

Cr Ryan Brooke
Cr Charles Impey
20 March 2026

OPEN COUNCIL REPORTS

6 ENVIRONMENT AND PLANNING

Nil

7 INFRASTRUCTURE AND SERVICES

7.1 OPTIONEERING - RAY WALSH HOUSE AND TAMWORTH REGIONAL COUNCIL ADMINISTRATION ACCOMMODATION

DIRECTORATE: REGIONAL SERVICES
AUTHOR: Mark Gardiner, Manager - Project Planning and Delivery
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Reference: Item 5.1 to Ordinary Council 23 September 2025 – Minute No 229/25

2 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report “Optioneering - Ray Walsh House and Tamworth Regional Council Administration Accommodation”, Council:

- (i) receive and note this report;*
- (ii) utilise the information provided in the report to undertake the first phase of consultation with the community; and*
- (iii) provide further instructions on Ray Walsh House and a new Tamworth Regional Council Administration Accommodation Building based on the outcome of this consultation.*

SUMMARY

This report recommends Council undertake initial consultation with the community, in relation to options for the future of Ray Walsh House (RWH) and due diligence works involving concept designs for a potential new Tamworth Regional Council Administration Accommodation Building (Admin Building) located at the current Hungry Jacks site on the corner of Peel Street and Murray Street. Further instructions are then required from Councillors to progress further works.

COMMENTARY

Background

A Council instruction was provided at the September 2025 Meeting, to undertake work associated with the future of RWH and a new Admin Building at the current site of Hungry Jacks. Refer to Item 5.1 to Ordinary Council 23 September 2025 – Minute No 229/25.

This report addresses each instruction separately, with the instruction reproduced from the Meeting minutes in italics, followed by a summary of the information currently known in relation to the instruction, and concluding with potential steps to undertake further works to obtain new information or improve its accuracy, along with the costs to undertake these works. Limitations with the current information is also identified where relevant.

Ray Walsh House

RWH Instruction 1

The General Manager is to undertake the necessary actions to determine whether there is a financial benefit for Council to undertake the removal of the asbestos contamination and reinsulate the building. To be clear, this will include obtaining an up-to-date valuation of the building in its current state, an estimated value of the building if it was rehabilitated to a safe standard, and an estimate of the cost to undertake the necessary works. The valuations are to include the potential sale of the two car parks adjoining the building.

Previous investigation works by NSW Public Works Advisory (PWA) and their cost planner (Concept 2 Reality Consulting) in 2023, provided a rough order of magnitude (ROM) estimate for the remediation and subsequent redevelopment of RWH to accommodate Council's staff and operations; this was estimated to be in the order of \$52.3m - \$64.6m depending on the extent of redevelopment. The removal of asbestos was estimated at \$7 million of this redevelopment estimate, and \$2 million for the reinstatement of fire protection to the structure. These estimates are based on advice from the cost planner as well as market advice from McMahon Services and Rice Construction. The current value of the estimate is likely now to be higher with the escalation of construction costs across the industry.

While older ROM estimates are available for the asbestos remediation and redevelopment of RWH, it is suggested that a current valuation of the property for sale should consider the opportunity presented by the future development of the property, including the highest and best use. A valuation of the building in its current and remediated state was obtained by Council in early 2025, however does not appear to have considered opportunities for highest and best use. This valuation is considered confidential information and not provided in this report.

In order to fully understand the opportunity available, additional work would be needed to obtain up-to-date market pricing for the asbestos remediation, including potentially trialling a portion of removal to verify methodology and therefore total costs. In addition, further advice would need to be sought from development specialists and building consultants to identify the constraints and opportunities associated with redeveloping RWH.

All costs associated with further investigations into the remediation of asbestos and the opportunity for redevelopment, including revaluations of the property and adjoining carparks, are estimated at \$91,000.

RWH Instruction 2

Once the actions in (1) have been completed, the General Manager is to arrange a public meeting in the Town Hall for Councillors to undertake community consultation, as per Council's previous resolution, regarding the future of Ray Walsh House. An options paper, endorsed by Councillors, is to be made publicly available at least fourteen days before the public meeting.

Based on initial feedback from Councillors, it is suggested that a first phase of consultation be undertaken on the content of this report. It is further suggested that following this

consultation with the community the Councillors will be in a better position to provide further instructions on RWH and/or a new Admin Building.

For a second phase of community consultation it is suggested that an external representative, outside of the region, is used to facilitate the session. This would provide an impartial and unbiased facilitator to maintain respectful and meaningful discussion. All costs associated with the consultation session are estimated at around \$13,000 (dependant on the final facilitator engaged).

RWH Instruction 3

The General Manager will receive further formal instructions regarding the future of Ray Walsh House following the outcome of the community consultation and a formal decision being made by Council at an Ordinary Meeting.

