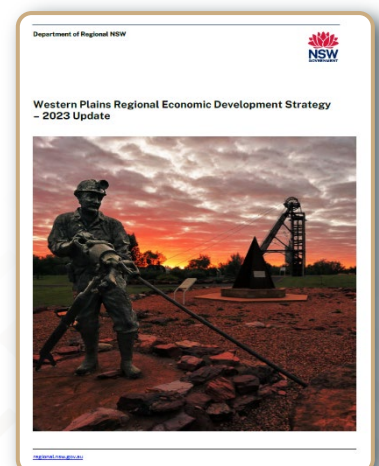
The Cobar Town Hall redevelopment would align with the Western Plains Regional Economic Development Strategy (REDS), a key strategy document the NSW Government has maintained as a resource for regions to leverage. Alignment is clear in several ways with the preferred option supporting the strategic objectives outlined in the REDS:

1. Economic diversification and growth

The project contributes to the diversification and growth of the local economy by revitalising a historic building for contemporary use. This revitalisation can attract more visitors and events to Cobar, potentially increasing spending in the local economy.

2. Tourism enhancement

By transforming the Cobar Town Hall into a multifunctional venue, the project aligns with the REDS's emphasis on growing the tourism sector. It enriches the region's visitor economy by adding a unique attraction that can host a variety of cultural, entertainment, and community events.



3. Cultural and heritage preservation

The project supports the REDS's focus on leveraging the region's cultural assets and heritage for economic and community benefit. The restoration and adaptive reuse of the Town Hall preserve an important part of Cobar's history, making it a point of pride and a draw for heritage tourism.

4. Community wellbeing and social cohesion

By providing a venue for community events, performances, and gatherings, the project enhances community wellbeing and social cohesion. It offers a space where residents and visitors can come together, fostering a sense of belonging and community spirit.

5. Support for the creative and cultural industries

The redevelopment aligns with the strategic goal of supporting the growth of the arts, culture, and creative industries within the region. By offering a space for artistic and cultural expression, the project can help nurture local talent and attract creative practitioners to the area.

The project would contribute to tourism, cultural heritage, community wellbeing, and the creative industries, all of which align with the broader goals of the Western Plains REDS.

CREATIVE COMMUNITIES POLICY, 2024-2033.

*Creative Communities*¹ presents a visionary 10-year plan, marking NSW's first comprehensive policy designed to develop traditional arts, cultural institutions, and extend support to the broader creative industries, including music, literature, design, and digital sectors. The policy underscores the importance of festivals and venues across NSW, serving as vital platforms for cultural expression and community engagement. These spaces not only enhance the vibrancy and quality of life within the state but also act as crucial nodes in the cultural fabric of our communities, allowing for diverse expressions of creativity and heritage.

Central to the policy are five core principles, three of which have particular relevance to our project:

1. Advocating for the value of culture

Highlighting the intrinsic value of culture and its impact on personal, community wellbeing, and economic development. The NSW Government pledges to champion cultural participation across all communities, ensuring equitable access and celebrating cultural contributions statewide.

2. Supporting sustainable growth

The policy commits to fostering the sustainable growth of the arts, culture, and creative industries. This includes the strategic use of underutilised spaces for cultural purposes, aligning with our project's objectives to revitalise and repurpose the Town Hall for broader community and cultural uses.

3. Infrastructure utilisation

Emphasising a broad and inclusive approach to infrastructure, with a focus on unlocking underutilized spaces for creative and cultural activities. This aligns with our initiative to transform the Town Hall into a vibrant cultural hub, making it fit-for-purpose and cost-effective for the community's benefit.



¹ NSW Arts, Culture and Creative Industries Policy 2024-2033 - Creative Communities - <https://www.nsw.gov.au/sites/default/files/2023-12/creative-communities-arts-culture-and-creative-industries-policy.pdf>

Seeing the alignment of the project with Creative Communities, Morris Piper believes the alignment of the project with this policy places it in good stead for future State Government interest and support.

2.4 EXPECTED OUTCOMES

Option 3 could transform Cobar Town Hall into a lively and functional community facility, helping to catalyse societal benefits, economic growth, and cultural revitalisation, whilst supporting job creation and local micro-businesses.

Based on the concept designs in DunnHillam's *Cobar Town Hall Feasibility and Masterplan Report*, the proposed redevelopment of the Town Hall under **Option 3 - partial demolition and refurbishment within existing historic footprint** could reasonably be expected to yield a range of outcomes and benefits, which can be expressed across societal, economic, and cultural aspects.

Table 1: Summary of expected outcomes for Option 3

Aspect	Expected Outcome
Societal	<ul style="list-style-type: none"> – Strengthened community engagement – Enhanced accessibility and use of public spaces
Cultural	<ul style="list-style-type: none"> – Preservation of historical sites – Enhanced support for cultural and artistic activities
Downstream Opportunities	<ul style="list-style-type: none"> – Adoption of sustainable development practices – Opportunities for educational and innovative initiatives
Economic	<ul style="list-style-type: none"> – Job creation during and post-construction – Economic stimulation through increased business and community activity

Societal Benefits:

The societal benefits predicted will be the driving force behind this project, closely followed by cultural outcomes as the second key outcome category. The Cobar Town Hall, as part of the broader Cobar CBD Master Plan and supported through the concept and feasibility designs, is anticipated to add additional social engagement and betterment opportunities for the Cobar community. This project will not only provide a multifunctional space for community gatherings, events, and cultural exhibitions but also serve to increased general community cohesion.

By offering a venue that supports a wide range of social activities, from educational workshops to cultural performances, the project aims to foster a stronger sense of belonging and community pride among residents of all ages. Additionally, the enhanced accessibility and usability of the space will ensure that all community members, including those with disabilities, can fully participate in and benefit from the Town Hall's offerings.

Cultural Benefits:

Culturally, the refurbished town hall will play an important role in preserving and showcasing Cobar's rich heritage and diverse cultural identity. By providing a space for the interchanging and flexible use cases such as display of local art, history exhibitions, and cultural festivals, it will not only celebrate the unique traditions of the community but also enhance cultural understanding and appreciation among residents and visitors alike. This emphasis on cultural preservation and staying true to the building's long history, and promotion such facts is expected to strengthen community identity and ensure that Cobar's cultural legacy is sustained, and ideally built upon for future generations.