No further works are proposed for the project at this time. It is expected that Councillors will provide an instruction to staff once a direction is agreed on after the initial consultation.

Office Accommodation and Visitor Experience Centre

Admin Instruction 1

The General Manager is to investigate the potential to build a new Civic Administration Building and Visitor Experience Centre on the site currently occupied by Hungry Jacks and the Australian Country Music Foundation (ACMF) in Peel Street Tamworth. This investigation will include site suitability, planning considerations, and the development of a concept design and conceptual estimate.

Minimal information is currently known for a potential Admin Building and integrated Visitor Experience Centre (VEC) at the current site of Hungry Jacks on the corner of Peel Street and Murray Street. What is known is largely derived from the functional brief developed for the Tamworth Performing Arts Centre (TPAC) project where an option was considered for Council administration accommodation integrated with the TPAC. Initial investigations have been limited to the development of a ROM estimate as outlined in Admin Instruction 3 below.

Refer to Admin Instruction 4 below for indicative costs to undertake further investigations in relation to site suitability, planning considerations and the development of a concept design and more accurate estimate.

Admin Instruction 2

The new building concept is to be large enough to accommodate all the staff previously located in Ray Walsh House, provide for future growth, and include a minimum of 2,000sqm of floor space for a new VEC.

As above, an area schedule for a new Admin Building was developed as part of the functional brief and concept design work completed for the TPAC project. This schedule was produced by Williams Ross Architects and is **ATTACHED**, refer **ATTACHMENT 1**. The area schedule has been updated to include elements which were previously shared with the integrated TPAC. An area schedule for the VEC was not developed; the ROM estimate for this was simply based on a nominal 2,000m² commercial building as per the instruction.

With the availability of this area schedule, no further works under this instruction are deemed necessary. Refer to Admin Instruction 4 below for estimated costs to further develop concept designs.

Admin Instruction 3

The concept design and estimate is to be presented to Council for approval.

Due diligence work completed to date for the new Admin Building includes advice from an experienced cost planner (Altus Group). A ROM estimate has been developed for all costs associated with establishing this new Admin Building at the site of Hungry Jacks. The estimate was based on the area schedule identified in Admin Instruction 2 above, and detailed within the cost plan which is **ATTACHED**, refer to **ATTACHMENT 2**. A summary of the advice is below in Table 1, noting that this is based on a significant number of assumptions, many identified in the cost plan. The Admin Building estimate allows for all enabling and external works, with the multi-storey carpark option outlined in the cost plan excluded from this summary.

Table 1 – ROM estimate for a new administration building and VEC

Item	Admin Building Cost Estimate (\$ excluding GST)	VEC Cost Estimate (\$ excluding GST)
Net Construction Cost	26,163,433	6,252,100
Contractor preliminaries	4,709,418	1,125,378
Contractor design fees	1,308,172	312,605
Contractor margin	1,569,806	375,126
Locality allowance	1,569,806	375,126
Escalation	4,141,671	989,707
Gross Construction Cost	39,462,306	9,430,042
Professional fees	3,156,984	754,403
Authority fees	295,967	70,725
Internal costs (based on other project performance)	591,935	141,451
Contingency	7,892,461	1,886,008
Total Project Cost	51,399,653	12,282,629

While these ROM estimates are based on the buildings being sited at the current Hungry Jacks location, the costs can be considered as a reasonable order of magnitude estimate for any new Admin Building.

No concept design was produced for either the new Admin Building or VEC, located at the Hungry Jacks site; refer to Admin Instruction 4 below for indicative costs to develop a concept design and refine total project cost estimates.

[Admin Instruction 4](#)

If approved by Council, the General Manager will be instructed to engage a suitably qualified professional to provide a more detailed cost estimate to deliver the concept design.

Works to engage qualified professionals to provide concept designs and site investigations are estimated at \$336,000. This includes the cost for specialist consultants for design (architect), development/property, planning, legal, and cost planning, as well as internal staff costs for project management, environment, communications, and surveying work.

Based on the initial ROM estimate already completed for this building and the timeframe for affordability and delivery of same (discussed further in Admin Instruction 5 below), Councillors may resolve to not proceed with this additional scope at this time as there is sufficient information already available for inclusion in the future options report.

Admin Instruction 5

Estimated construction costs and the corresponding financial implications for Council are to be formally presented to Council.

ROM cost estimates for the construction of a new Admin Building and VEC are provided in Table 1 in Admin Instruction 3 above.

In relation to financial implications of the construction of a new Admin Building and VEC, consideration is required on the likely timeframe. Indicative estimates for any project to plan, construct, and occupy a new building result in a duration of at least four years. This is broken down to the following activities which would be undertaken sequentially:

- Design and scoping – 18 months;
- Development approvals – 6 months;
- Procurement of main contractor – 6 months;
- Construction – 18 months; and
- Commissioning and staff move-in – 3 months.