Economic Benefits:

The redevelopment is expected to stimulate the local economy through both direct and indirect means. Directly, the construction phase will support job opportunities and increase demand for local goods and services. Indirectly, by enhancing opportunities for local service providers to both utilise and supply the Town Hall's increased functionality (be it events or business development), the benefits could be broad ranging. The Town Hall could play an active part in Cobar's appeal as a tourist destination if it can leverage surrounding infrastructure uplift like the Grand Hotel, which is planned for a significant overhaul. Whilst the economic benefits are envisioned to come from the local market, more visitors to the area may be encouraged to see and explore the hall.

Additionally, the improved Town Hall will serve as a venue for conferences, exhibitions, and events, generating additional revenue streams and aiding economic resilience within the community.

Downstream Opportunities:

The project is relatively modest in size and complexity and so the downstream opportunities should not be overstated. However, the Town Hall could reasonable be poised to create an array of prospects, including the potential for new partnerships between the public, private, and community sectors. These collaborations could lead to the development of additional cultural, educational, and recreational programs which utilise the Town Hall space. Moreover, the increased foot traffic and heightened profile of the area may encourage further investments in surrounding properties and infrastructure, helping build the ongoing narrative Council is keen to pursue around a comprehensive revitalisation of Cobar's CBD. This, in turn, could improve the overall quality of life for residents and enhance the town's attractiveness as a place to live, work, and visit.

2.5 STAKEHOLDER & COMMUNITY SUPPORT

The redevelopment of Cobar Town Hall is of great interest to the Cobar community and has received input and views from a wide array of community stakeholders. Most recently and of highest relevance was a series of consultation sessions held by DunnHillam and Cobar Shire Council on 14th February 2024, where valuable insights were gathered on concept plans for the Town Hall design options.

These consultation sessions, in conjunction with a survey the Council undertook, enabled DunnHillam to take concept plans and develop three proposed design options, with the 3rd concept design option being that which the Business Case Option 3 refers to.

The three referenced community consultation sessions targeted the general community and SRC students at Cobar High School, generating a wealth of ideas for the future use of the Town Hall. These ideas not only reflect the community's desire for a space that honours the historical and cultural significance of the building but also underscore the need for a versatile, low-maintenance venue that can host a broad spectrum of arts and cultural functions.

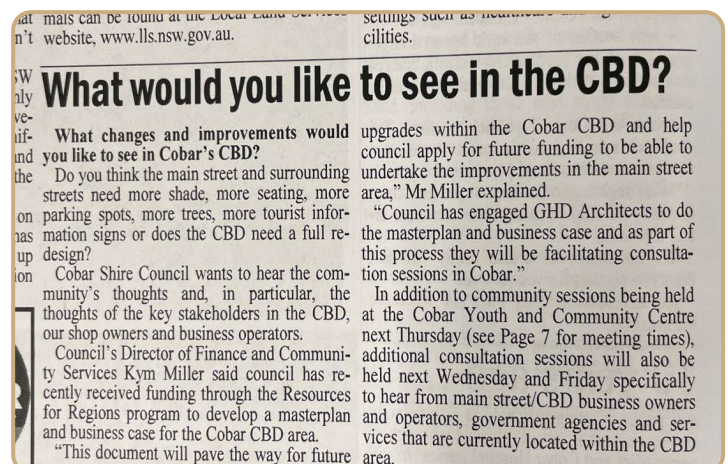
Key values emerged from these discussions, emphasising the importance of:

- Preserving the historical and cultural importance of the building.
- Creating a multipurpose space that caters to a wide range of activities, from arts and culture to community gatherings and tourism.
- Minimising maintenance expenses for the Council to ensure the sustainability of the project.
- Strengthening the Town Hall's role in Cobar's identity, community cohesion, and connection to the broader heritage and tourist circuits.

These values are reiterated in the broader *Cobar CBD Master Plan Engagement Outcomes Report*, which reflected the community's commitment to enhancing liveability, economic opportunity, and connectivity within the CBD. The report, prepared by GHD as part of the CBD Master Plan process, highlights the collective aspiration for a vibrant and cohesive urban centre that respects its rich heritage while looking forward to a sustainable and inclusive future.

Both the previous CBD consultation process and the specific and focused consultations by DunnHillam has not only demonstrated widespread support for the Town Hall's redevelopment but has also provided a clear directive on the community's preferences and priorities. By integrating these insights, the project aligns perfectly with broader strategic objectives to enhance Cobar's appeal as a destination for both residents and visitors, offering cultural, social, and economic benefits.

As we move forward, the strong foundation of community and stakeholder support will be instrumental in realising a vision for the Town Hall that truly reflects the collective identity and aspirations of Cobar. This support underlines the project's significance as a catalyst for broader CBD revitalisation efforts, promising to enrich the cultural fabric of our community for generations to come.



Article featured in the *Cobar Weekly* dated Thursday 6 October 2022, sourced from the *GHD Cobar CBD Master Plan and Grand Precinct*, June 2023

Consultations to date related to and impacting on the Town Hall can be summarised as follows:

Table 2: Summary of consultation findings

Key Theme	Community Insight	Implication for Town Hall Project
Historical and cultural value	Community values the preservation of the Town Hall's historical and cultural significance.	Emphasise restoration and incorporation of historical elements in design.
Multi-purpose space	Desire for a versatile venue that accommodates a range of activities.	Design flexible spaces for diverse uses (arts, culture, community events).
Minimising maintenance costs	Concerns about the sustainability and affordability of future maintenance.	Incorporate sustainable design principles to reduce long-term costs.
Focus on arts and culture	Strong interest in arts and cultural functions.	Allocate spaces for art exhibitions, performances, and cultural activities.
Connection to tourism	Town Hall as a key component of the Cobar Heritage Walk and broader tourism strategy.	Leverage location and design to enhance visitor experience.
Community and connection	The importance of the Town Hall in strengthening community bonds.	Ensure accessibility and welcoming spaces for all community segments.
Utilisation of outdoor areas	Interest in using adjacent outdoor areas for events and gatherings.	Plan for outdoor stages, seating, and event-ready infrastructure.
Inclusivity	Need for a space that is welcoming and accessible to everyone.	Design with accessibility and inclusivity at the forefront.

3. ANALYSIS OF THE PROPOSAL

The proposal identified and considered three options for delivering the project. Option 3 demonstrates the clearest benefits and provides the best outcomes comparable with the funding required to bring it to fruition. This option is the preferred path forward to ensure the Cobar Town meets the current and future community needs.

3.1 OBJECTIVES & INDICATORS

In assessing the Options available for the Cobar Town Hall (CTH), the following key objectives have been established to measure success.

Table 3: Proposal objectives

Key problem/issue	Key proposal objective	Key success indicator
CTH is non-compliant, unsafe, and in very poor condition	All buildings are structurally sound, compliant with all regulations, and with good quality amenities	<ul style="list-style-type: none"> - Completion of compliant works as per approved engineer's reports - Certification of compliance from relevant authorities - Positive feedback from facility users on the quality of amenities
CTH is an underperforming asset that creates significant annual costs for Council	CTH generates income sufficient to cover running and future maintenance costs.	<ul style="list-style-type: none"> - Cobar Shire Council (CSC) annual financial statements show CTH generating sufficient income - Evidence of increased bookings and usage rates - Reduction in Council subsidies over time
The historical significance of CTH as a key town asset is being lost through lack of use and connection to Cobar residents	CTH provides a space in which Cobar residents connect, unite, and grow as a community	<ul style="list-style-type: none"> - Increased local engagement as measured by event attendance records - Diversity of events reflecting community interests - Surveys indicating enhanced community connection to CTH
Limited cultural and arts activities in Cobar due to inadequate facilities in the CBD	Enhance CTH to become a cultural and arts hub for the community	<ul style="list-style-type: none"> - Number of cultural and arts events hosted at CTH annually - Partnerships with local arts and cultural organisations - Grants obtained for cultural programs
CTH's role in local tourism is not fully realised	Position CTH as a landmark destination on Cobar's tourist trail	<ul style="list-style-type: none"> - Inclusion of CTH in local tourism promotional materials - Tourist visitation statistics for CTH - Cross-promotional activities with other local tourist attractions

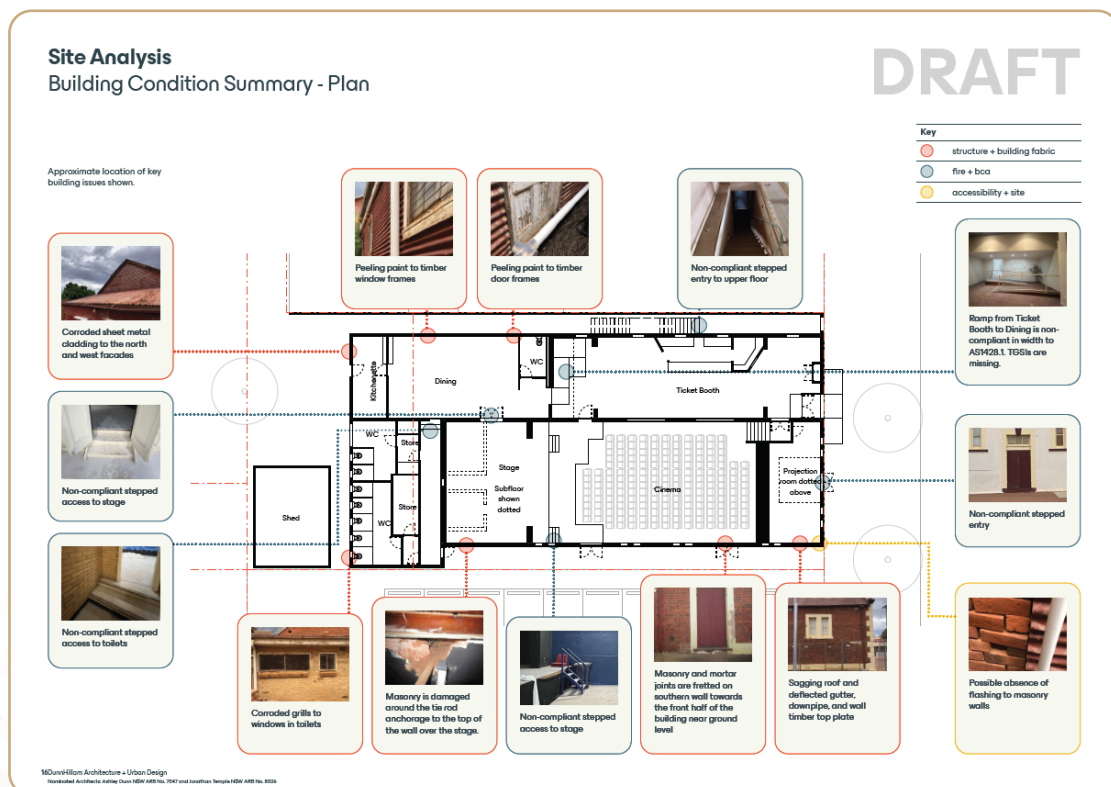
3.2 THE BASE CASE

The Cobar Town Hall is of historical significance to Cobar. It has been vacant since 2020, and remains set up as a cinema, with various sections no longer safe and unable to be used. The Town Hall requires significant refurbishment before it can be used by the community.

The base case for this project is essentially Option 1: maintaining the status quo with no work done to the site. In this scenario, the Town Hall would continue to exist in its current state which, based on a prior structural report and Council's own investigations, is not compliant with regulations, is considered unsafe, and is in poor condition. The latter views were reiterated during community consultations.

The Town Hall's historical significance appears to be diminishing due to underuse and disconnection from the community, leading to ongoing annual maintenance costs for the Council without generating any income to cover these expenses. There is also the opportunity cost which carries negative financial implications, as we have noted in Option 2, the forecast income is modest, but mitigates the current liability of the site. Also, the building is not able to be utilised and does not currently serve as any meaningful purpose for community and cultural engagement, which detracts from its potential societal, economic, and cultural contributions to the town of Cobar.

By choosing not to proceed with any refurbishment or redevelopment, the Town Hall's challenges would persist, and the opportunity for revitalisation that aligns with community aspirations and the broader goals of the Cobar CBD Master Plan and Town Hall Feasibility Masterplan Reports would remain unfulfilled. Therefore, maintaining the status quo is deemed not to meet the strategic, community, and operational objectives proposed for the Town Hall.



Source: DunnHillam Feasibility and Masterplan Report, Cobar Town Hall, 14 March 2024

3.3 OPTIONS CONSIDERED

Three clear options were evaluated for redeveloping the Cobar Town Hall, concluding Option 3 offers the best outcomes and provides a viable future for this historical asset. Option 3 requires funding to be secured.

The three options evaluated in determining the optimal approach for addressing Town Hall issues and opportunities are summarised as follows:

Table 4: Options comparison matrix

Criteria	Option 1: Maintain status quo – do nothing.	Option 2: Full demolition and site clearance	Option 3: Partial demolition & restore for multi-functional use
Regulatory compliance	Does not address compliance issues; ongoing safety risks.	Eliminates compliance concerns but at the cost of losing the facility.	Brings the building up to code; mitigates safety risks.
Historical preservation	Further degradation of historical value due to inaction.	Complete loss of the town's historical asset.	Preserves historical elements while updating the facility.
Community impact	No change in community engagement; continued disuse.	Removes a potential community space; could have negative public sentiment.	Encourages community use and engagement through improved facilities.
Financial implications	Ongoing costs without revenue; likelihood of higher future costs.	Cost of demolition; potential lost opportunity for community revenue generation.	Initial investment with potential for cost recovery through multi-use.
Long-term sustainability	Unsustainable; does not address the underlying issues.	Depends on future plans for the site; could be sustainable if repurposed effectively.	Sustainable model with a focus on multi-functional community use.

These options are explored in further below.

Option 1 - Do nothing:

Maintaining the status quo poses a variety of risks for Council and the local rate payers, including ongoing financial liabilities from the degrading Council asset, safety issues, and potential reputational impacts for Council.

Currently, the Cobar Town Hall does not generate any income but continues to incur ongoing costs. Financial modelling indicates that no investment in the Town Hall will result in minimal change from the current position, with a negative Net Cash Flow over 5 years of \$42,529. This amount captures current Town Hall expenses identified from Council sources, however it excludes insurance costs, which were not available for this business case and could potentially add significantly to the overall costs. Additionally, the Town Hall will continue to deteriorate and may ultimately be condemned, leading to unplanned expenditure for fencing and other safety measures.

Option 2 - Demolition and site clearance:

Choosing full demolition and site clearance of Cobar Town Hall represents a departure from both the status quo and partial refurbishment options. This option is driven by the intent to eliminate the ongoing financial burden and safety concerns associated with the deteriorating Town Hall.

The pros and cons of this approach are summarised below:

Pros:

- Removes a costly and unusable asset, freeing the council from continuous maintenance and safety liabilities.
- Potential for revenue through the sale of the cleared land, providing an opportunity for fresh development in alignment with the CBD's growth strategy.
- Clears the way for new development that could contribute to the vibrancy and economic health of the CBD without incurring costs for the Council.

Cons:

- The initial demolition cost, estimated at \$300,000. This cost estimate is based on the Altus Group Concept Cost Report undertaken as part of the DunnHillam Feasibility Report. Altus Group costed the demolition for Option 3, however, with Option 2 being a straighter forward demolition, including relevant material recovery operations, a reduced figure has been estimated. This figure should be confirmed in due course if action on this Option were considered.
- Cost is expected to outweigh the immediate/foreseeable financial returns from the potential land sale.
- There is a loss of historical and cultural heritage, which would likely impact community sentiment in a significant way.
- The future of the cleared site is uncertain, and the potential for new development to align with community expectations and CBD plans is not guaranteed.

Financial Outlook:

- Financial modelling projects a negative cash flow of \$ 230,649 over a 5-year period. This takes into account the estimated demolition costs and the potential revenue from selling the land, set at approximately \$76,400. With no clear pathway or identified developments, nor developers, pursuing this option is not clearly of any significant financial benefit, especially at the cost of the social impacts.

Strategic Considerations:

- The Council must consider the non-financial implications of this option, including the permanent loss of a heritage asset (noting the building is not formally heritage listed).
- It's essential to balance the short-term financial relief with the long-term vision for Cobar's CBD and potential community backlash.
- Should this option proceed, it's crucial to have a strategic plan for the land post-clearance to ensure it contributes positively to the community and aligns with the master planning works.

Option 2 presents a clear financial and operational break from ongoing Town Hall issues but its long-term impact on the community's cultural heritage and the CBD's landscape are likely to be unacceptable to both the Council and the community alike.

Option 3 - Preferred option - Partial demolition and refurbishment within existing historic footprint.

Option 3 proposes a strategic refurbishment of Cobar Town Hall with partial demolition, retaining the building's historical facade and optimising its function as a multi-use space. This approach minimises disruption to the heritage character while allowing for modern amenities and flexible use.

Option 1 – New building footprint for amenities and kiosk

Pros

- The kiosk provides opportunities for the site to be activated in an everyday setting. Outside of the functions that the multi-purpose hall provides, it can be used as a meeting space, art studio or kiosk for fundraising
- Amenities in a separate building allow for a light-touch approach to the town hall, and can be used outside of the hall's operating hours
- Larger storage capacity

Cons

- Introducing new structures may increase construction and maintenance costs for council
- External amenities and kitchen may reduce functionality of the hall depending on usage

Option 2 – New building footprint for amenities only

Pros

- The courtyard is designed to the footprint of the historic lodge building and creates opportunities for historic interpretation and material re-use.
- Amenities in a separate building allow for a light-touch approach to the town hall, and can be used outside of the hall's operating hours

Cons

- Servery is accessed from within the hall and separate to courtyard
- Storage area is reduced to accommodate amenities
- External amenities may reduce functionality of the hall depending on usage

Option 3 – No new building footprint

Pros

- The courtyard is designed to the footprint of the historic lodge building and creates opportunities for historic interpretation and material re-use.
- New amenities in former stage area minimises disturbance to heritage character.
- Minimising new enclosed area reduces maintenance and construction costs.
- The courtyard area is maximised, creating safer through-site surveillance and more opportunities for planting.
- Bathrooms can be accessed out of hours if required.
- Design is flexible and allows for wider range of future developments in courtyard and vacant lot

Cons

- Servery is accessed from within the hall and separate to courtyard
- Storage area is reduced to accommodate amenities

Preferred Option

Source: DunnHillam Feasibility and Masterplan Report, Cobar Town Hall, 14 March 2024

It is worth noting that two other design options were proposed by DunnHillam, however the similarity to this Option did not warrant their own assessments as standalone options in the business case. The primary difference was the proposed construction of new restroom and kiosk facilities outside the existing footprint, as opposed to contained within, as seen in this option. The additional costs associated with those designs reduced their overall feasibility due to already challenging financial hurdles for this project.

DunnHillam aptly summarised the advantages and drawbacks of the Option 3 proposed design option compared to the other designs, which we have captured here:

Pros:

- The courtyard, aligned with the historic lodge footprint, enhances heritage interpretation and material reuse.
- Locating new amenities in the former stage area reduce impact on the building's historic aspects.
- Reduced new construction minimises both initial capital outlay and ongoing maintenance expenses.
- The maximised courtyard improves site surveillance and planting opportunities, enhancing security and aesthetic appeal.
- Bathroom access outside of hall hours adds functionality for events and tourism.

Cons:

- Internal access to the servery may limit external event catering flexibility.
- A reduced storage area due to the space reallocation for new amenities.

Financial Outlook:

- The redevelopment requires a \$3.3 million investment (*per Altus Group quantity surveying, 14 March 2024*), with the only financially viable option for funding being through government grant opportunities. Council would struggle to justify a commercial decision to wholly self-fund the project due to the limited potential revenue generation. The community may also not support such expenditure when Councils revenue base is often needed for competing priorities across the community.
- Financial modelling, with feedback integrated from council staff, projects a positive net cash flow of \$120,646 over five years (excluding unknown insurance costs).

Feasibility and Rationale:

- Consideration was given to expanding the building's footprint. However, maintaining the current size is deemed most cost-effective, balancing maintenance affordability with the provision of essential facilities.
- The design is adaptable, catering to a wide range of community events and activities without necessitating significant future investment.
- Although the primary return is social benefit with limited direct economic gain, the Town Hall's enhanced use is expected to indirectly stimulate local economy and community well-being.

This business case considered a range of possible uses for the redeveloped Town Hall, based on consultations with the community and Cobar Shire Council. This table would have applied equally to the three proposed design options DunnHillam crafted, noting the overall functionality remained similar.

Table 5. Projected usage of Town Hall after redevelopment, at 2023-24 prices

Proposed usage	Annual bookings	Rate ^(a)	Estimated length of booking ^(b)	Estimated revenue from hall hire	Estimated visitors per event	Estimated proportion of visitors to Cobar ^(c)
Small intimate performances	6	\$50 per hour	6 hours	\$1,800	80	35%
Dance instruction space with portable mirrors	10	\$0	2 hours	\$0	30	0%
Art gallery/temporary exhibitions	6	\$700 per day	2 days	\$8,400	500	40%
Markets & Pop-up shops	6	\$50 per hour	8 hours	\$2,400	200	40%
Festivals	5	\$700 per day	2.5 hours	\$8,750	1,000	60%
Outdoor cinema	6	\$50 per hour	4 hours	\$1,200	120	25%
Movie nights/movie festivals	8	\$50 per hour	3 hours	\$1,200	50	25%
Trivia and Bingo nights	6	\$50 per hour	4 hours	\$1,200	80	0%
Fundraisers	6	\$50 per hour	6 hours	\$1,800	100	10%
Weddings/functions ^(c)	12	\$50 per hour	5 hours	\$3,000	100	0%
School formals	1	\$50 per hour	6 hours	\$300	100	0%
TOTAL Bookings/Revenue	72			\$30,050		

(a) The hourly rate considered the size, amenity and aesthetics of the Town Hall balanced against what would be a competitive rate for clients/user types. The daily rate is based on rates for Ward Oval hire.

(b) Length of booking includes setting up and packing up.

(c) The expectation is that most attendees at the proposed events would be local, with a smaller proportion being visitors to Cobar.

It should be noted that the modelling and assumptions undertaken purposely excluded potential tourism related revenue as the project is predicated on benefiting the Cobar community primarily. Consideration was given to the tourism impacts, but until the use cases become clearer, the impacts on tourism and related revenue would be too unreliable to substantiate options in this Business Case.

Conclusion

The preferred solution for delivering the best outcomes for the Cobar Town Hall is Option 3.

After thorough consideration and analysis of the three options for the Cobar Town Hall redevelopment, it is clear that each option presents its own set of benefits and challenges. *Option 1, maintaining the status quo*, while avoiding immediate financial outlay, fails to address the pressing issues of compliance, safety, and the underutilisation of a key community asset. This approach also overlooks the potential to revitalise a significant historical structure and enhance community engagement and cultural offerings in Cobar.

Option 2, full demolition and site clearance, while providing a clean slate, involves the loss of a historically significant building and the potential for negative community sentiment.

The financial implications of demolition and the uncertainty surrounding the future use of the site present considerable risks that may not align with the community's long-term interests or the strategic vision for Cobar's development.

Option 3, partial demolition and refurbishment within the existing historic footprint, emerges as the most viable and beneficial path forward. This option balances the need for regulatory compliance and safety with the desire to preserve and celebrate the town hall's historical value. By transforming the Cobar Town Hall into a multifunctional space, Option 3 promises to reinvigorate the community's cultural landscape, enhance social collaboration, and contribute to the liveability of the region. Also, the proposed design allows for future adaptability and growth, ensuring the town hall remains central in Cobar's ongoing development.

Considering the analysis, community feedback, strategic alignment, and potential impacts on Cobar's social, cultural, and economic needs, this business case strongly supports Option 3 as the preferred option for the Cobar Town Hall redevelopment. This option not only addresses the immediate challenges but also positions the town hall as a vibrant, inclusive, and sustainable community asset for future generations.

Visualisation of Option 3



Source: DunnHillam Feasibility and Masterplan Report, Cobar Town Hall, 14 March 2024

3.4 INFORMATION ABOUT THE PROPOSAL

3.4.1 SCOPE OF WORKS

The Cobar Town Hall is in the regional NSW town of Cobar, at 5 Barton Street, strategically situated in the Cobar town centre. The site's central position makes it an ideal candidate for redevelopment and activation as part of the broader CBD precinct.

This Scope of Works relates to the delivery of the preferred option, Option 3. Should funding be secured, the project will include a Design and Planning phase to establish the project management team, complete the final designs and planning materials, and undertake the construction tender and selection process.

The Project Construction phase will partially demolish and refurbish the Cobar Town Hall, specifically through four key stages:

- **Demolition:** demolishing the two previous building extensions including toilet/amenities block, dining block, external shed, ticket hall; roof sheeting; existing stage, associated stairs, raked seating and projector room; internal stairs; identified external and internal walls, doors, and windows.
- **Construction:** flooring including substructure and wet areas; roofing; identified internal and external walls and doors; ceiling, wall, and floor finishes; and joinery.
- **External Works:** soft landscaping; driveways, footpaths and paving; fencing and gates; courtyard with paving, shade structures, integrated seating, tables, and chairs.
- **Associated works:** stormwater; allowances for electrical services; communications conduits and allowances; sewerage; water connections and installation of water tank; and fire hydrant and connections to fire services.

All works will be undertaken in accordance with relevant federal, state, and local construction codes including the National Construction Code.

The final Project Completion phase will ensure all project works are complete, the site is fully operational, and the project is fully acquitted.

Utilities and effects of adjacent/nearby properties has been considered and will not be impacted by this project.

Works will be delivered to provide minimal impact to local businesses and traffic flows. The community will be informed on the progress of the project through a public information strategy.

3.4.2 PROPOSAL EXCLUSIONS

This business case has been developed based on preliminary designs and quantity surveyor costings for the preferred design DunnHillam design option for refurbishment of the Cobar Town Hall. However, it is important to acknowledge certain exclusions from this proposal to manage expectations and provide clarity. The following have not been included in this business case:

1. Any costs related to unforeseen conditions, such as previously unidentified structural weaknesses that may necessitate additional work or reduce the appeal of the proposed Option.

2. Price increases for labour and materials that may occur after the time of this proposal are not accounted for. The cost estimates are based on current market rates per the Altus Group Concept Cost Report, 14 March 2024.
3. Recurring costs such as utilities, routine maintenance, or unforeseen repairs after the project's completion have been considered only as far as the data and information available allowed. There has been no proposed maintenance schedule produced at this stage for the proposed Option.
4. Potential costs or design changes arising from new government legislation or changes in building codes and standards that occur after the approval of this business case.
5. Detailed insurance costs have not been included, as these will depend on the final design and risk assessment post-construction. Additionally, existing insurance costs have been flagged as an unknown, but real cost to the ongoing operations.
6. Specific income from events, community activities, or leasing spaces, which may vary based on future program scheduling and market rates. Assumptions and modelling have been undertaken based on the best available information, however the preliminary nature of the project may significantly affect this in due course.
7. Costs associated with developing and implementing new community programs or services within the Town Hall, as future usage is not yet clear enough to foresee.
8. Additional cost-related exclusions per the Altus Group Concept Cost Report.

3.4.3 RELATED PROJECTS

Whilst this project can stand alone and there are no related project dependencies for it to proceed, existing work undertaken by Council, including through master planning and feasibility examinations show how this project can interact in the broader precinct. Council is also pursuing funding to action further detailed design works across key assets in the CBD precinct, of which the Town Hall is included.

There is significant opportunity should the broader precinct be activated in a more cohesive and strategic manner and ensuring facilities like the Town Hall can be leveraged will be crucial.

3.5 PROJECTED COSTS

3.5.1 PROJECTED CAPITAL COSTS

The projected capital costs and project budget are based on the Concept Cost Report, 14 March 2024 prepared by Altus Group on behalf of DunnHillam Architecture, for the preferred design option.

Table 6. Projected capital costs inclusive of contingency

Stage	2024-25	2025-26	2026-27	2027-28	Future Years	Total
Base cost estimate	\$2,853,041					\$2,853,041
Contingency	\$414,996					\$414,996
Nominal cost	\$3,268,037					\$3,268,037

3.5.2 PROJECT BUDGET

The project budget for the delivery of Option 3 is outlined below in Table 7.

Table 7. Project Budget

Item	2024-25	2025-26	2026-27	Total
Preliminaries & overheads	\$375,293			\$375,293
Locality factor & professional/authority fees	\$902,095			\$902,095
Construction incl. allowances	\$1,575,653			\$1,575,653
Contingency	\$414,996			\$414,996
Total	\$3,268,037			\$3,268,037

3.5.3 PROJECTED ONGOING COSTS

Projected ongoing costs are based on current costs associated with the Cobar Town Hall, with projected revenue modelled for the adoption and implementation of Option 3 outlined above.

Table 8. Projected ongoing revenue and costs

Year	2024-25	2025-26	2026-27	2027-28	2028-29	Ongoing	Total
Operating Costs (excl insurance) ²	\$8,075	\$8,285	\$8,500	\$8,721	\$8,948		\$42,529
Operating Revenue ³	\$30,982	\$31,787	\$32,614	\$33,461	\$34,331		\$163,175
Net Revenue	\$22,907	\$23,502	\$24,113	\$24,740	\$25,384		\$120,646

² Operating costs includes rates, sewer, electricity, water with CPI inflation rates applied according to Reserve Bank of Australia outlook: <https://www.rba.gov.au/publications/smp/2024/feb/>

³ Based on the forecasted potential usage of the redeveloped Town Hall per Table 5. March 2024

3.6 COST-BENEFIT ANALYSIS

This Cost Benefit Analysis (CBA) captures the positive broader social benefits alongside potential financial impacts, aligning with community needs and long-term community objectives. The CBA relates only to the delivery of Option 3, noting that not all benefits are able to be estimated.

This CBA for the Cobar Town Hall redevelopment emphasises the broader social benefits that extend beyond direct financial returns. While the project is not anticipated to yield substantial economic gains, the value it brings to community through cultural engagement and historical preservation is significant and justifiable.

Financial Overview

Based on the provided figures, over a five-year period post-completion, the Town Hall projects an operating revenue of \$163,175 against operating costs (excluding insurance) of \$42,529, resulting in net revenue of \$120,646. This indicates a positive financial trajectory, albeit with modest economic returns. Please note that these figures have been previously qualified as they contain varying degrees of uncertainty.

It is expected that delivery of Option 3 will require either partial or full government grant funding to action. Whilst a co-funded project would impact on the net overall direct economic benefits, should the project become fully grant funded, the project would inject between \$1.6 million and 3.3 million into the local economy, depending on the percentage of local workforce and suppliers used. This does not include the downstream benefits to service industries over the duration of the project.

Estimated construction job outcomes	2024-25	
Number of jobs(a)	2.5 FTE	(a) The 2.5 FTE jobs is calculated from the project budget of \$1.6 million construction costs, based on Measures of construction and job impacts from fast-tracked projects – Methodology paper (nsw.gov.au) . (b) Estimates are based on award rates for construction worker Level 4, for a 12-month period. Refer FWO - Award Viewer - MA000020 (fairwork.gov.au) .
Wages(b)	\$133,380	

Further to the job creation element, it is not anticipated that the Town Hall will require any additional FTE positions to manage or operate in the short-medium term. This function would be absorbed into existing Council staff roles and responsibilities. Should the Town Hall usage exceed expectations it may warrant a specific employment position in the future.

We also undertook an assessment of the estimated visitation to the Town Hall to incorporate tourism figures. Based on the anticipated usage of the hall and its hyper-local focus, it could be expected that indirect tourism benefits for the town could be achieved, however it is difficult to quantify this in any meaningful way at this time.

Estimated annual visitors^{(a) (b)}

Sector	Number	
Local visitors (from Cobar township)	8,292	(a) Based on data compiled for <i>Table 5. Projected usage of Town Hall after redevelopment</i> (b) Tourist estimates are not necessarily a count of 'new' tourists coming specifically for an event. While additional tourism may be attracted by festivals, it is not expected for markets, movie nights, or other more locally focused events. Given the issues with counting new tourism, we have not attempted to calculate new revenue from this sector.
Tourists	5,088	
Total	13,380	

To support the considerations around the financial aspects of the project, a simple scenario analysis has been undertaken below to visualise the possible outcomes.

Table 9. Scenario analysis for Cobar Town Hall – Option 3

Scenario	Description	Operating Revenue	Operating Costs (excl insurance)	Net Revenue	Comments
Base Case	Current estimates without significant changes	\$163,175	\$42,529	\$120,646	Assumes stable operating costs and revenue projections.
Best Case	Higher community engagement and utilisation	\$200,000	\$40,000	\$160,000	Assumes increased bookings and cost savings through efficiencies.
Worst Case	Lower than expected usage and increased costs	\$120,000	\$55,000	\$65,000	Assumes decreased community use and higher maintenance or utility costs.
Break-Even	The point where operating revenue matches costs for a cost neutral position	\$42,529	\$42,529	\$0	This would assume a near 25% utilisation rate against base assumptions Useful for understanding the minimum performance required to avoid a deficit.

Each scenario provides a high-level view to prepare for different prospects and to support decision-making. It's especially useful in understanding the range of possible outcomes and the resilience of the project's financial model.

In a CBA for a project like the Cobar Town Hall where economic benefits might be less tangible, it is essential to consider opportunity costs and avoided costs.

Opportunity costs and avoided costs

- If the building remains vacant, any potential income from hiring out the space for events, community activities, or business uses is lost.
- lack of cultural and social events can lead to decreased community satisfaction, which, while not directly monetary, can have long-term social and economic impacts.
- By not addressing the current state of disrepair, future costs associated with maintaining a deteriorating building increase. This includes addressing safety issues that arise as the building continues to age. This would likely impact on insurance costs as well.
- If the building is unsafe, there could be potential liability costs associated with accidents or injuries.
- Costs related to energy inefficiency in an older building that may be poorly insulated or equipped with outdated systems can grow over time, noting current expenditure is approximately \$700 a year.

When considering these costs, it's also important to view them in the context of the broader benefits that the project aims to deliver, such as societal benefits.

Social Benefits

1. The restoration of the Town Hall helps preserve Cobar's cultural identity and history, providing an intangible yet invaluable link to the past for current and future generations.
2. renovated Town Hall will serve as a hub for community events, fostering well-being and unity among residents, enhancing the town's social fabric.
3. By hosting exhibitions and performances, the Town Hall will offer educational experiences that promote lifelong learning and cultural appreciation.
4. The project can boost civic pride, making residents feel more connected and invested in their town, which can have indirect benefits on community-led initiatives and care for the local environment.
5. Providing an inclusive space for all community members, including those with disabilities, supports social inclusion and equal access to cultural resources.

Non-Monetary Contributions

1. Encouraging volunteerism for Town Hall events can lead to increased community engagement and skill development opportunities for residents.
2. Upgrading the facility contributes to public safety, eliminating the hazards associated with the current dilapidated structure.

Long-Term Social Impacts

1. Although not a direct economic gain anticipated for this project, aiding increasing tourist visits can lead to wider economic and social benefits, such as improved town reputation and increased local spending.
2. The project lays the foundation for potential future economic benefits by improving the town's attractiveness for new businesses and residents. This will be increased further as the CBD precinct continues to develop and the more cohesive revitalisation narrative takes effect.

The CBA underscores the importance of considering the value added to the community's quality of life and well-being. While these benefits are more challenging to quantify, they are substantial and warrant Government investment in the project. Decision-makers are encouraged to view the redevelopment as an investment in Cobar's social capital, with returns measured in terms of cultural richness, community satisfaction, and enhanced social outcomes.

4. IMPLEMENTATION CASE

4.1 PROGRAM & MILESTONES

The delivery of Option 3 is expected to be a straightforward regional construction project, achievable within an approximate 12-month period.

The following table provides a simple high level delivery schedule, factoring in an arbitrary date. This would be updated in due course and following detailed planning and design processes.

Table 10. Key events

Event/Stage	Start	Finish
Design, Planning, Tender Process	01/07/2024	30/11/2024
Establish Project Management Team		
Completion of final designs and planning		
Tender process for construction commenced and finalised		
Successful construction company(ies)/contractors selected		
Project Commenced	1/12/2024	31/01/2025
Project site is established including safety perimeter		
Demolition begins on the areas marked for removal		
Reconstruction activities commence		
Refurbishments commence		
50% completion of project	1/2/2025	31/7/2025
Demolition is completed		
Construction and rectification works to the Town Hall continue		
Progress is reported to relevant parties and project is on time and on budget		
Completion of project	1/8/2025	31/12/2025
All project works complete		
Site fully operational		
Project acquitted		

4.2 GOVERNANCE

Cobar Shire Council has the capacity and experience to deliver the Cobar Town Hall redevelopment project should funding be secured.

This section explores Council's standard governance and operational structures with respect to delivering infrastructure projects. Council may choose to deviate from this based on conditions in the future, however it provides a useful overview.

Council relies on Project Control Group (PCG) structures which are led by the General Manager and supported by the Council's Executive team, including experienced project officers and in house engineering advice, to ensure rigorous project oversight. The PCG will also include relevant stakeholders such as the successful construction contractor.

- The project management team will be responsible for the day-to-day management of the project, including planning, design, procurement, construction, commissioning, and handover. The project management team will report to the project manager and provide regular updates on progress, risks, issues, and performance.
- The project manager will be an experienced Council staff member with the appropriate background in infrastructure delivery overseeing the project delivery and providing independent advice, assurance, and support to the project management team and the General Manager. The project manager will report to the General Manager and the Board and ensures that the project is delivered in accordance with the agreed scope, budget, schedule, quality, and benefits.
- The project manager will be responsible for dealing with key delivery stakeholders such as the community, suppliers, builders, and other contractors involved in the delivery of the project.
- The Cobar Shire Council governs the project management team and has approved the project initiation and business case. The Cobar Shire Council will monitor the project performance and governance and provide oversight, guidance, and approval for any critical decisions or issues. They will also ensure that the project aligns with Council's strategy, values, and policies.

4.3 KEY RISKS

Cobar Shire Council is highly committed to the risk mitigation strategies in Table 11 and has a proven track record in risk mitigation as part of its normal approach to project management.

The risk profile assumes **Option 3** has achieved funding and is able to be delivered.

The proactive measures taken in the development of risk mitigation strategies described in Table 11 below, underscore Cobar Shire Council's commitment to ensuring the successful implementation of the recommended option. By addressing project management, outcomes and benefits, and broader business risks, Council can navigate potential challenges and safeguarding the project's success.

The identified risks fully outweigh the larger risk of doing nothing, which perpetuates the missed societal and economic opportunities for Cobar.

Table 11. Key proposal risks

Risk	Proposed mitigation	Risk rating after mitigation		
		Consequence	Likelihood	Rating
Increase in costs due to supply and demand issues impacts the variability of the project.	The project budget has included contingency funding percentages commensurate with current market conditions to mitigate the impact of this risk. Due to the work which has gone into scoping and preparing this project, Cobar Shire Council is confident any additional cost increases, should they arise over the course of the project, will be covered by the contingency allocation. Any substantive cost incursions would be as early as possible.	Unlikely	Moderate	Medium
Project delays including weather related events	Weather may impact on the overall project timeframe however weather-related delays have been factored into the overall project timeline to ensure delivery can occur within program parameters.	Unlikely	Minor	Low
Loss of key project personnel / builders & contractors	Cobar Shire Council has governance structures in place to ensure key project personnel such as builders & contractors can be covered / replaced if required, with minimal disruption to the project. The engagement of a project manager will also mitigate any loss of key personnel over the course of the project.	Unlikely	Minor	Low
Physical risk to general public and/or staff working at the project location	Cobar Shire Council will have an experienced project manager to ensure all public and WHS measures are adhered to throughout the project. In addition, insurances will be in place for all parties, if an unforeseen or unmitigable event occurs, reducing various potential impacts on the project. Health treatment services are readily available to mitigate any adverse health outcomes at any stage of the project.	Rare	Moderate	Low
Unanticipated additional works	The project has been scoped thoroughly, with contingency funding incorporated to cover any reasonable unforeseen costs associated with the project's delivery.	Unlikely	Minor	Low
Project management risks pertaining to resource constraints, and coordination complexities.	To mitigate this risk the Project Control Group and external project management will maintain close monitoring of resource allocation, and the implementation of appropriate project management methodologies to adapt to and handle challenges.	Unlikely	Minor	Low

Risk Rating Matrix

Risk Matrix	Impacts				
	Insignificant	Minor	Moderate	Major	Catastrophic
Almost Certain	H	H	E	E	E
Likely	M	H	H	E	E
Possible	L	M	H	E	E
Unlikely	L	L	M	H	E
Rare	L	L	M	H	H

	E = Extreme Risk	Immediate action required
	H = High Risk	Senior Management attention needed
	M = Medium Risk	Management responsibility must be specified
	L = Low Risk	Manage by routine procedures

4.4 PROPOSED MANAGEMENT ACTIVITIES

4.4.1 RISK MANAGEMENT

Mitigating the risks associated with project delivery will be reliant on Council implementing the governance arrangements and Project Control Group as described in Section 4.2 above.

The PCG will be responsible for managing all risks in accordance with the project's risk management plan and will implement a structured risk management framework to guide ongoing risk identification, assessment, and mitigation. A regular risk monitoring schedule with periodic reporting to the PCG will be put in place. This includes updating the risk register and adapting mitigation strategies as necessary.

The PCG will apply targeted risk mitigation strategies identified in the planning stage, such as using advanced construction techniques to minimise environmental impact and ensuring robust contract management to manage financial risks.

Other elements of the risk plan will include:

- the development of a communication plan to ensure transparency with stakeholders and to address any concerns promptly.
- The implementation of quality control measures and regular audits to ensure compliance with project specifications and standards.
- Preparation of contingency plans for critical risks, such as delays due to severe weather or unexpected archaeological finds during excavation.

Through these proactive and systematic risk management activities, the PCG is committed to ensuring that the project is delivered efficiently, sustainably, and in alignment with community and environmental standards. Continuous monitoring and adaptive management will be key to successfully mitigating and avoiding risks throughout the project lifecycle.

4.4.2 ASSET MANAGEMENT & OPERATIONS

Under any foreseeable delivery model, Cobar Shire Council would retain ultimate responsibility for the delivery of the project and will be responsible for the ongoing maintenance and operations of the Town Hall.

The revenue from Town Hall hire is expected to meet the ongoing costs of rates, utilities, insurance and other overheads while also contributing to future maintenance costs.

Arrangements could be put in place to ensure cleaning costs associated with each event are borne by the hirer. Hiring agreements could require the hirer to leave the premises in a clean and tidy condition for future use, with a penalty of \$200 if this condition is not met. The suggested penalty assumes two hours of cleaning based on an average of the contracted Council cleaning rates.

However, consideration should be given to what increased insurance costs might entail should the Town Hall regain the functionality proposed in Option 3.

Initial advice and considerations from Council is that the Town Hall operations and access are likely be booked and managed through the Council office, with the community taking responsibility for usage. This would require ensuring appropriate mitigation of community misuse and factoring in cost recovery structures to deter negative behaviour or mistreatment of the facilities. Once greater clarity is known around fee structures, the above considerations could be included as well as through the establishment of a bond-like system.

4.4.3 LEGISLATIVE, REGULATORY ISSUES & APPROVALS

The Cobar Shire Council is fully aware of all legislative and statutory requirements and as the local government authority is in a sound position to ensure compliance with all requirements.

Local Government Regulations / Planning and Development Approvals: The Cobar Shire Council has advised that for the works involved, a Development Application is required per standard planning processes.

Health and Safety Compliance: The redevelopment must comply with the Public Health Act 2010 and Public Health Regulation 2012, which cover sanitary and accommodation standards, including waste management, water supply, and pest control.

Fire Safety and Emergency Services: Adherence to fire safety standards is mandatory. This includes obtaining a Fire Safety Certificate and ensuring compliance with the Environmental Planning and Assessment Regulation 2000. Collaboration with local emergency services for emergency access and evacuation plans is also vital.

Environmental Protection: Compliance with the Protection of the Environment Operations Act 1997 is crucial, particularly in managing waste and preventing pollution. This is especially pertinent for the proposed toilet block upgrade, requiring adherence to standards for wastewater treatment and disposal.

Utilities and Infrastructure: Approval and compliance with standards for electricity, gas, and telecommunications services are required, governed by respective state and national bodies.

Accessibility and Inclusion: Ensuring accessibility for people with disabilities, as per the Disability (Access to Premises – Buildings) Standards 2010, is essential for public spaces and buildings within the Cobar CBD.

5. ACKNOWLEDGEMENTS

Morris Piper acknowledges the support of the Cobar Shire Council and DunnHillam in the preparation of this Business Case, and we look forward to the future development of this iconic local asset. We would also like to thank the NSW Government for providing the funding to undertake this important project.

Morris & Piper