The commencement of this indicative timeframe is from the allocation of funding, noting that regardless of whether funded by internal or external sources, total funding for a new Admin Building or full redevelopment of RWH would be expected to take several years to secure.

Admin Instruction 6

Current investigations to remodel the Hungry Jacks building for use as a Visitor Information [Experience] Centre only are to cease and alternatives considered for the short to medium term relocation of these services.

No further works are proposed at this time.

Summary of Costs

Based on potential further works for each instruction, a summary of applicable cost estimates is provided in Table 2 below.

Table 2 – Summary of cost estimates for further works under each instruction

Item	Cost Estimate (\$ excluding GST)
RWH Instruction 1 – RWH revaluation and due diligence	90,750

Item	Cost Estimate (\$ excluding GST)
RWH Instruction 2 – Consultation phase two	13,750
Admin Instruction 1 – Site due diligence	0*
Admin Instruction 2 – Building size	0*
Admin Instruction 3 – Construction cost estimate and design	0*
Admin Instruction 4 – Instruction for design	336,600
Admin Instruction 5 – Construction costs	0*
Admin Instruction 6 – Cessation of works on relocating VEC	0
TOTAL	441,100

Note *: all costs for site investigation, due diligence, concept design and refined costings for a new Admin Building and VEC are included at Admin Instruction 4.

(a) Policy Implications

Nil

(b) Financial Implications

The proposed \$441,100 (or part thereof) could be drawn from Council's Regional Development Fund. The forecast position of this Reserve at 30 June 2026 is approximately \$1.64 million.

Given the current internal loan positions arising from the International Flight Training Facility and the Tamworth Global Gateway Park, the allocation of Reserve funding for optioneering under this project should be considered against all other priorities of Council.

Council's current ability to fund a new Admin Building and VEC, or the remediation and redevelopment of RWH, is severely constrained by Council's current and forecast long-term financial position. Based on an estimated loan of approximately \$50 million at 6% interest over a 30-year period, the first 5 years would see principal and interest repayments of \$4.5-5 million annually. Council's current General Fund Long Term Financial Plan (page 26) shows Council's Net Operating Result before Capital Grants and Contributions is unable to accommodate this level of loan repayment.

The 4-year financial overview in Council's Delivery Program (page 38) predicts an increase of approximately \$2 million annually to Council's internal reserves, which is insufficient to cover the additional loan repayments.

As agreed by the Councillors at a previous workshop, it is considered unlikely that Council would be successful in obtaining significant external grant funding from either the NSW or Australian Governments for the construction of a new Admin Building or redevelopment of RWH to accommodate Council's administration staff.

All figures herein exclude GST.

(c) Legal Implications

Subject to Council direction on scope and budget, external contractors and consultants will be engaged under the provisions of relevant contract terms in accordance with Council's Contract Management Guideline. This includes standard contract templates prepared with the assistance of an external legal consultant. Where templates are not suitable, bespoke contract documents will be developed by Council with assistance from an external legal consultant. All contracts would result in Council owning all Intellectual Property developed during the project.

(d) Community Consultation

This report includes a recommendation for Councillors to undertake their own initial consultation with the community before providing further instructions on RWH, a new Admin Building and/or the VEC.

(e) Delivery Program Objective/Strategy

Focus Area 9 – Open and Collaborative Leadership

7.2 TAMWORTH REGIONAL COUNCIL WASTE AUDITS - 2025

DIRECTORATE: WATER AND WASTE

AUTHOR: Doug Hughes, Manager - Waste & Resource Recovery

3 ANNEXURES ATTACHED

RECOMMENDATION

That in relation to the report "Tamworth Regional Council Waste Audits - 2025", Council receive and note the report.

SUMMARY

The purpose of this report is to advise Council of the findings of various waste audits conducted on Council waste collection services and facilities during October and November 2025.

COMMENTARY

Council engaged waste consultancy firm, Knowwaste Pty Ltd, in July 2025, to carry out a waste audit project. This engagement was conducted as a joint procurement exercise with Armidale Regional and Uralla Shire Councils, with Council's entering into their own individual contracts.

Audits were physically conducted in October and November 2025, at a cost to Tamworth Regional Council of \$76,865 (excluding GST). The last similar audit on kerbside collection services was conducted in 2017.

The purpose of the audit project was to gain more data regarding waste streams disposed within Council's collection systems. Data from the audit will allow comparison of previous audit data, inform resource recovery performance to industry benchmarks and identify opportunities for greater resource recovery.

The waste audit project was separated into three individual audits as follows:

- 1) Kerbside Bin Audits** – Methods followed NSW EPA Guidelines for Conducting Household Kerbside Residual Waste, Recycling and Garden Organics Audits in NSW. The objectives were to understand: