



2023

Barossa Creative Industries Centre Business Case and Cost Benefit Analysis

PREPARED FOR BAROSSA COUNCIL
DECEMBER 2023

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A.P. SHEERE CONSULTING |

DOCUMENT INFORMATION

Document Summary Information

Version	1
Version Release Date	December 2023
Document Security	

Document History

Version	Amendment	Amendment Date	Amended by
1			

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1 EXECUTIVE SUMMARY

1.1 Purpose

This Chapter provides a summary of the Barossa Creative Industries Centre Business Case and Cost Benefit Analysis (CBA) has been prepared by A.P. SHEERE CONSULTING, on behalf of the proponents, Barossa Council.

1.2 Background and need

There is currently no regional home for the creative industry sector in the Barossa and existing venues are not fit for purpose. There is therefore no opportunity for sector collaboration or growth.

The Barossa Creative Industries Centre initiative will repurpose the existing Barossa Regional Gallery and enable the Barossa's local artists, first nations, heritage, history and contemporary creative industry participants and talent to not only create but also showcase their works to a wider audience. The Centre will also drive additional interstate and international visitation of artists in residence, pipe organ players, musicians, historians showcasing the regions and States first nations, European and contemporary storytelling and cultures.

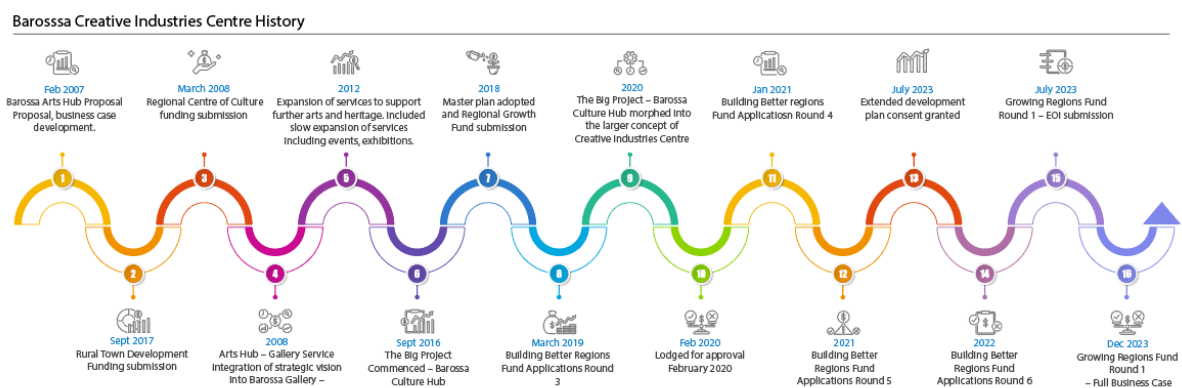
The Centre will be a key attraction for local residents, future residents and visitors and be central to the future of the Barossa as a creative region.

The Barossa Creative Industries Centre project will ultimately result in new Art Gallery and Cultural Heritage building centrally located in the Barossa, South Australia.

This project is supported by the community and has been an ongoing initiative for sixteen years.

Figure 1-1 shows a summary of the key activities that have taken place since the project was initiated in 2007.

Figure 1-1 Barossa Creative Industries Centre History



1.3 Project Objectives

The identified needs/objectives of the Barossa Creative Industries Centre are as follows:

- **Economic Benefit:** Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.
- **Social benefit:** Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.

The table below provides a summary of the project objectives and the issues this project aims to resolve.

Table 1-1 Project need	
THE PROBLEM TO RESOLVE	OBJECTIVES
No fit-for-purpose centre for arts or cultural activities in the Barossa currently exists. Need to support the economic diversification of the region. Need to support the creation of new and diverse jobs. Existing gallery is not suitable and has safety issues and restricted access. Poor climate control is placing existing artworks at risk from damage. Unable to support environmental sustainability and net zero with existing infrastructure. Unable to fully support creative industries sector. Existing infrastructure cannot cope with electrical load. Lack of storage space. No central hub for businesses to innovate and be supported as they seek to expand their markets. Lack of space and facilities for staff. Missed growth opportunities for sector development, commercialisation and participation.	1. Economic Benefit: <i>Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.</i>
The Barossa lacks a cultural beacon that brings people together and attracts visitors to the centre of town. A growing population and greater visitation expects a cultural centre and the benefits and economic and social diversification it offers but this does not currently exist. Lack of cultural centre reflects poorly on the region. Need to encourage more volunteering for people to benefit from the experience. Unable to help increase participation in the arts, heritage, cultural development and storytelling due to lack of a suitable venue for such activities. Poor access in existing gallery is excluding a number of community sectors. Lack of space to appropriately support the region's first nations heritage and storytelling.	2. Social benefit: <i>Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.</i>

1.4 Project description

The project includes new gallery spaces, production rooms, broadcasting studio, green room, performance space, rehearsal space, music, education and production practice rooms, creative arts work studios and residency facility, heritage experiential library, writing and archival spaces, amphitheatre and open space development and associated supporting infrastructure including car parking. The project will have a focus on creative practice and use of smart technology.

There will be an external amphitheatre space for outdoor workshop, events, performance and gatherings ('Valley of Song' and 'Valley of Dreams') further expanding the reach and attraction of the centre.

This project will provide spaces, mentoring, business start-up and direct links to jobs in creative industries and in the wine, tourism, and hospitality industries and extensive investment in events, programs, and visionary presentation of our stories. The Barossa Creative Industries Centre will bring together the latest in creative technology business incubation for both new and established business, in the one location, to collectively create a new and exciting future for the region.

Repurposing the Barossa Regional Gallery will result in a landmark cultural hub and creative industry precinct that showcases the heritage, culture, first nations storytelling and creative industries of its world-renowned community – regionally, nationally and internationally.

The Centre will dramatically enhance the current performance and exhibition spaces, create a heritage education centre with a focus on digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces, residency program capability, amphitheatre performance area and open space development that talk to the first nations history and landscapes of the region, event and sensory public gathering open spaces, all in the heart of iconic Tanunda Township.

The Centre will also serve as a hub and landing point for specialist creative professionals and visitors alike providing visibility, promotion and signposting to other creative facilities and content throughout the Barossa region.

1.5 Project outcomes

The Barossa Creative Industries Centre will result in a number of outcomes including:

- A fully accessible and compliant creative industries centre is developed.
- Enabling the integration of different industries of creative, wine food and tourism to help diversify market reach.
- Creating an environment from which opportunities for long term sustainable jobs through the collaboration of different industries can be encouraged.
- Removal of barriers to business expansion.
- New regional jobs created as a direct result of industry growth.
- Economic growth and increased output by enabling the expansion of local businesses.
- Economic diversification of the Barossa LGA.
- The region becomes more attractive to businesses and investors.
- Directly supporting business growth in the Bar-ossa region.
- Provide opportunities for new jobs specifically in the new facility providing specialist creative direction, curation and administration to support the centre, creative professionals, volunteers and community groups.

- Population growth continues and accelerates in the Barossa region.
- Provide cultural and arts infrastructure which does not currently exist.
- Develop cultural and arts infrastructure that fosters community resilience, connection and wellbeing and economic diversification.
- Provide a place where strong and sustainable community networks are created.
- Provide cultural and arts infrastructure which enables service providers, artists, musicians, tourists, local businesses and all community members to interact, engage and collaborate.
- Provide cultural and arts infrastructure that will enable local artists to create and show-case their works.
- Provide a space where Barossa's culturally and first nations significant stories can be told and provide a space for the region's arts groups facilitating growth and attracting new members.
- Barossa Regional Gallery becomes a land-mark cultural hub and creative industry precinct in the region.
- Create a centralised heritage education centre focusing on digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces, residency program capability and external performance areas that also showcase first nations history and landscapes of the region.

1.6 Project funding

The total project cost (excluding GST) is \$13,922,000. The amount of funding being requested by Barossa Council is for 50% of total project cost being \$6,961,000 ex GST. At the time of writing this Business Case, Barossa Council is seeking assistance from State and/or Federal Government to invest in the Barossa Creative Industries Centre initiative.

1.7 Project delivery

Key milestones are summarised in Table 1-2 below.

Table 1-2 Key milestones		
Title	Start	Finish
Milestone 1 Construction Design Development, Final Authority, Appointment Managing Contractor, Trade Packages and Mobilisation. Statutory Charges	1/05/2024	31/05/2024
Milestone 2 Existing Building and— early works construction packages New Building – External Civils early works construction packages	1/06/2024	6/12/2024
Milestone 3 Construction Existing Building Construction New Building	9/12/2024	18/7/2025
Milestone 4 New Building - Remaining external trades and Internal fit out.	4/4/2025	19/11/2025
Milestone 5 Landscaping – hard and soft landscaping	4/4/2025	19/11/2025
Milestone 6 New Building - Contingency and Handover	19/10/2025	17/11/2025

1.8 Key risks

All risk assessments and more detail are included in the project's Risk Management Plan.

1.9 Cost Benefit Analysis

The CBA assessment identifies that Option 1- Reference project: Complete the Barossa Creative Industries Centre is the preferred option considering the estimates provided and assumptions made. In summary, *Option 1 – Reference Project – Complete the Barossa Creative Industries Centre* under these assessment parameters, is the preferred option because:

- It offers better value for money and delivers on the principal objectives.
- Provides direct tangible and long-lasting benefits to the community and region.
- Results in the highest positive economic and social impact in the shortest time.
- Has the highest BCR of 3.55 at a 7% discount rate.
- At a 7% discount rate: Total PV of benefits equal \$114,770,476.21
- At a 7% discount rate: Total PV of costs equal \$32,319,557.09
- At a 7% discount rate: Net present value of \$82,450,919.11

The preferred project option can deliver an outcome that is likely to increase the long-term sustainability of the Barossa region by investing in new physical assets resulting in a broader range of activities, job opportunities, and increased tourism. In addition to this, the project will deliver a wide range of social and economic benefits to the region and the surrounding regional community and help to both attract and retain new residents and workers.

While the business-as-usual option does not require any significant further investment over and above current maintenance, it does not enable economic diversification, or support increased CBD patronage or events. There are additional WHS risks and the potential for ongoing damage to existing and archived artworks plus unexpected maintenance costs resulting from the age of the existing facility. Continuing with a business-as-usual approach is a very short-term option only with little or no identified additional benefits.

Options 1 and 2 (where Option 2 is to construct the project later) will provide similar benefits supporting the ability to host more events, increased tourism, create more jobs, and improved access to the arts and culture. Visitations from tourists under both options will increase when compared to the business-as-usual option. The increase in visitations will translate into a more vibrant region and economy whilst providing infrastructure which meets the expectations of the community, businesses and visitors.

Both options will result in a number of job opportunities both during and post construction and improve the region's liveability. Delaying the project does not provide any additional advantages and is not considered favourably. To commence the project as soon as possible will yield the faster realisation of the benefits including new jobs and thus avoid increased construction costs as a result of the delay or further damage to existing artworks. It should be noted that the community has been waiting for this project to proceed for a number of years, so further delay would be considered unreasonable and not be well received.

Therefore, Option 1 - undertaking the Barossa Creative Industries Centre (without delay) is preferred overall due its lower capital cost, lower risks, higher BCR, greater opportunities to support new events and expanded activities, expedited new jobs, increased tourism activity, improved liveability and the fact that by completing the project without delay, will result in the associated benefits being experienced much sooner.

1.10 Direct jobs created by this project

A number of new direct jobs will be created post development at the Barossa Creative Industries Centre itself.

It is estimated that 3.0 FTE jobs will be created post development at the Barossa Creative Industries Centre. A summary of the roles are as follows:

- Manager, Barossa Creative Industries Centre - The primary objective of this position is to plan, lead and manage the Barossa Creative Industries Centre to deliver a unique cultural and creative space that activates cultural activity and supports creative industries across the region.
- Programs/Heritage Officer –
 - To support the effective operation of the Barossa Creative Industries Centre through the development and co-ordination of a range of program activities providing a premiere cultural experience for the local community and visitors to the region and promoting creative industries.
 - To support the effective operation of the Barossa Creative Industries Centre through management of the heritage collection, program development and implementation as well as providing high level customer service to deliver a premium cultural experience for the local community and visitors to the region.
- Admin Officer - To ensure the effective operation of the Barossa Creative Industries Centre through providing general administration support as well as a friendly, effective and comprehensive information and booking service for visitors and the general community to deliver a unique arts and cultural experience.

2 CASE FOR CHANGE

2.1 Background

2.1.1 Introduction to the Barossa Local Government Area

The Barossa LGA is located in South Australia, about 70km north-east of Adelaide, the state's capital city. Located in South Australia, the Barossa Valley and surrounds are an easy one-hour drive from the capital Adelaide's CBD and the Adelaide International Airport.

The Barossa Valley is a renowned wine-producing region northeast of Adelaide, in South Australia. The area encompasses towns such as Tanunda, Angaston, Lyndoch, Williamstown, Mt Pleasant and Nuriootpa, and an array of high-profile wineries offering tours and cellar-door tastings.

2.1.2 Barossa's strategic location in South Australia

The Barossa Council area is located to the north-east of metropolitan Adelaide, between 50 and 80 kilometres from the Adelaide CBD.

The Barossa is a rich and diverse region and home to the internationally renowned Barossa wine region. Our First Nations heritage has a rich history from our three first nations of Ngadjuri, Kurna and Peramangk and importantly Nuriootpa was a meeting place for these mobs, with Nuriootpa meaning "meeting place" as a central location for trading between the first nations people.

Early farmers of the Barossa established vineyards in the 1840s and 1850s to supplement their primary activities of wool and livestock production and crop farming. In the late 1880s and 1890s there were substantial increases in the production of wine in the region which resulted in the establishment and subsequent expansion of a number of cellars.

The wine industry has continued to grow from these early beginnings and is the major source of income for the region. The tourism industry has become a major focus for the continued development of the region with the Barossa acknowledged as one of the five most recognised wine regions in the world. In order to assist the Barossa's ongoing development, it is necessary to have appropriate infrastructure in place to meet the current and future needs of the region and its community. Barossa is well located to drive population growth to regional areas which has already started and is illustrated by the continued increase in population figures.

Figure 2-1 Barossa's strategic location in SA



2.1.3 Background to the Project

There is currently no regional home for the creative industry sector in the Barossa and existing venues are not fit for purpose. There is therefore no opportunity for sector collaboration or growth.

The Barossa Creative Industries Centre initiative will repurpose the existing Barossa Regional Gallery and enable the Barossa's local artists and talent to not only create but also showcase their works to a wider audience.

The Centre will be a key attraction for local residents, future residents and visitors and be central to the future of the Barossa as a creative region. The Barossa Creative Industries Centre project will ultimately result in new Art Gallery and Cultural Heritage building centrally located in the Barossa, South Australia.

The project includes new gallery spaces, production rooms, broadcasting studio, green room, performance space, rehearsal space, music, education and production practice rooms, creative arts work studios and residency facility, heritage experiential library, writing and archival spaces and car parking. The project will have a focus on creative practice using smart technology. There will be an amphitheatre performance space for outdoor workshop, events, performance and gatherings ('Valley of Song' and 'Valley of Dreams') further expanding the reach and attraction of the centre.

This project will provide spaces, mentoring, business start-up and direct links to jobs in creative industries and in the wine, tourism, and hospitality industries. The Barossa Creative Industries Centre will bring together the latest in creative technology business incubation for both new and established business, in the one location, to collectively create a new and exciting future for the region. Repurposing the Barossa Regional Gallery will result in a landmark cultural hub and creative industry precinct that showcases the heritage, culture, first nations storytelling and creative industries of its world-renowned community – regionally, nationally and internationally.

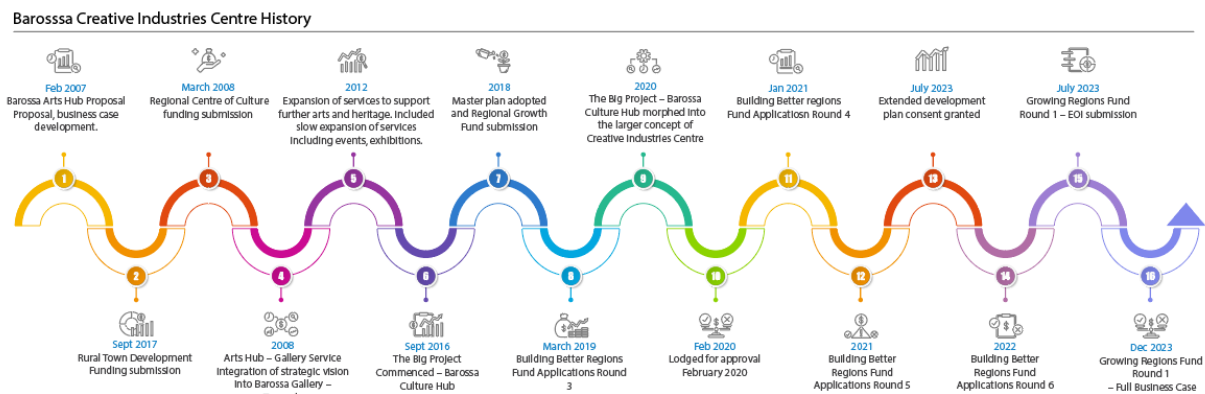
The Centre will dramatically enhance the current performance and exhibition spaces, create a heritage education centre with a focus on digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces, residency program capability, external performance areas that talk to the first nations history and landscapes of the region, event and sensory public gathering open spaces, all in the heart of iconic Tanunda Township.

The Centre will also serve as a hub and landing point for specialist creative professionals and visitors alike providing visibility, promotion and signposting to other creative facilities and content throughout the Barossa region.

2.1.4 Development of the proposal

The Barossa Creative Industries Centre Project has been the subject of various strategies, plans and funding submissions. Commencing in 2007 the project spans sixteen years in the making. The project timeline is illustrated in Figure 2-2 below:

Figure 2-2 Barossa Creative Industries Centre History



2.1.5 Project description

The project scope includes the construction of performance and exhibition spaces, heritage education spaces with a focus on Smart digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces, residency program capability, external performance areas that talk to the first nations history and landscapes of the region, event and sensory public gathering open spaces, all in the heart of iconic Tanunda Township.

New construction elements will include:

- Climate control for gallery spaces
- Additional gallery space
- Additional black box digital gallery
- New gallery collection storage space
- New gallery work room and storage
- New performance / production storage space
- New performance changing rooms including dedicated toilet / shower
- New green room space
- New lift
- Lower level rehearsal space, organ display area, music storage and archive space
- Upper / mezzanine level theatre style seating overlooking stage.
- New staff office space
- All new spaces will have new flooring, contemporary climate control and electrical services
- New soldiers memorial space
- New main entrance
- New foyer to include ticket counter and glass windows and entry/egress points out to the internal courtyard
- New bar for catering of opening events and performances
- New Heritage Library, Story and Discovery Centre
- Archiving space and storage
- Digital capability for smart technology and the Internet of Things (IoT) New public toilets
- New radio broadcasting studios x 2
- New recording and production studio
- New control / technical room
- New green room for radio station

- New radio meeting / personnel space
- New separate entrance area for music and production area
- New music, education and production practice rooms x 4 small
- New group music education and production practice room x 1 large
- New reception / admin space radio and music production
- New art / making / craft studio small x 4
- New group creative arts work studio and residency facility x 1
- Studios opening into external courtyard space with capacity for outdoor workshop / wet activities
- New external, shaded “courtyard” performance, gathering space (“Valley of Song”)
- Main outdoor / performance stage
- New casual / impromptu performance area (“Valley of Dreams”)
- Landscaped external areas to include stone and basket walls and planting, seating and story nodes
- Soft landscaping
- New perimeter fencing upgrades
- New carparking
- New internal roads
- New bin storage
- Electrical capacity upgrade for whole site
- All associated services, drainage, Community Wastewater Management System
- All associated civil and engineering construction elements
- New roofing for new areas, maintenance to existing as required
- All code / DDA requirements including upgrades/handrails to existing staircases
- Centre signage – internal / external / wayfinding
- External lighting
- Internal and external fixtures and fittings
- Telecommunications and digital connectivity / equipment

2.1.6 Project objectives

The identified needs/objectives of the Barossa Creative Industries Centre are as follows:

- **Economic Benefit:** Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.
- **Social benefit:** Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.

2.2 Rationale for investment

The benefits from the Barossa Creative Industries Centre will be seen across National, State, Regional and Local stakeholders and are summarised in Table 2-1 below:

Table 2-1 Benefits across all sectors

National	Supports and promotes economic growth. Promoting growth in regional towns i.e. redirecting population growth. Enhanced cultural and tourism experience. Responds to the research and guidelines from the Australian Government Australia Council for the Arts. Helps to meet net zero targets by minimising energy consumption in construction and ongoing lifecycle costs.
State	Supports and promotes economic growth and improving the nation's productivity. Promoting growth in regional towns i.e. redirecting population growth. Maintains and develops a high level of facilities and services for businesses and resident. Supports and promotes economic growth and increased tourism. Enhanced cultural and recreational opportunities for the community. Delivers on the South Australian Government's Creative Industries Strategy – Growth State 2020 Helps to meet net zero targets by minimising energy consumption in construction and ongoing lifecycle costs.
Regional	Induced development and encourages private investment. Improves productivity of the region. Support growth industries and increased output. Increased visitor expenditure through growth and extended stays. Develops civic areas and promotes a regional identity. Encourages population growth which in turn support CBD activity and business expansion. Helps to meet net zero targets by minimising energy consumption in construction and ongoing lifecycle costs.
Local	Makes the region more attractive to current and future residents and workers. Provides growing businesses with access to skilled personnel. This project will provide a place for respite from the hard times being experienced in regional areas in a venue which is not only easily accessible but also creative and entertaining. Provide a place for art and cultural sector businesses to work together, be creative, support each other, grow their individual business and discover a new and exciting future. Enhanced tourism experiences as visitors will be able to flock to one space, making it easier for them to enjoy their holiday and extend their stay. Increased tourism, events and extended stays. Encourages private investment i.e. retail expansion, new retail and commercial developments. Provides for a sustainable future for the region. Helps to develop community cohesion. Develops local jobs. Provides a range of business opportunities. Increased local competitiveness with neighbouring LGAs. Address social disadvantage by providing greater opportunities for social connections, cultural experiences, increased employment and volunteering. Address youth unemployment. Provide greater volunteer opportunities. Create a central, accessible gathering place for the entire community to come together. Improves access to a range of cultural experiences and increased participation in the Arts. Helps to meet net zero targets by minimising energy consumption in construction and ongoing lifecycle costs.

2.2.1 Current users

The facility is currently used for a range of activities including ad hoc and limited: live music performances, workshops and exhibitions in conjunction with Council. It is a meeting space for the Liedertafel Men's Choir and the Barossa Arts Council and is used by a number of other private, corporate and community organisations for gathering and events.

The facility is a venue for emerging regional festivals including the Barossa Baroque and Beyond boutique music festival, South Australian Living Artists Festival (SALA) and the established Barossa Vintage Festival.

The Adelaide Town Hall's Hill and Son Grand Organ, acquired by local community members in the late 1990s, has been restored and installed on the stage at the southern end of the building and has elevated the facility to one of global organ recital significance without sufficient infrastructure to adequately support this interest and demand. The site also houses the Barossa Vintage Art Collection which includes over 50 artworks and is valued at over \$300,000. ¹

In 2021-22 the Barossa Regional Gallery attracted 10,626 gallery visitors, hosted 23 community events, and 30 gallery workshops were held attracting 3,863 attendees. In 2022-23 this increased to 14,121 gallery visitors, 36 community events and 24 gallery workshops were held attracting 6,353 attendees.

Table 2-2 Current users

Activities	Casual Users	Stakeholders
Offered by Council & other Stakeholders/Users	Using the venue for functions and events	Operating from or meeting at the Venue
Art and social history exhibitions	Regional Development Barossa	Liedertafel Men's Choir
Live music concerts	Tourism Barossa	Friends of the Hill and Son Organ
Organ Recitals	Stella One Studio	Barossa Arts Council
Artisan Retail - ongoing Gallery shop operations and annual Christmas market	Barossa Baroque and Beyond	
Tanunda RSL Memorial Display	(Music Festival)	
Workshops	Barossa Visitor Information Centre	
Meetings, forums and gatherings	Tanunda RSL	
Organ Heritage tours		
Artist Talks		

The building hosts two formal galleries, one emerging exhibition space, hall with moveable walls for exhibitions and performance, mezzanine landing space for the Tanunda World War I Soldier's Memorial, retail gallery shop, kitchen and toilet amenities, Hill & Son Grand Organ, performance stage, basement space for community use and organ tours, small open plan office space, internal storage room and

¹ Source: The Barossa Council Annual Report 2017-18.

informal storage areas, external storage room, balcony seating and three unused rooms on the second floor.

Images of the Tanunda Soldier's Memorial Hall



2.2.2 Why is the project being undertaken?

The BAROSSA CREATIVE INDUSTRIES CENTRE project is needed to meet the identified objectives listed below:

- Economic Benefit: Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.
- Social benefit: Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections and increased participation in arts, resulting in a more liveable and attractive region.

The table below summaries the problems this project will overcome which are directly related to the project objectives.

Table 2-3 Problems that the Project will resolve and objectives

The problem to resolve	Objectives
No fit-for-purpose centre for arts or cultural activities in the Barossa. Need to support the economic diversification of the region. Need to support the creation of new and diverse jobs. Existing gallery is not suitable and has safety issues and restricted access. Poor climate control is placing existing artworks at risk from damage. Unable to support environmental sustainability and net zero with existing infrastructure. Unable to fully support creative industries sector. Existing infrastructure cannot cope with electrical load. Lack of storage space. No central hub for businesses to innovate and be supported as they seek to expand their markets. Lack of space and facilities for staff.	<i>Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.</i>
Lacks a cultural beacon that brings people together and attracts visitors to the centre of town. A growing population expects Tanunda to be home to a cultural centre but this does not currently exist. Lack of cultural centre reflects poorly on the region. Need to encourage more volunteering for people to benefit from the experience. Unable to help increase participation in the arts due to lack of a suitable venue. Poor access in existing gallery is excluding a number of community sectors. Lack of space to appropriately support the region's first nations heritage and storytelling.	<i>Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.</i>

Objective 1 - Economic benefit: Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.

2.2.3 Current infrastructure at the Tanunda Soldier's Memorial Hall does not meet the identified need

The Tanunda Soldier's Memorial Hall is located on Basedow Road, Tanunda. The original hall was built in 1913 by the Tanunda Club to provide a larger space for performances and social events and became the Tanunda Soldier's Memorial Hall after World War 1. It has remained a civic and cultural facility and memorial building for Tanunda and the Barossa region and is listed on the Local heritage register.

The facility is owned and operated by Council. It is managed by Council staff (2 current part time staff member) and volunteers including a management committee established under Section 41 of the South Australian Local Government Act 1999.

Facilities and infrastructure are utilised by a broad range of user groups for cultural, artistic and community-based activities. Historically the facility has performed the role of a cultural location for the region. At over 100 years old, the current infrastructure is not sufficient to leverage the economic, commercial and community benefits that a contemporary centre for the creative arts, industries and culture can offer.

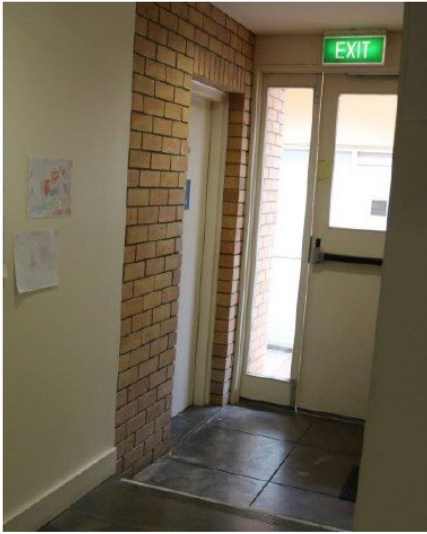
Even though some essential upgrades have been undertaken, there is a common theme of the potential for much greater and aspirational outcomes restricted by the lack of suitable facilities which also pose safety issues and restrict access and are placing existing artworks at risk from damage.

2.2.3.1 Current operating problems which need addressing

Current operating challenges which will be addressed by this project include:

- No air conditioning in the main auditorium which renders the venue un-useable for events in winter and summer. The Barossa experiences cold winters and very hot summers.
- Limited storage capacity including a lack of climate control for archival and art storage.
- Risk of damage to existing art due to poor climate control and inappropriate storage.
- Limited loading dock access contributing to manual handling challenges/WHS concerns for workers.
- No green / change room facilities for performers.
- No reception / foyer area.
- After-hours access is difficult.
- Electrical supply is at capacity – wiring is contemporary but no additional load of any significant amount such as new air-conditioning can be facilitated.
- Additions incorporated over time have resulted in changes in levels that make it a difficult building to navigate and access.
- Increased risk of manual handling incidents and trip/fall hazards due to multiple/uneven floor levels.
- Toilets are limited, aged and inaccessible.
- Change rooms are no longer safe/fit for purpose, have no disability access and are shut off from public access.
- Inadequate meeting, office space – work area currently located in mezzanine corridor.
- Soldiers memorial space – no disability access and does not provide a suitable memorial.
- Small retail shop – inadequate to stock and display the range of local products that Council has access to. Revenue is increasing year on year, but the demand cannot be matched within the available space.
- External spaces – events currently must be held in the car park area as the land to the rear is not suitably landscaped to allow for safe, all access operations.

Following are a series of images which demonstrate some of the issues to be addressed by this project. These issues could result in injuries and damage to artwork and stock resulting in a number of losses.

Access and manual handling issues 	Change in toilet levels 
Lack of appropriate storage and manual handling dangers 	Unsuitable office area 

Source: Barossa Council

2.2.3.2 The issue of poor climate control

As previously mentioned, there is no air conditioning in the main auditorium which renders the venue un-useable for events in winter and summer as the Barossa experiences cold winters and very hot summers. In addition to this, there is limited storage capacity and a lack of climate control for archival and art storage.

Climate control is important for the preservation of artworks. The following list explains why damage can occur to objects in spaces with poor temperature control:

- Some materials are sensitive to low temperatures, particularly polymers found in modern paints and coatings, rubber and plastic objects.
- Temperatures that are too low can potentially cause desiccation resulting in fractures in paints, adhesives and other polymers.
- Wide and frequent fluctuations in temperature can cause fractures and delamination in brittle, solid materials. Furniture, ivory, and oil paintings are particularly vulnerable.

- Sustained high temperatures have a much more significant impact on the stability of collection materials than do temporary spikes or wide fluctuations of temperature.²

It is also important to remember that the business of many institutions is to display and interpret collections to the public and that therefore it is essential to consider the visitor experience as well as preservation of collections when reaching decisions on the level of climate control and lighting.

This is an issue which will be addressed by this project ensuring the preservation of artworks in an appealing environment that encourages participation and positive experiences.

2.2.3.3 Supporting environmental sustainability and net zero through better building practices

The transformation of the existing Tanunda Soldiers Memorial Hall into the Barossa Creative Industries Centre is underpinned by principles of environmental sustainability. The existing building is plagued by a number of operational issues stemming from its age, limiting the building from operating in a sustainable and environmentally sensitive manner.

The project has been designed by Phillips/Pilkington Architects who are signatories to 'Architects Declare' Australia a worldwide response to the Climate Change Crisis and commitment to environmental sustainability. Phillips/Pilkington Architects are committed to being carbon neutral.

The proposed development therefore, incorporates a range of strategies promoting environmental sustainability including:

- Minimising embodied energy
- Utilising passive design principles
- Managing stormwater
- Maximising landscaping plantings

Embodied Energy

A careful appraisal was undertaken of the existing Tanunda Soldiers Memorial Hall to maximise reuse of this existing building substantially reducing the embodied energy for the development of the Barossa Cultural Hub.

New built form is constructed of materials of low embodied energy such as rammed earth walls and Australian grown timbers.

Materials have also been selected for their ability to be recycled.

Passive Design Principles

The new building elements have been designed utilising passive design principles to minimise energy needs. The northern orientation has been maximised with effective shading to glazing. High performance glazing is also specified to further reduce heat load and therefore energy needs.

Stormwater Management

A stormwater management plan has been produced by civil engineers WGA detailing the proposed method of collection and disposal of site generated stormwater run-off, incorporating a combination of pipes, under car park storage and swales to collect, detain and treat stormwater.

² A Practical Guide For Sustainable Climate Control and Lighting in Museums and Galleries, 2013

Landscape

The landscape is a key part of the development integrating onsite treatment of stormwater. Significant new tree plantings will effectively reduce the sites carbon footprint, while existing mature trees are being retained and the building courtyard wrapped around them.

Net Zero

The project aims to be net zero by minimising energy consumption in construction and ongoing lifecycle costs. On site landscaping including substantial tree planting will provide an effective carbon offset.

2.2.4 The current creative sector in Barossa and why it should be supported³

CULTURAL LANDSCAPE – COMMUNITY

Alongside the Barossa Regional Gallery, which is situated at the Tanunda Soldier's Memorial Hall, there are several community organisations that manage cultural facilities and deliver cultural programs throughout the Region. Many of these rely on community and volunteer support and are under-resourced. Whilst the work they do is vital, they have limited capacity to grow and very few are able to develop cultural tourism opportunities and attract visitors. Organisations include a range of historical societies, community radio, an arts council and heritage site care-taker groups.

CULTURAL LANDSCAPE – COMMERCIAL

The local wine industry, particularly through the network of cellar doors provides a range of cultural activities including, exhibitions, live music, theatre and heritage tours and local pubs and bars present live music reasonably regularly. The Barossa Arts and Convention Centre (BACC) is situated at Faith College on the edge of Tanunda. Public access to the facility is no longer available due to the original funding models except for very limited and normally ticketed performance opportunities and does not offer the same solutions to economic and social growth that a fully public and multiple use purpose-built centre will achieve. Local music business, Stella One Studio, has a professional recording studio located in Tanunda, is a local entertainment booking agent, nurtures the local music scene and hosts a regular open mic night.

ADJACENT BUSINESS DEVELOPMENT

Immediately east of the Barossa Creative Industries Centre, wine producer and cellar door Chateau Tanunda and has plans to establish a 5-star lifestyle hotel with 100 – 120 rooms. 250m to the east of the centre is Tanunda's vibrant main street with restaurants, cafes and retail, and a further 700m metres away is the redeveloped Tanunda Recreation Centre with regional conference facility for up to 1000 people in the unique Tanunda Show Hall.

The Tanunda main street hosts a vibrant retail and café scene with over 20 food outlets that range from inexpensive take-away to fine dining. Over the last three – four years several new boutique wine businesses and cafes have successfully opened on the Tanunda main street, reflecting the confidence of the local business community. With the Barossa Visitor Centre also situated in the main street, the township is considered an important hub for the broader Barossa Region and is the primary landing site for visitors who come to the region.

³ Barossa Council

Over the last 3 to 4 years several new boutique wine businesses and cafes have successfully opened on the Tanunda Main Street and have largely been able to sustain operations during and after COVID restrictions reflecting continued confidence and resilience of the local business community.

LOCAL FESTIVALS

There are a number of festivals presented in the local area but based on the Barossa Regional Events Strategy developed in 2013 there are considerable opportunities to build the events market both locally and regionally. Tourism Barossa presents the Barossa Vintage Festival biennially and the Barossa Gourmet Weekend, which has recently transformed into a quarterly festival program. The Barossa Baroque and Beyond is a boutique music festival presented annually in October and the South Australian Living Artist (SALA) Festival has a significant presence in the region.

Council supported the Barossa Adelaide Fringe as a local fringe hub just prior to COVID in 2020 with around 7,000 attending over the fringe long weekend. It is envisaged that a venue, such as the Barossa Creative Industries Centre could see an event of that nature attract up to 15,000 people for the same period.

2.2.4.1 Value of Arts and Culture

In December 2013 a report by the Creative Industries Innovation Centre, was published titled 'Valuing Australia's Creative Industries Final Report'. This report provides a definition for the Creative Industries (which incorporates arts and culture) sector as follows:

As a most basic definition, creative industries can be distinguished from other industries in that creativity is used to create value for their consumers. While all industries will include an element of creativity within them to a greater or lesser extent, creative industries are different because they use creativity to create value for their clients and the products or services created are intellectual property.

Due to their dynamic nature, the creative industries are not simply defined and consist of a wide variety of businesses and individuals. They include cultural sectors like the visual and performing arts, as well as those sectors that are often dubbed digital media or multi-media including film and television, broadcasting, computer animation, web design and music. They also include a range of other sectors like architecture and urban design, industrial design, designer fashion, writing and publishing.

More recently, the nine Growth State priority industry sector strategies have been launched, identifying Creative Industries as a key sector including a growth target of:

* Creative Industries – 5 per cent growth per annum to 2030, seeing the gross value-add for the sector reach \$2.1 billion by 2030

The RDA priorities for the Barossa currently include: Outstanding Creative Industries - Live Music Industry Development-Arts, Music, Entertainment infrastructure and business capabilities. Highlighting the importance of the sector to economic growth and prosperity.

The latest report from independent arts and culture think tank, A New Approach, shines a light on the multi-billion dollar value of our cultural and creative economy, and its post-pandemic growth potential to 2030 and beyond.

The report called, Australia's cultural and creative economy: A 21st century guide, highlights the total estimated value of Australia's cultural and creative activity at \$111.7 billion (6.4% of GDP) while employing more than 800,000 people (8.1% of the total workforce).

The report suggests Australia can learn lessons from other countries that have recognised the potential of their cultural and creative industries to not just stimulate their economy but to lead future economic growth and prosperity.

2.2.4.2 *Regional arts and culture scene*

THE RISE OF THE REGIONAL BOHEMIANS

Regional Australia Institute

May 2017

There is a prevailing, metro-centric view of arts in Australia; that artists have to go to metropolitan areas if they are to succeed. This is a central proposition in Lindy Hume's recent Platform Paper *Restless Giant: Changing cultural values in regional Australia*. In fact, Hume argues, many artists make a conscious effort to move to regional places because of the various benefits regional communities have to offer: creative inspiration, affordability, quiet working environment, and community values.

The arts are an important part of regional economies. In 2013, regional Australia produced \$2.8 billion in arts and cultural industry output (Gross Value Added, or 'GVA'); approximately 24 per cent of the national arts and cultural output.^[1] Metropolitan cities, by contrast, produced \$9.1 billion GVA from arts and culture, or 76 per cent of national output.

Beyond the arts sector itself, creative people play a vital role in economic development. The Regional Australia Institute's (RAI) Innovation index now tracks the strengths of a region's entrepreneurial business engine, along with the traditional measures of research and development. The business engine component includes trademark applications, a measure which joins creative and commercial business development, and the Institute's mapping finds many regions with high levels of outright and per capita trademark applications.

Clearly, regional Australia includes many creative hubs that will continue to see economic benefit from arts and culture in years to come. This optimistic reimagining of regional arts and culture underlies Lindy Hume's paper. In highlighting the excitement and enthusiasm around regional arts, Hume dispels the misconception that regional communities lack the creative fervour or cultural clout of metropolitan cities. Hume finds world-class artists thriving in regional areas, and is troubled that touring arts funding is almost exclusively aimed at supporting visits to regional areas by metropolitan artists, rather than fostering a two-way flow.

Hume notes the imbalance of resources directed to regional Australian arts and culture compared with metropolitan cities (for instance, for major performing arts company tours, regional Australia only receive 3 per cent of the national funding budget). Hume argues that this imbalance contributes to a lack of connection between the major metro-based performing companies and their regional counterparts, and limits the work produced in regional Australia for tours to metro cities...

2.2.5 *The need to support economic diversification*

Economic diversification is the process of shifting an economy away from a single income source toward multiple sources from a growing range of sectors and markets. Traditionally, it has been applied as a strategy to encourage positive economic growth and development. Economic diversification helps ease the effects of cyclical downturns, including cyclical unemployment and the need for diversification is central to The Barossa Councils Local Economic Development Plan.

2.2.5.1 Changes in type and number of jobs in the Barossa LGA

Employment by industry (total) is the most accurate and up to date measure of the total number of people employed in the Barossa LGA and therefore, the number of jobs in the LGA. The statistics here are taken from the ABS Census in 2016 and 2021 using the ABS Census Table builder tool. They estimate the total number of persons employed in an industry sector (full-time and part-time) in the Barossa LGA regardless of where they live.

By comparing the number of jobs in each industry sector between census years, you can clearly see the structure of LGA's economy and how it is changing.

What do the type and number of jobs in Barossa tell us?

An analysis of the jobs held by workers in the Barossa LGA (both resident and non-resident workers) in 2021/22 shows that the three largest industry sectors of local employment were:

1. Manufacturing (2,580 people or 24%)
2. Health Care and Social Assistance (1,357 people or 13%)
3. Retail Trade (1096 people or 10%)

In combination these three industries accounted for 5,033 people in total or 47% of the local jobs in the LGA. Overall, the number of local jobs/workers in the Barossa LGA increased by 691 (or 6.8%) between 2016/17 and 2021/22.

The industry sectors that demonstrated the greatest increase in job numbers during this period were:

1. Health Care and Social Assistance (+294 local workers)
2. Construction (+125 local workers)
3. Accommodation and Food Services (+121 local workers)
4. Education and training (+61 local workers)

These sectors illustrate growth and therefore, opportunities for further industry diversification. In terms of job losses in the Barossa LGA, 80 jobs in the Administrative and Support Services sector were lost between 2016 and 2021 – the highest number of job losses by industry sector.

Table 2-4 Number of jobs in the Barossa LGA 2016-2021

Industry sector	2021	%	2016	%	Change 2016-2021
Agriculture, Forestry and Fishing	727	7	675	7	52
Mining	84	1	57	1	27
Manufacturing	2580	24	2575	25	5
Electricity, Gas, Water and Waste Services	75	1	87	1	-12
Construction	519	5	394	4	125
Wholesale Trade	173	2	126	1	47
Retail Trade	1096	10	1049	10	47
Accommodation and Food Services	956	9	835	8	121
Transport, Postal and Warehousing	257	2	320	3	-63
Information Media and Telecommunications	61	1	55	1	6
Financial and Insurance Services	103	1	105	1	-2
Rental, Hiring and Real Estate Services	99	1	92	1	7
Professional, Scientific and Technical Services	312	3	259	3	53
Administrative and Support Services	554	5	634	6	-80
Public Administration and Safety	241	2	264	3	-23
Education and Training	795	7	734	7	61
Health Care and Social Assistance	1357	13	1063	11	294
Arts and Recreation Services	128	1	125	1	3
Other Services	323	3	332	3	-9
Inadequately described/not stated	366	3	334	3	32
Total	10806	100	10115	100	691

2.2.5.2 Residents' industry sector of employment

According to Census 2021 data, most Barossa residents were employed in the Manufacturing sector, followed by the Health Care and Social Assistance sector. The top 5 industry sectors of employment in 2021 were:

1. Manufacturing (2,269 people or 18.5%)
2. Health Care and Social Assistance (1,414 people or 11.5%)
3. Retail Trade (1101 people or 9%)
4. Education and Training (1041 people or 8.5%)
5. Construction (991 people or 8.1%)

Table 2-5 Resident's industry sector of employment 2021

Industry sector	Number	%	Greater Adelaide %
Agriculture, Forestry and Fishing	794	6.5	1.2
Mining	204	1.7	0.9
Manufacturing	2,269	18.5	6.8
Electricity, Gas, Water and Waste Services	138	1.1	1.3
Construction	991	8.1	8.4
Wholesale trade	274	2.2	2.4
Retail Trade	1,101	9.0	9.7
Accommodation and Food Services	851	6.9	6.6
Transport, Postal and Warehousing	420	3.4	4.1
Information Media and Telecommunications	79	0.6	1.2
Financial and Insurance Services	140	1.1	3.2
Rental, Hiring and Real Estate Services	117	1.0	1.3
Professional, Scientific and Technical Services	460	3.7	7.1
Administrative and Support Services	516	4.2	3.8
Public Administration and Safety	575	4.7	7.1
Education and Training	1,041	8.5	9.0
Health Care and Social Assistance	1,414	11.5	17.1
Arts and Recreation Services	144	1.2	1.5
Other Services	369	3.0	4.0
Inadequately described or not stated	373	3.0	3.2
Total employed persons aged 15+	12,270	100.0	100.0

Source: ABS Census 2021, using Table Builder

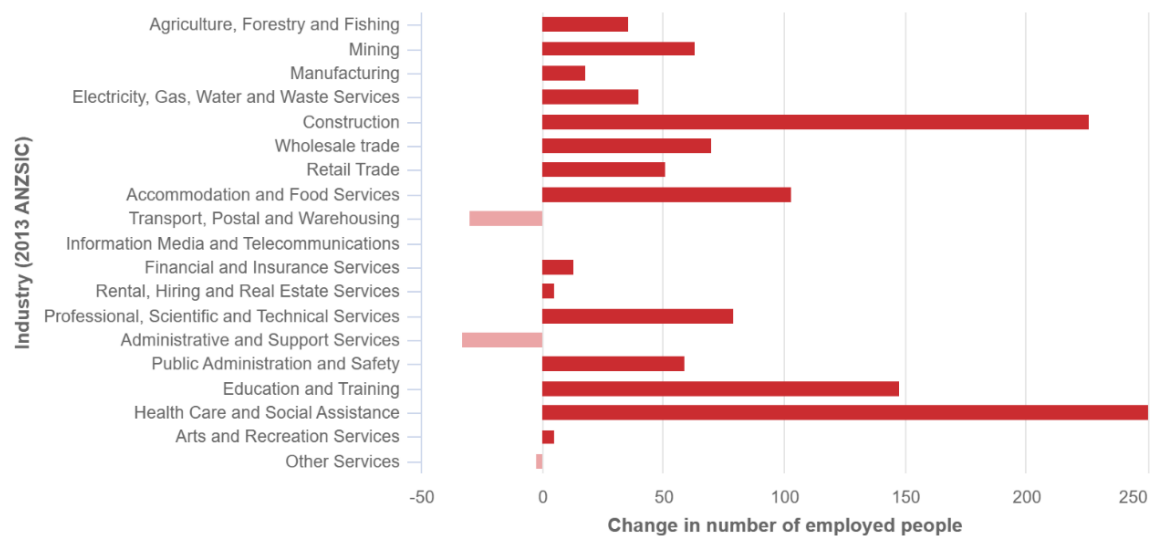
2.2.5.3 Changes in industry sector of employment

The changes in residents' place of employment is illustrated in the Figure 2-3 below. The greatest growth in resident employment was experienced in the Healthcare and Social Assistance sector, followed by Construction. Helping the economic base to diversify is key to stabilising any fluctuations experienced in industry sectors. This project will create a number of new job opportunities and provide a range of services to entrepreneurs and those looking to re-skill and expand their businesses.

Figure 2-3 Change in Barossa resident's industry sector of employment

Change in industry sector of employment, 2016 to 2021

The Barossa Council area - Total employed persons



Source: Australian Bureau of Statistics, Census of Population and Housing, 2016 and 2021 (Usual residence data). Compiled and presented in profile.id by .id (informed decisions).

.id informed decisions

2.2.5.4 Addressing the seasonality of tourism

Ensuring active cultural, artistic and creative tourism offerings will reduce the seasonality of the tourism industry and create ongoing jobs, as it will invite tourists to experience Barossa on a new level throughout the year. This will also encourage increased extended stays which again will impact upon businesses and create new employment opportunities as patronage of shops, services, etc, increases.

Programming Themes

The programming themes provide focus for the artistic direction of the BAROSSA CREATIVE INDUSTRIES CENTRE.

By identifying on two thematic streams The Hub program can focus investment to achieve greater impact. Both the themes respond to existing strengths of the Barossa, Gallery and Organ programs and the broader heritage values espoused throughout the Barossa community including our first nations. The programming themes will also address gaps and offer opportunities to develop unique and impressive experiences.

Barossa Live! builds on years of music excellence from the region. Strong music education programs, the Barossa Music Festival, which ran for over 15 years, the Hill and Son Grand Organ – a world renowned instrument, a strong organ culture, the Song Room and Candlelight Concerts, pub gigs and the Barossa Baroque and Beyond Festival have contributed to the development of a vibrant live music scene in the Barossa. Extending on this success the Barossa Live! theme will encompass live theatre, radio broadcasting, music production and live interaction with visual artists in studio and exhibition environments. A music incubator will also be established at the Hub that is positioned as a home for music development for the region.

Barossa Live!

Showcasing music, live performance, broadcasting and the interactions between audience and artist, this theme focuses on creating and sharing music and art on an interactive level. The Hub will be a place for exceptional live performances and a place where people can learn, experiment and create new work to share with others. A place where the audience can get up close and personal with the performers, the makers and the creators – live!

Barossa hangs its hat on heritage and it has long been mentioned as its greatest asset beyond food and wine. To ensure unique and authentic programming within The Hub, a focus on Barossa stories and heritage is both strategic and logical. It will provide a place for existing and new heritage assets to be reinterpreted in immersive and creative ways. From stories of German and English forefathers, to the tales of contemporary wine makers that reside in the valley today, the history of the region will be interpreted and showcased in ways never seen before. Artists will design new works that emerge from the heritage of the region and visitors will immerse themselves in Barossa's heritage using the latest digital technology. There will be a story bank that grows with each creative interaction on site – connecting people to the past present and future. The Barossa Stories Theme offers memorable experiences that immerse people in the connective tissue of the Barossa.

Barossa Stories

Celebrating the heritage of the region, both past and present, this theme focuses on the telling of stories using contemporary approaches and tools. Combining new technologies and artistic interpretation to tell our stories in captivating and unique ways. It will build our collective memory and enable others to share in the character of the locals. The Hub will take heritage to the next level.

Source: Barossa Council

2.2.5.5 Cultural tourism⁴

Storytelling and cultural tourism is one of the largest and fastest-growing global tourism markets. Culture and creative industries are increasingly being used to promote destinations and enhance their competitiveness and attractiveness. Many locations are now actively developing their tangible and intangible cultural assets as a means of developing comparative advantages in an increasingly competitive tourism marketplace, and to create local distinctiveness in the face of globalisation.

The OECD Tourism Committee has carried out extensive research into the role of culture and tourism in enhancing destination attractiveness and competitiveness. The work has also focused on country practices in this area. This publication concludes that culture and tourism have a mutually beneficial relationship which can strengthen the attractiveness and competitiveness of destinations, regions and

⁴ Source: The Impact of Culture on Tourism P3

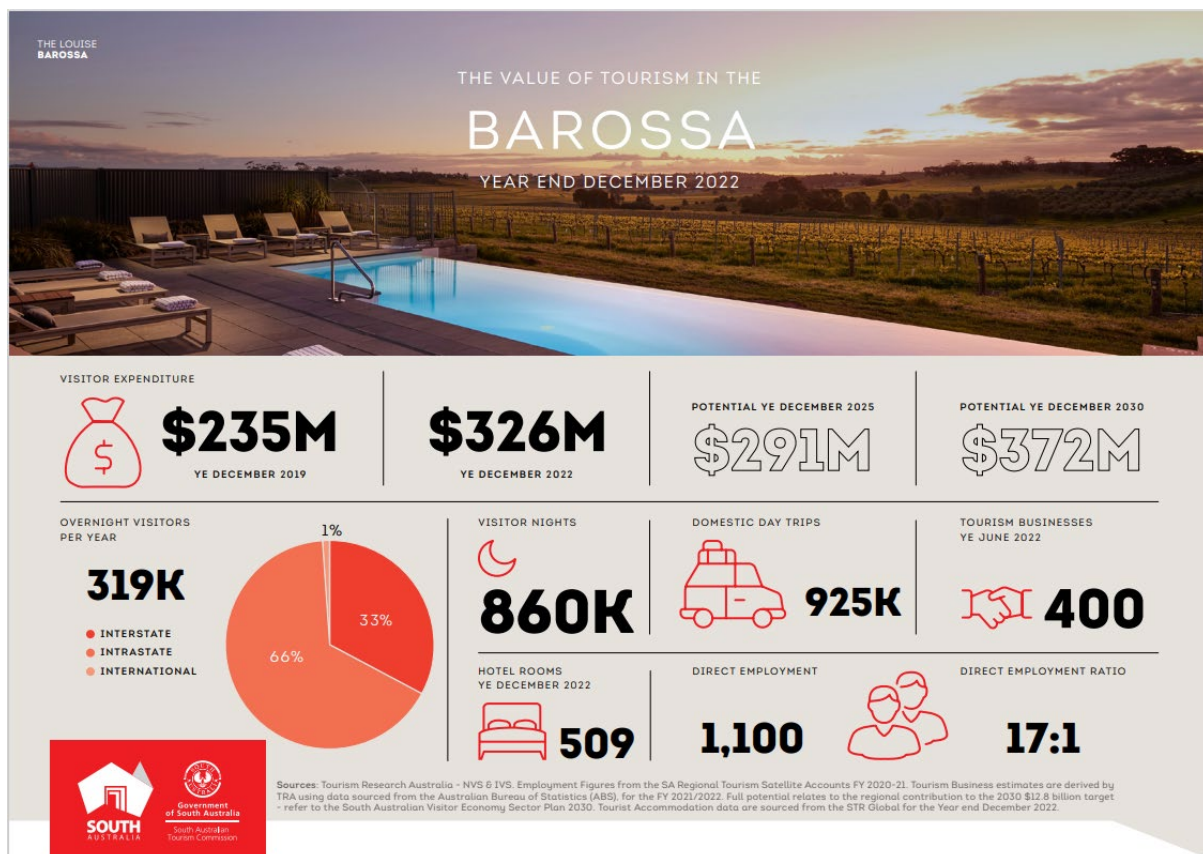
countries. Culture is increasingly an important element of the tourism product, which creates distinctiveness in a crowded global marketplace.

At the same time, tourism provides an important means of enhancing culture and creating income which can support and strengthen cultural heritage, cultural production and creativity. Creating a strong relationship between tourism and culture can therefore help destinations to become more attractive as well as more competitive as locations to live, visit, work and invest in.

2.2.5.6 The Value of Tourism in the Barossa

The South Australian Tourism Commission publishes a one-page fact sheet of tourism statistics for the region: Results for Year Ending December 2022 (is the latest version). This gives an insight into the tourism market in the region.

The data clearly shows that tourism expenditure continued to grow reaching \$326 million in December 2022, a 39% increase on 2019 figures. Visitation rates are expected to continue to grow placing the Barossa region in an excellent position to take advantage of this growth.



2.2.5.7 Tourism trends

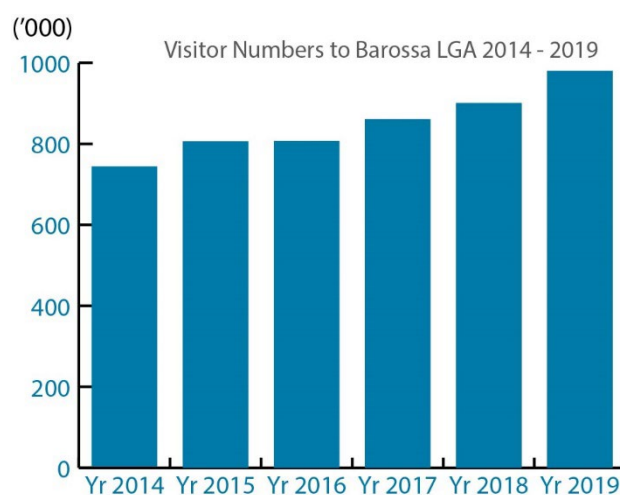
Tourism continues to grow in the Barossa region with tourism expenditure and overnight visitors to the region steadily increasing every year. Bushfires, and COVID-19, China Policy and Cost of Living have affected everyone but the Barossa has seen an increase in domestic tourism. It is likely that international tourism rates will not recover to pre-covid rates for some time but the Barossa has an opportunity to capitalise on Australians looking for somewhere to holiday.

The South Australian Tourism Commission estimates that the Barossa welcomed 319,000 Overnight visitors in 2022 and 925,000 Domestic Day Trip visitors. This represents a significant increase in visitor numbers since the COVID lockdowns.



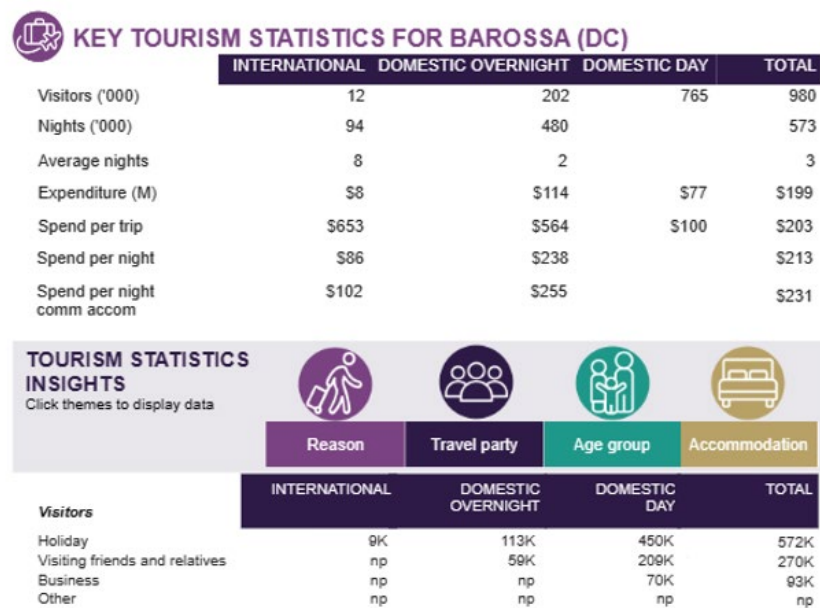
Tourism Research Australia (TRA) also publishes visitor data. According to TRA data, in 2018, there were 901,000 visitors to the Barossa LGA. This represented an increase of 40,000 visitors or 5% from 2017 figures of 861,000. A further increase was recorded in 2019 (latest TRA data), where visitor numbers reached an estimated 980,000. This increase is demonstrated in Figures 2-4, and 2-5. The full TRA profile page can be found in the Appendix.

Figure 2-4 Visitor Numbers to the Barossa LGA 2014-19



Source: TRA Tourism Profiles 2014-2019, A.P. SHEERE CONSULTING

Figure 2-5 Tourism metrics for Barossa LGA – 2019



The Barossa Creative Industries Centre development is expected to have a positive impact upon visitors and help to address the issue of seasonality in the tourism sector and the impact of lost international tourists but increased domestic tourism. By encouraging visitors to the region throughout the year will result in increased economic activity, increased exposure to a greater market base for local artists and performers and a range of job and volunteer opportunities.

The following data was collected from other galleries who have had upgrades or redevelopments in the last 5- 10 years. This demonstrates the impact on the number of visitors to such creative centres which is clearly significant.

Table 2-6 Visitor numbers at other galleries

			Visitation		
Gallery	Location	Population	Pre-redevelopment	Post-redevelopment	% Increase
Maitland Regional Art Gallery	Maitland NSW	78000	Three Year average 11,857	Three year average 51,403	333%
Ararat Regional Gallery- Textile Art Museum Australia	Ararat Vic	8297	2016-17 3,500	2018-19 12,500	257%
Gippsland Art Gallery	Sale Vic	15135	2015-16 18,000	2018-19 39,500	119%
Lismore Regional Gallery	Lismore NSW	43692	25,000 average	100,000 average	300%
Murray Art Museum MAMA	Albury NSW	49172	30,000 average	90,000 average- increasing each year (covid notwithstanding)	300%

Source: Maz McCann, PlayYourPart 2021

The average increase over 3 years is 262%. Based on the above evidence and given the close proximity to Adelaide and the vibrant local tourist industry, it would be reasonable to estimate that tourism figures would increase in the Barossa region once the BAROSSA CREATIVE INDUSTRIES CENTRE is completed and operational. Note that current visitation figures for the Barossa Art Gallery alone are 12,000 per annum so it is feasible that this figure could increase to 40,000 post development. The variety of services and events to be offered will help generate interest from a variety of market sectors and not just those interest in galleries. This is one of the unique selling points of this particular project.

2.2.5.8 Benefits of events⁵

Festivals and events have been identified as a key source of economic regeneration that leverage the cultural heritage of a region. Festivals and other regional arts events attract audiences, increase tourism, increase visits to other local attractions and provide a flow on effect for economic activity in local shops, restaurants, cafes and accommodation. Arts programs/festivals/events that encourage visitors to stay longer provide greater opportunities to increase spending in regional areas.

Arts, cultural, heritage and first nation events attract visitors who may otherwise have limited awareness of the area. Arts events and venues such as galleries or performing arts centres contribute to a perception of a unique destination, thus increasing the attraction of places. Places with cultural attractions and creative industries can attract particular demographic groups with disposable income, either as visitors or new residents.

Events are an important driver of visitation and engagement; they encourage visitors to stay longer and spend more. Events have a strong role in connecting and engaging tourists with the local community. They make a statement about who we are and what the region is.

2.2.5.9 Current events

The region currently hosts a range of events. The current hall also hosts some events and workshops, however, it is severely constrained by various issues such as inadequate space, access, amenities, etc. The table below lists the current events hosted at the Soldier's Memorial Hall alongside a list of the proposed new events to hosted post development.

It is anticipated that many of these new events will incur a fee and this has been taken into consideration for the Cost Benefit Analysis. However, in addition to this, the attendees themselves are also likely to incur additional spending in the region too which will have a positive effect on local and regional businesses.

Table 2-7 Current events hosted at Soldier's Memorial Hall

Programs / Events	Is this a current or new event?	# current attendees	# new attendees	Frequency
Barossa Regional Gallery Workshop Program	Existing		10 to 20	40 per annum
Barossa Baroque and Beyond	Existing	250	Plus 250	annual
Barossa Vintage Festival	Existing	300	Plus 700	Bi-annual
SALA	Existing	500	Plus 700	annual
Culture Markets	1 existing	2 new	500	2 per annum

⁵ Source: Tourism Barossa Strategic Plan 2017-18

Hill and Son Organ Concert Series	4 existing	4 new	100 – 200 people generates \$5-10k	8 per annum
	new		World organ festival- 500 people	Biannual
	new		Bach festival 500 people	Biannual
Leisure Options Activities	New for gallery	-	20	weekly
Barossa Library Programs	New	-	School-holiday 20	Twice weekly school hols so say 20 per annum
			Schools – 30 to 60 heritage education – term time	monthly
			History events 30	8 per annum
			Heritage festival 200	annual
History Month	New	-	400	annual
Barossa Council Youth Program	new	-	50	annual
Barossa Mosaic Workshops (Greenock)			In workshops above	
Roland Weight Painting Classes			In workshops above	
Candlelight concert series	New (has been held in the past but ceased due to facilities)	-	150	13 per annum
Residency programme events	New	-	200	6 per annum
Barossa Players	New (currently at different venue)	-	Main plays 200	2 per annum
			Black box events 70	2 per annum
Adelaide Fringe	New	-	300	2 per annum
Gourmet Weekend	new	-	200	annual
Barossa Regional Gallery Exhibition Program	Existing every 12- 16 weeks	-	Main Gallery programme 500-700	Every 8 weeks
	So double frequency		Emerging artists programme -300 Plus 2 signature exhibitions - 1500	Every 8 weeks 2 per annum
Be a Designer for the Day Programme	new	-	1 to 2 people Artists charge out \$200 pp	2 per week

Source: Barossa Council

2.2.5.10 Benefit of visiting artists and artists in residence⁶

An artist residency is an opportunity provided by a host organisation that enables a guest artist to work in a new environment, often away from the restrictions and pressures of their everyday lives. Artist residencies are about providing the time and space for a guest artist to develop work and creatively explore new ideas.

Artist residencies are important because they provide opportunities for artists from around the world to spend time in a new atmosphere and environment. They support cultural and artistic exchange, nurture experimentation and new ideas, and support research and the development of new work. Motivations for hosting artist residencies are many and varied. In this case the following motivations and benefits apply:

- raise the profile of the Barossa Creative Industries Centre and Barossa region and encourage increased tourism and extended stays and patronage of the hub and associated events/activities
- provide professional development and networking opportunities for both visiting artists and the host community, with opportunities for a community to be invigorated through an exchange of ideas and new ways of working.
- cultivate relationships with other artists and exchange opportunities with distant arts organisations.
- promote a particular art form or practice
- encourage experimentation or facilitate exchange across art forms.
- support artists at a particular stage in their careers or from a particular background.
- increase access opportunities to a specialist facility or resource.

2.2.5.11 Value adding to food and wine sector

Increased tourism resulting from the various activities and events undertaken by the new development will also have an impact upon the local wineries which the region is famous for. Many tourists visit the Barossa to experience the world-renowned wine but there is a trend towards these tourists wanting a more cultural experience as well. This project will complement the wine sector through extending that cultural experience by offering additional reasons to not only visit but stay for longer.

Many sectors will benefit from this increased patronage as the Barossa Creative Industries Centre compliments so many industries in the region. An additional benefit of the increase in patronage are the additional benefits in the form of employment and volunteer opportunities that will be created not only at the new Barossa Creative Industries Centre but also in the various businesses operating within the LGA. Supporting the opportunity for cellar door sales to increase, is another benefit of this project.

⁶ Source: ArtsACT

Objective 2: Social benefit: Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.

2.2.6 Make the region more attractive to workers and sustain regional population growth

Arts and culture contribute directly to the 'liveability' of a region, in particular through vibrant and diverse activities such as cultural events and celebrations. The arts, and public artwork, also contribute to well-designed public spaces, creating attractive, accessible places where people want to meet and create new social connections.

The Barossa is recovering from a number of events including fires, COVID and China Policy position on the wine industry but in order to rebuild the wine and tourism industries, the region needs people-skilled, creative professionals- winemakers through to creative innovators. With the 'great relocation' back to regional Australia due to COVID, this presents a unique opportunity to attract the right people needed to rebuild and help the region prosper again.

However, surveys of potential residents show a missing piece of the puzzle in attracting new people to the Barossa. The Barossa has a unique, famous and multifaceted culture and history, plus job opportunities but it lacks the place, the cultural beacon, which brings it all together. It is critical that the region can ensure that when people arrive they do not find that something key is missing and therefore they decide to leave.

The solution is the development of a new creative industries facility in the centre of Australia's premium arts, wine, food and tourism region known as the Barossa Creative Industries Centre.

2.2.6.1 Population data and forecasting

The Barossa Creative Industries Centre will be a place for residents to hold and attend events and provide for everything from art, craft, song, food and wine. This project will ultimately make the Barossa region a more attractive region in which to live, invest and visit.

As stated in the Department of Prime Minister and Cabinet's report published in March 2019, "Planning for Australian Population Growth":

"... a town's amenity has become an important feature in understanding population flows. Regional Australia has skill shortages and positions that cannot be filled locally. Many regions and industries are desperate to fill positions so that they can continue to operate. The Regional Australia Institute estimates there are 47,000 job vacancies outside capital cities. We need migration that contributes to regional communities, meets local skill shortages and invests in local economies and communities." pg. 34

The population of the Barossa LGA has been steadily growing since 2006. From 2013 to 2023, the population increased by 2,731 persons, an increase of 11.8% (see Table 2.8 below and Figure 2-6).

To meet the needs of this growing population it is critical to have the appropriate infrastructure in place. This project will maximise the opportunity of this population shift from the city to the Barossa by attracting the people needed to work in various industry sectors. This will also help local businesses to maximise output as customer patronage increases.

ERP data from the ABS is provided in Table 2-8

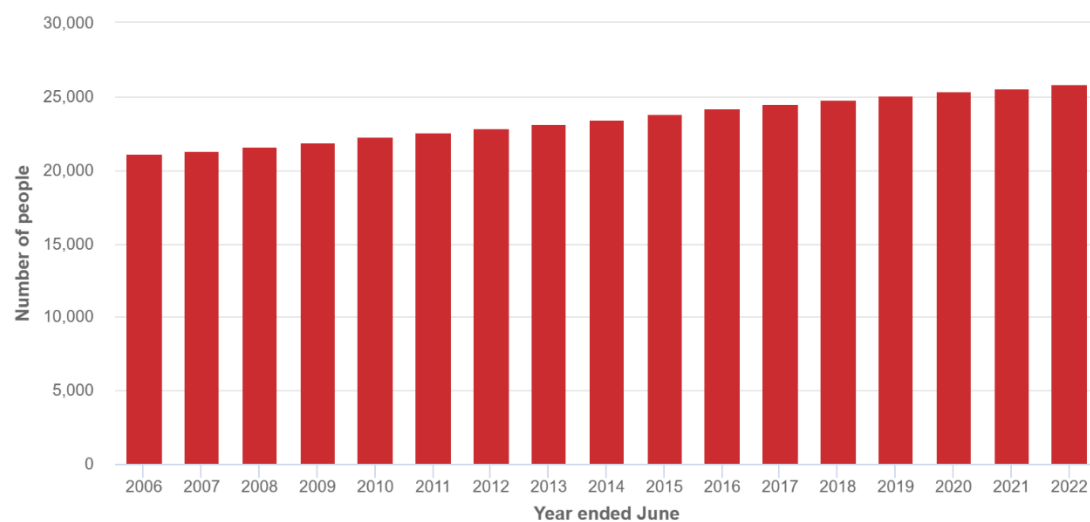
Table 2-8 ERP data from 2013 to 2023										
2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Change 2013-2023
23,138	23,468	23,829	24,200	24,466	24,815	25,050	25,325	25,565	25,869	2,731

Source: ERP data from Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0).

Figure 2-6 ERP data from 2006 to 2020

Estimated Resident Population (ERP)

The Barossa Council area



Source: Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0). Compiled and presented by .id (informed decisions)

.id informed decisions

Population forecasting

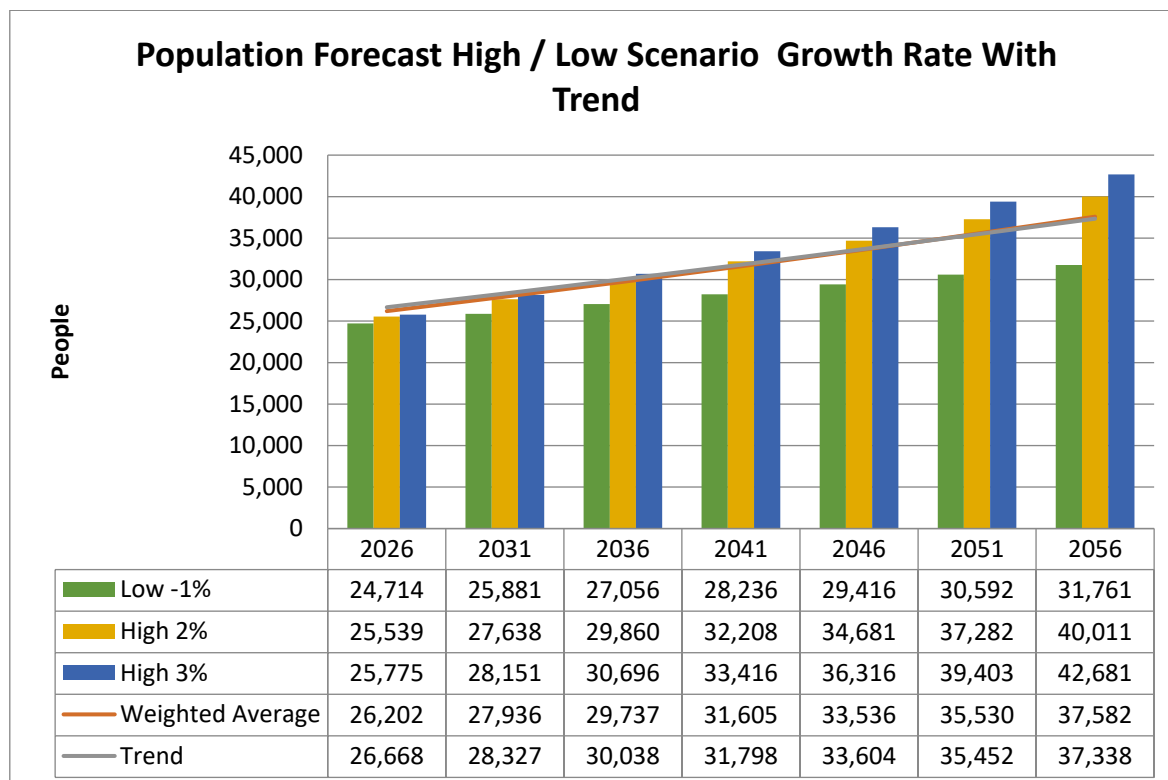
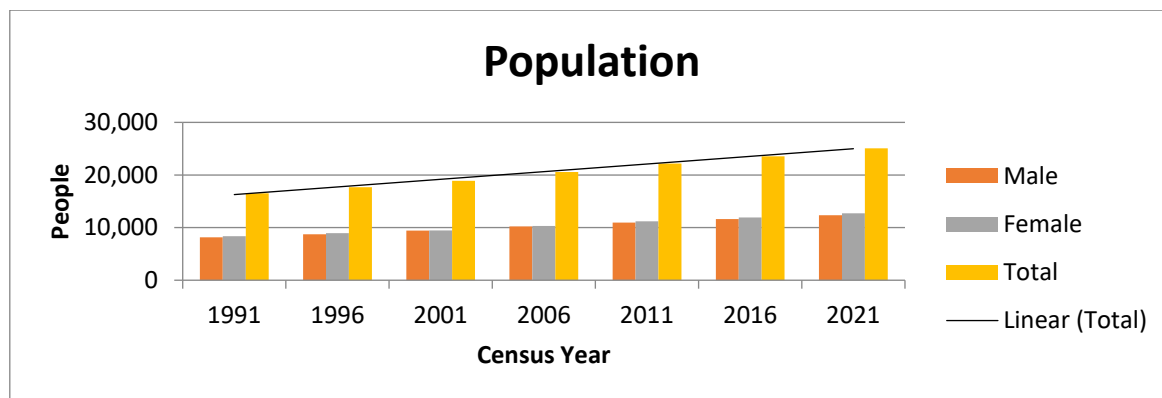
Data sourced from the Australian Bureau of Statistics Census Population and Housing Surveys has been used to identify population movements since 1991 until 2021. Population trends and current understanding of movements have been used to forecast population growth, noting these forecasts are an estimate only as policy settings, economic and other factors can impact on growth estimates.

From 2016 to 2056 population in the Council area being the whole catchment for this investment is estimated to grow by 15,784 (66.9%) people based on a weighted average of the four growth scenarios.

Four growth scenarios are utilised so as to present a reasonably balanced estimate over the whole community where some area are growing greater than the current trend and some less so. There is sufficient evidence in the data that The Barossa Council area is growing faster than the State average and this is anticipated to continue. The growth scenarios are:

- 1% lower than current trend weighted at 10%.
- Current trend weighted at 65%.
- 2% higher than current trend weighted at 20%.
- 3% higher than current trend weighted at 5%.

This methodology was accurate when applied to 1991-2011 data and forecasting to 2021. The following graphs highlight current and forecast changes as presented by Barossa Council.



Note that the data is for current population centres and trends and does not include the Concordia Growth Area development in the Barossa LGA, programmed to start in 2026 and have in addition to the predictions on the modelling provided by a further 25,000-30,000 people. Planning is still being done for this site so it is not possible to accurately model the timing at this stage.

Data suggests that the population of the Barossa is set to continue to increase. This presents the region with an opportunity to provide better facilities and offer more activities and opportunities for people to participate in the arts and become more active in the community.

There are many benefits to be derived from this, from better job prospects through training, to new job opportunities being created, to improved liveability and wellbeing and a greater sense of community and engagement.

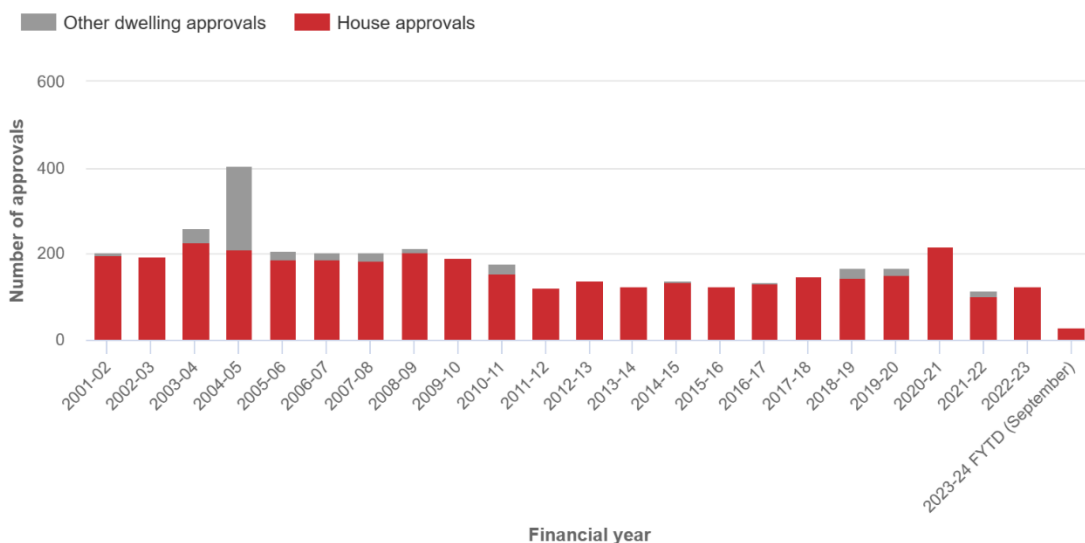
2.2.6.2 Building approvals data

The Barossa Council area's building approvals are used as a leading indicator of the general level of residential development, economic activity and investment. The figure below shows continued growth in the number of development applications approved with a particularly steep increase between 2019/2020 and 2020/2021 of 220 additional residential development applications approved. People

are moving to the Barossa but more are needed and these residents need to be enticed to stay supporting the urgent need for this project.

Residential building approvals

The Barossa Council



Source: Australian Bureau of Statistics, Building Approvals, Australia (8731.0). Compiled and presented by .id (informed decisions).

.id informed decisions

2.2.6.3 New residential developments

There have been a number of new residential developments approved in the Barossa region. The key estates are listed below and help to explain the increase in residential building approvals and the likelihood of further increases in development application submissions.

Allestone Estate- Menge Road, Tanunda

18 Allotments – approved and selling

Sovereign Estate Tanunda

Stage 3 – 23 lots, currently selling

Stage 4-10- 96 lots – Plan Consent & Land Div Consent Granted

Stage 11-13 – 49 lots – under assessment

Gembrook Estate- Menge Road, Tanunda

4 Stages – 85 allotments (Planning Consent Granted, Pending Land Division Consent)

Angas Views Estate, Angaston

63 Allotments total – 7 remaining to sell

Krieg Park, Nuriootpa

3 Stages – 56 allotments – 1 remaining to sell

Gilbert Hill Estate, Lyndoch

82 allotments total

Stage 1 – 35 allotments selling

Kalimna North Development:

Falland Avenue:

60 allotments total

Stages 4-5 – 26 lots selling

Grosser Development:

65 allotments total

Stages 1-4 – pending Development Approval

771 Research Road:

26 allotments total

Concordia Growth Area

The Concordia Growth Area has been prioritised for development by the State Government with commencement currently targeted in early 2026. The entire growth area is to yield 10,000 allotments and a further 25,000-30,000 residents at completion.

2.2.7 Support greater opportunities for increased employment

2.2.7.1 *New direct job opportunities post development*

A number of new jobs will be created post development at the Barossa Creative Industries Centre itself.

These new Council positions will provide members of the community with new job opportunities. It is likely that additional jobs will also be created in future including contractual jobs for example, to assist with major events.

It is estimated that 3.0 FTE jobs will be created post development at the Barossa Creative Industries Centre. A summary of the roles are as follows:

- Manager, Barossa Creative Industries Centre- The primary objective of this position is to plan, lead and manage the Barossa Creative Industries Centre to deliver a unique cultural and creative space that activates cultural activity and supports creative industries across the region.
- Programs/Heritage Officer –
 - To support the effective operation of the Barossa Creative Industries Centre through the development and co-ordination of a range of program activities providing a premiere cultural experience for the local community and visitors to the region and promoting creative industries.
 - To support the effective operation of the Barossa Creative Industries Centre through management of the heritage collection, program development and implementation as well as providing high level customer service to deliver a premium cultural experience for the local community and visitors to the region.
- Admin Officer- To ensure the effective operation of the Barossa Creative Industries Centre through providing general administration support as well as a friendly, effective and comprehensive information and booking service for visitors and the general community to deliver a unique arts and cultural experience.

2.2.8 Support greater opportunities for increased volunteering, social connections and cultural experiences

2.2.8.1 *Encourage greater community volunteering in Barossa*

Volunteering is time willingly given for the common good and without financial gain. Volunteering continues to play a role central to Australia's identity as a nation, with 5.8 million Australians or 31 per cent of the population volunteering, making an estimated annual contribution of \$290 billion to our economic and social good. (Source: <https://www.volunteeringaustralia.org/>).

The benefits for volunteering directly flow on from the benefits from the networks with the community institutions.

Providing a central point to network for our arts and cultural groups, community service and related groups, who are largely volunteers grows the collective strength of the volunteering sector. The term

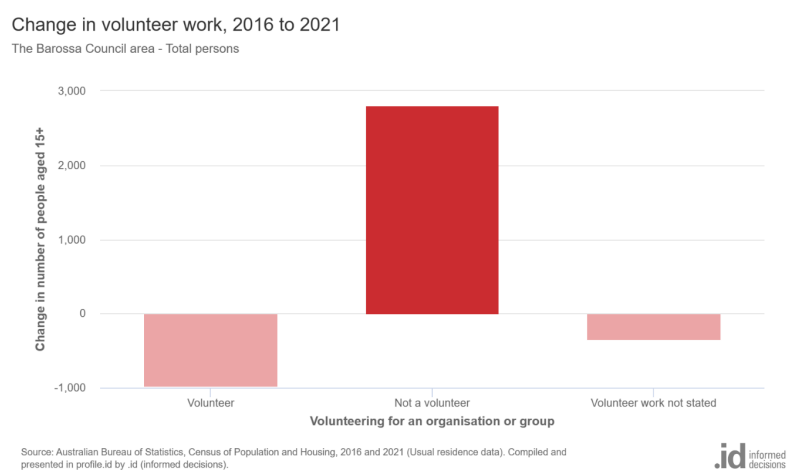
‘volunteering’ covers a wide diversity of activities and the volunteers who will be using the Barossa Creative Industries Centre are an accurate reflection of this diversity. From the volunteers in the radio station, to the guides in the gallery, to the community performances. Immense diversity in the usage, but with a common theme of time willingly given for the common good and without financial gain.

Volunteers are an integral part of the social capital of Tanunda and the region and the Barossa Creative Industries Centre provides the central location and benefit of a network of very diverse in many ways, but very common in others, volunteering groups.

2.2.8.2 Current volunteer rates in the Barossa

ABS Census 2021 analysis of the voluntary work performed by the population in the Barossa Council area compared to Greater Adelaide, shows that there was a higher proportion of people who volunteered for an organisation or group.

In The Barossa Council area 22.6% of the population reported doing some form of voluntary work in 2021 compared with 15.5% in Greater Adelaide. The number of volunteers in The Barossa Council area decreased by 968 people between 2016 and 2021.



2.2.8.3 Current volunteer activities at the Tanunda Soldier's Memorial Hall

There are currently 53 volunteers who regularly assist at the existing Barossa Regional Gallery and Tanunda Soldier's Memorial Hall. In 2022/23, 53 volunteers contributed a total of 3,328 volunteer hours. A summary is provided in the table below.

Table 2-9 Gallery Volunteer Hours (2022/2023 year)	
Volunteer role	Volunteer hours
Sitters and shop	2328 (formally gathered)
Organ Volunteers	500 (estimate based upon actual contributions)
Exhibition Volunteers	500 (estimate based upon actual contributions)
Total	3,328 hours (53 volunteers)

Source: Barossa Council

2.2.8.1 Example of successful volunteer activities at the Tanunda Soldier's Memorial Hall

Barossa community restores 20-tonne pipe organ to former glory

7.30 South Australia

By Mike Sexton

ABC 28 Aug 2014, 2:32pm

After almost a quarter of a century of trial and error, one of the most dramatic organ transplants has taken place in the Barossa Valley.

A Hill and Son grand pipe organ will this weekend make its debut in the Tanunda Soldier's Memorial Hall.

"It is wonderful she has been able to regain her rightful place in South Australia as an instrument of prestige," said Secretary of the Organ Historical Trust of Australia Steve Kaesler (OHTA). "She is an instrument that really has a personality of its own."

The instrument came to Australia from England in 1875 and two years later was installed in Adelaide Town Hall.

At the time Melbourne was the only other town hall in the country with a similar pipe organ.

The instrument was painted white in keeping with fashion in the 1930s. In 1970 it was given a major overhaul in an attempt to modernise it.

The work did not improve the instrument and by 1990 it was considered to be in such a poor state that the council replaced it.

That was when Steve Kaesler and the OHTA asked to have the remains of the original organ and began the task of restoring it to its original glory.

Restoration work began with master organ builder George Stephens testing the 2,260 pipes.

Once they had been modified, repaired or replaced, volunteers rebuilt the case, bellows and structure that housed them.

Without any original design drawings, they relied on old photos and information from the Goulburn Cathedral in New South Wales where a similar organ is housed.

Every Saturday for more than 20 years, volunteers have gathered to restore and rebuild the organ.

Each original piece was stripped and cleaned and new pieces manufactured.

The restored organ weighs 20 tonnes and stands 10 metres tall.

"It represents the pinnacle of the industrialised age of the 1800s, and it's a work of art as well as a musical masterpiece," Mr Kaesler said.

The community raised about \$400,000 to pay for professional work and estimated another \$600,000 was supplied in-kind by donations from the community.

"It was like an enormous jigsaw," said benefactor Margaret Lehmann.

“They were told it couldn’t be done and what I really like is that they took no notice of that and just kept putting one foot in front of the other.”

Having been restored as a community effort, the committee believes the instrument belongs to the Barossa Valley where music is as much a part of its heritage as food and wine.

“It is not under glass, it is for everyone and especially we hope young people will be inspired,” Mrs Lehmann said.

A series of concerts this weekend will mark the next stage in the musical career of the grand old instrument.

2.2.8.2 New volunteer opportunities post development

It is anticipated that post development a significant number of additional volunteer opportunities will arise. Roles just as additional guides, front of house, marketing, ticket collection, sales, event assistants, etc, will be created.

It is estimated that post development, volunteer numbers will reach 90 persons (equivalent to 35 additional volunteers) with 6,450 predicted hours contributed to the Culture Hub. This equates to approximately 71.66 hours per volunteer per annum.

With anticipated continued population growth there is a genuine opportunity for the region to address declining volunteer numbers and inspire the community to donate their time and benefit from volunteering.

Triple B radio

In addition to this, the community radio station that is proposed to be relocated into the facility – Triple B- is currently run purely by volunteers. The station will relocate to the Barossa Culture Hub post development (they are operating from interim donated premises). They currently have 37 volunteers providing 8580 hours of broadcasting and other volunteer input.

It is anticipated that Triple B volunteer activity will increase by 30% to 48 volunteers (equivalent to 11 additional volunteers) post development who will contribute 11,154 volunteer hours per annum.

2.2.9 Why are volunteer opportunities important?

These volunteer opportunities will result in a number of benefits such as social inclusion, meeting new people, building healthy relationships and work experience.

Volunteering strengthens residents’ ties to the community and can also help to develop a solid support base thereby supporting mental health and employment prospects. Work experience opportunities in a number of roles which will be of particular benefit to the youth in the community.

Volunteer work is important for various reasons, and its impact extends to individuals, communities, and society as a whole. Here are some key reasons why volunteer work is considered important:

Community building

Volunteer work fosters a sense of community and strengthens social bonds. It brings people together with a shared purpose, creating a supportive and interconnected network.

Social impact

Volunteers contribute to positive social change by addressing community needs, supporting vulnerable populations, and working towards the betterment of society. Their efforts can lead to tangible improvements in the quality of life for individuals and communities.

Skill development

Volunteers often acquire new skills and experiences through their service. This can include leadership, communication, problem-solving, and teamwork skills, which are valuable both in personal and professional contexts.

Personal growth and well-being

Engaging in volunteer work can contribute to personal growth and a sense of fulfillment. Helping others and making a positive impact can enhance overall well-being and satisfaction in life.

Building a sense of purpose

Volunteer work provides individuals with a sense of purpose and meaning. Knowing that one's efforts contribute to the well-being of others or a larger cause can give life a deeper sense of significance.

Addressing social issues

Volunteers often work on the front lines of social issues, addressing challenges such as poverty, homelessness, environmental conservation, education, and healthcare. Their contributions play a vital role in complementing institutional efforts to address these issues.

Civic engagement

Volunteering promotes civic engagement by encouraging individuals to actively participate in the well-being of their communities. This involvement strengthens democracy and creates a sense of responsibility towards the greater good.

Networking and social connections

Volunteers build social connections and networks through their shared experiences. These connections can be valuable for personal and professional opportunities and can create a sense of belonging.

Resource mobilisation

Volunteer work often involves the mobilisation of resources, both human and material. This can include fundraising, donation drives, and the efficient allocation of resources to address specific needs.

Crisis response and resilience

Volunteers play a crucial role in responding to crises and emergencies. Their willingness to step in during challenging times demonstrates resilience and a commitment to supporting communities in times of need.

Promoting a culture of giving

Volunteer work helps promote a culture of giving and altruism. It sets an example for others and encourages a mindset of contributing to the common good.

In summary, volunteer work is important because it not only addresses immediate needs within communities but also contributes to the personal and collective growth of individuals and society. The

voluntary efforts of individuals can have a profound and lasting impact on the well-being of communities and the world at large.

2.2.10 The importance of participation and access to the arts and culture⁷

Social inclusion entails removing barriers to increase participation and build sustainable communities that facilitate action and co-operation for mutual benefit. Therefore, a key part of creating social inclusion is to remove barriers to participation that may otherwise cause social isolation. Social isolation occurs when people do not feel connected to community.

Experiencing social isolation can cause harmful thoughts, loss of self-esteem, fear and anger, social rejection, punishing the self, and exclusion. Motivations to access mental health services can be a challenge due to limited mental health services offered in regional and remote areas.

Social inclusion entails enabling full participation in community life, part of which is engagement with the arts, their organisations and its diversity of cultural expression. Social inclusion entails ‘an inclusive environment where individuals from diverse cultural backgrounds are given an opportunity to participate in and contribute towards the socioeconomic development of society.

The arts can assist marginalised individuals, such as low-income earners, older people and individuals with ill health and from diverse cultural backgrounds, through integrating them into business processes. Increased participation from marginalized groups improves self-esteem and confidence, leading to improved employment opportunities, higher income and better health.

Hence, the arts bring people together in a professional capacity to create art, rehearse, and take part in performances, contributing towards a collective sense of identity and place.

2.2.11 The importance of connections and inclusion

In a socially inclusive community, residents have opportunities to participate fully in the social, economic and cultural life of their community. Such major infrastructure projects further result in a sense of community pride and positivity in seeing improvements made to a hometown. Due to the size of the Tanunda Township and its relationship to the outlying smaller village settlements, almost all residents in the Barossa LGA will have a direct interest in this project.

Connection and inclusion are critical in small communities like Tanunda. It has been described as safe and relaxed, quiet, and a family and elderly friendly place to live and when the community is asked to say what makes their life meaningful, they refer to their relationships.

Tanunda residents have a strong community focus with multiple clubs and volunteer groups, strong family and friendship groups and good general community interactions. Residents have opportunities to meet lots of different people in their communities and build support networks. Towns with larger population would not have as many opportunities for social inclusion and enabling people to participate fully in the social and economic life of the community.

As shown by the partnership letters, by building the Barossa Creative Industries Sector, we are not only building the economy but providing for connection between different industries or arts, events, wine and tourism. We are providing venues for sharing, for community grow as a place to be.

As an established socially inclusive community, new residents will have a rare opportunity to immediately participate fully in the social, economic and cultural life of the Tanunda community. These socially inclusive community groups provide community connections with opportunities to build

⁷ Source: Regional Arts Australia Stats and Stories: The Impact of the Arts in Regional Australia

support networks allowing new residents and families to participate fully in the social, economic, cultural and sporting life of our community.

By providing a place to meet and to tell stories, we are providing a place for connection.

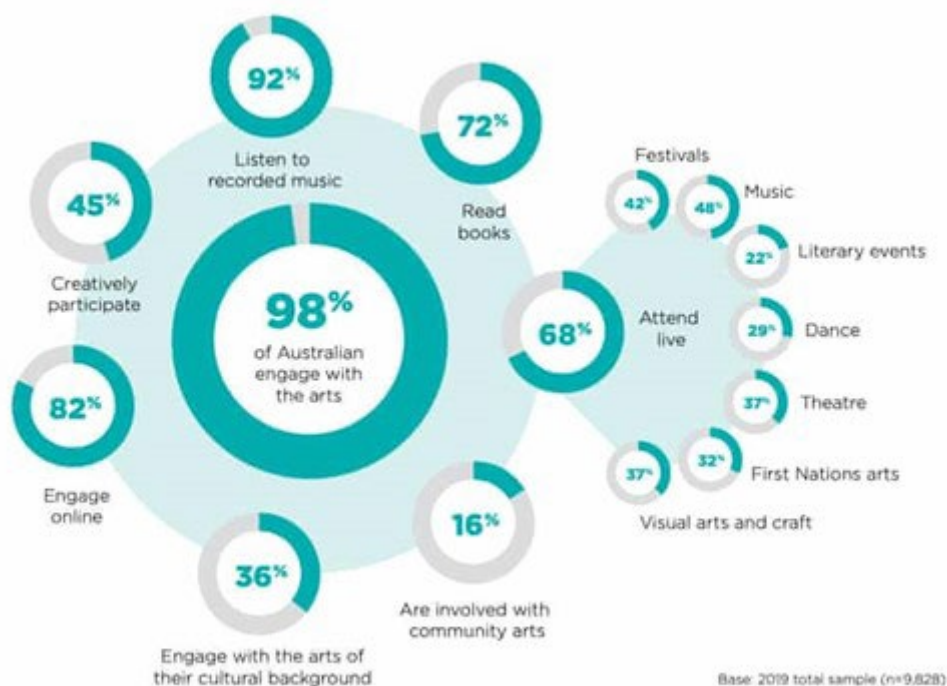
2.2.11.1 Supporting mental health and wellbeing

The latest edition of the National Arts Participation Survey, released in August 2020 and following on from reports in 2009, 2013 and 2016, canvassed a representative sample of 8,928 Australians about their views about and participation in arts and culture. The report found that:

“... 23 out of every 25 Australians listened to recorded music in 2019, a third of them daily; and 82% of Australians engaged with the arts online, the majority through streaming music. We’re also keen readers, with 72% of us reading for pleasure; nearly half of all Australians read a novel in 2019... The performing arts were a standout: two-thirds of Australians attended live performances in 2019, with each art form growing their audiences.

Art has benefits for mental health, education and connections

Drill further into the Australia Council study, and fascinating insights are revealed. Australians seem overwhelmingly convinced of the value of the arts and culture, with 84% of those surveying agreeing on the positive impacts of culture – up from 75% in 2016. Two-thirds of those responding said art and creativity helps children develop, 56% said it had positive impacts on our sense of wellbeing and happiness, and the same percentage thought it helped to deal with stress, anxiety or depression.



Youth mental health and wellbeing

The 2019, Population Health Profile published by produced by the Public Health Information Development Unit (PHIDU), Torrens University, for the Local Government Association of South Australia, provides insights into the state of physical and mental health in the region.

The report found that in 2012, there were 1,203 deaths among young Australians aged 15-24 years. This age group had the greatest reduction in premature mortality in 1997-2012 from 74 deaths per 100,000 population in 1997 to 39 deaths per 100,000 population in 2012; a 47% decrease.

About three-quarters (76%) of deaths of young people in this age group were potentially avoidable, this includes the top 5 leading causes of deaths for this age group. In 2010-2012, suicide was the leading cause of death accounting for 26% of all deaths for this age group, followed by land transport accidents (25.3%), accidental poisoning (5.1%), and assault (3.0%).¹²⁷ In 2015, there were 76 deaths among young people in the 15-24 years age group in South Australia; 34.8 deaths per 100,000. Over one-quarter (27.6%) of these deaths were due to suicide, followed by land transport accident (22.4%).

In the Barossa, Light and Lower Northern Regions, there were 20 deaths from all causes at ages 15 to 24 years in BL&LNR over the five years 2011 to 2015, with a rate that is twice that in Metropolitan Adelaide overall.

The two LGAs with more than five deaths at these ages were Barossa, with nine deaths and a rate 2.57 times the rate in Metropolitan Adelaide; and Light, with five deaths and a rate 2.1 times the Metropolitan Adelaide rate. Deaths at these ages represent a heavy burden in terms of years of life lost and impact on families and the wider community.

It is also hoped that this initiative will help to stem this tragic loss of life by providing more opportunities to mentor young people, provide spaces to meet and events to socialise; services to inspire and provide support when needed. The Barossa Creative Industries Centre is critical to enable this to occur most effectively.

2.2.11.2 Celebrating the Barossa region's first nations heritage

The land that today we call the Barossa has been the spiritual and physical home of the Peramangk, Ngadjuri and Kurna people, who continue to carry this unbroken cultural connection into the 21st century.

The proposed site is situated within the Barossa Region in Tanunda which lies within the Ngadjuri first nations determined area, which is closely bounded by the Kurna Peoples to the south and Peramangk land to the west.

The First Nation need a place for stories and somewhere to celebrate first nations excellence in arts and culture. Currently there is no such space in the Barossa where members of the community and visitors to the region can engage in cultural sharing opportunities and celebrate Peramangk, Kurna and Ngadjuri stories.

The Barossa Creative Industries Centre project addresses this need by design that includes a place that is for stories and celebrating first nations excellence in arts and culture.

The Barossa Creative Industries Centre will be the first space in the Barossa where members of the community and visitors to the region can engage in cultural sharing opportunities and celebrate Peramangk, Kurna and Ngadjuri stories.

The value of acknowledgment to First Nations is vital for the future of Reconciliation and the conservation of community wellbeing.

2.3 Strategic alignment

This section assesses the alignment of the Project with current SA Government, Federal Government and Council policies, strategies and initiatives.

Table 2-10 Strategic alignment

Strategic Policy	Alignment
Australian Government: Regions 2030	Culture hub is using a unique story telling approach to contribute to national growth, attract more investment, create and maintain jobs and unlock their economic potential.
Tourism 2020	This project directly aligns with Tourism Australia policy to make Australia the most desirable destination on earth. The Barossa has many attributes, and this project will add to the tourism package.
South Australian Visitor Economy Sector Plan 2030.	Which sets a bold ambition to grow the SA visitor economy to \$12.8 billion by 2030 and generate an additional 16,000 jobs. Focus on 6 priority areas: Marketing; Experience & Supply Development, Collaboration; Industry Capability; Leisure & Business Events and Promoting Value of Tourism.
The South Australian Government's Creative Industries Strategy – Growth State – 2020	The South Australian Government's Creative Industries Strategy – Growth State – 2020 is an industry led Strategy setting out the State's Plan for economic growth and transformation to achieve a target average growth of 5% per annum in the sector to 2030.
RDA Plan	RDA Plan which highlights "Gamechanger Projects identified by the Board to have a transformative impact on the regional economy. RDA advocates for and supports the business case for these projects. Project 8. Is Outstanding Creative Industries."
Regional Events Strategy 2014-16	•Annual events calendar which is consumer focused and uses key underlying themes of food, wine and heritage •Barossa Vintage Festival is on its way to reclaim its lead in Australian Food and Wine Festivals, with three other events which have Hallmark capability •Consumer intimacy and connecting with them through events will provide a point of difference for our region •Strategic alliances developed outside the region including with Adelaide based events •A growth in business events by maximising this opportunity
South Australian International Wine Tourism Strategy 2018	•Drive awareness and appeal of South Australian wine tourism products which in turn results in increased visitor numbers and expenditure in our wine regions •Drive collaboration across key partners and work with wine regions and wineries that deliver high quality experiences to increase visitation and expenditure from international markets •Ensure key events drive appeal for, and visitation to, South Australian wine regions •Drive awareness of regional wine festivals to international audiences
Country Arts SA Strategic Plan 2016-2020	•Produce and present new work •Enable regional artists to raise their profile •Make more art in our spaces •Increase average audiences/participants per activity

	•Embed digital engagement, communication, and presentation across all programs •Seek new opportunities to upgrade and refresh our arts centres, infrastructure, and technologies
Barossa Regional Heritage Strategy 2021-2025	To ensure a strong, knowledgeable and collaborative community heritage sector for the region. 2. To maintain a strong presence in the cultural tourism sector and establish heritage experiences which contribute to the social, environmental, and economic status of the community. 3. To ensure productive relationships with government, statutory bodies and private interests to ensure decisions relating to heritage are made with an informed heritage perspective. 4. To ensure effective preservation and digitisation practices in our leading cultural heritage and community facilities.
Barossa Community Plan 2020-2040	Goal 4- The Barossa fosters community resilience, connection and wellbeing through its social planning, recreation, safety, education, preventative health, and social strategies especially for our youth and vulnerable people. Goal 5- We are a strong community that is welcoming, safe and enjoys a quality lifestyle that celebrates our local identities, diversities, cultures, and histories including our Aboriginal heritage. Goal 6- The Barossa maintains and develops infrastructure that meets the needs of the region and is efficient. Goal 11- The Barossa has a strong local economy that adapts, innovates and thrives on change and strives for a diverse industry base that provides a sustainable range of business and job opportunities for people. Goal 12- We are a visitor destination of choice
Council Corporate Plan 2023-2027	This project aligns with a number of Service areas including: Customer Service Area 2 – Arts and Culture - Organising and facilitating the Barossa Regional Gallery, arts, culture and events Customer Service Area 3 – Assets - Planning, construction, maintenance and operation of Council’s assets... Customer Service Area 6 - Community - To help the prosperity and wellbeing of the community. Customer Service Area 10 – Economic Development - Facilitating the economic well-being and quality of life of local businesses and the community. Customer Service Area 11 – Events - Management of internal events, including planning and execution. Supporting community focused events throughout the region. Customer Service Area 12 – Facilities and Community Land - The management of Council buildings and property... Customer Service Area 14 – Heritage - Ensuring the heritage of the Barossa is recorded and available to the community to access. Customer Service Area 19 – Social Inclusion - Advocate and work in collaboration with core service providers to ensure vulnerable people have increased access and inclusion, are connected with their community and have access to facilities and opportunities to improve their lives...

	Customer Service Area 21 – Tourism - Provision of a range of tourism services... Business Service Area 2 – Business Improvement - Growing the efficiency of the processes and systems we use to deliver services and outcomes through innovation and continuous improvement... Business Service Area 5 – Enterprise Risk and Safety Business Service Area 7 – Governance...
Barossa Economic Development Plan 2022 -2027	This projects aligns with two key strategies: 4. To pursue economic diversification 5. To support skill development and the attraction of key workers

2.4 Expected outcomes

The outcomes of the Barossa Creative Industries Centre will be to meet the identified needs/objectives which are:

Table 2-11 Identified objectives of the Barossa Creative Industries Centre

1.	Economic Benefit: Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.
2.	Social benefit: Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.

The Barossa Creative Industries Sector, will dramatically enhance the current performance and exhibition spaces in the building, create a heritage education centre with a focus on digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces. Residency program capability will be created, plus external performance areas that talk to the first nations history and landscapes of the region. There will also be an event and sensory public gathering open spaces, all in the heart of iconic Tanunda Township.

What is called a 'hub and spoke' model and approach that builds content, capability and capacity will be created. This is illustrated in the images below:



BAROSSA CREATIVE INDUSTRIES CENTRE



A landmark \$13.9M cultural hub and creative industry precinct





2.4.1 Quantifying the outcomes

Where possible the Expected Outcomes resulting from the objectives listed above have been quantified in Table 2.12 below with proposed targets. This has been done using current data as a base where applicable and where these figures were not available conservative estimates were used based upon consultation or similar activities.

Table 2-12 Quantifying outcomes

Need/objective: Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.

Outcome	Quantification/target (if applicable)
A fully accessible and compliant creative industries centre is developed.	Infrastructure completed. Progressive increase in number of visitors to the Centre.
Enable the Integration of different industries of creative, wine food and tourism to help diversify market reach.	Business growth (output) of 2% per annum.
Create an environment from which opportunities for long term sustainable jobs though the collaboration of different industries can be encouraged.	Increase in overall job numbers and business activity. Measure changes to development applications. Measure changes to GRP.
Barriers to business expansion are removed.	Measure changes to development applications. Measure changes to GRP.
New regional jobs created as a direct result of industry growth.	Increase in number of job opportunities.

Economic growth and increased output by enabling the expansion of local businesses.	Reporting of increased business activity.
Economic diversification of the Barossa LGA.	Increased interest in the region by investors and businesses.
The region becomes more attractive to businesses and investors.	Investment/business enquiries increase by 5% per annum.
Directly supporting business growth in the Barossa region.	Infrastructure completed.
Provide opportunities for new jobs specifically in the new facility providing specialist creative direction, curation and administration to support the centre, creative professionals, volunteers and community groups.	Increase in number of job opportunities.
Need/objective: Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.	
Outcome	Quantification/measure (if applicable)
Population growth continues and accelerates in the Barossa region	Population grows by 1% per annum. Measure changes in ERP and next ABS Census.
Provide cultural and arts infrastructure which does not currently exist.	New infrastructure completed.
Develop cultural and arts infrastructure that fosters community resilience, connection and wellbeing.	Provision of a safe place for recreation, education, preventative health and social support especially for our youth and vulnerable people.
Provide a place where strong and sustainable community networks are created.	New infrastructure completed.
Provide cultural and arts infrastructure which enables service providers, artists, musicians, tourists, local businesses and all community members to interact, engage and collaborate.	New infrastructure completed.
Provide cultural and arts infrastructure that will enable local artists to create and showcase their works.	New infrastructure completed. New events and exhibitions hosted.
Provide a space where Barossa's culturally and significant first nations stories can be told and provide a space for the region's arts groups facilitating growth and attracting new members.	New infrastructure completed. Art groups report increase in membership numbers. First nations programs developed.
Barossa Regional Gallery becomes a landmark cultural hub and creative industry precinct in the region.	New infrastructure completed. Increase in events and visitor numbers.
Create a centralised heritage education centre focusing on digital and multimedia engagement platforms, broadcasting and production suites, music education facilities, arts studio and workshop spaces, residency program capability and external performance areas that also showcase first nations history and landscapes of the region.	New infrastructure completed. Residency program developed. New events hosted. Increase in participant numbers. First nations programs developed.

2.5 Stakeholder and community support

2.5.1 What consultation has been completed?

Council has undertaken extensive and continuing community consultation and communication regarding the development of this project over a 3-year period. This includes:

- Establishment of a Stakeholder Group comprising representatives from all the key creative industry groups, disciplines and associated industry representatives that has met on an ongoing basis during the design and development of the project to date. Group membership of circa 30 stakeholders.
- Drawing from the Stakeholder Group, a smaller Working Group to provide detailed input into the development of design and planning with the Architects and Council project officers. Group membership of circa 8 to 10.
- Development and implementation of a Community Consultation Plan for the project seeking region/Council wide input and feedback on the proposal. In addition to a range of traditional methods to have a conversation with the community such as public notices and engagement, attendance at sporting events, farmers markets, shopping malls, guest slots on community radio and media coverage etc; Council approaches to support the consultation process included a series of short videos from local business leaders as well as artists and local historians talking about what the facility would mean for them and the community. These were accessible via Council's website and social media platforms and generated a total of 4,233 views (20% of our population) and assessed reach of 8,179 (37% of our population) for posts over a 4-week period where we have stats available. Refer indicative extracts below.
- Consultation also led to reassessment of the name of the facility to better reflect its activities and intent and as a result the name has been changed from the Barossa Culture Hub to the Barossa Creative Industries Centre.
- Development and implementation of a Community Communication Plan for the project providing ongoing information and updates on the status of the project.
- Reports to Council on the outcome of Community Consultation and recommendations for any amendments to project design or planning to reflect appropriate feedback.

Council consultation and communication plans are also provided separately as are letters of support. Some extracts of the consultation undertaken are provided below.



SOCIAL MEDIA – COUNCIL



An extract of the ongoing and forward Community Communication Plan is provided below:

Barossa Creative Industries Centre Hub Forward Communications Plan – 2020/22

39/71407

Aim

To keep the community, key stakeholders and identified target audience informed of the project, schedule for delivery and key milestones. All communications will be targeted to broader tourism operators, businesses, cultural and sporting communities, arts organisations and the wider community who will be key users of the facility.

Project milestones to be communicated and promoted include:

- Announcement of grant
- Commencement of construction
- Project updates
- Official opening

** Promotional materials to include appropriate acknowledgement of funding partners as per the funding agreement.

Communication Methods	Target / Reach	Message	Timeframe
Stage 1 – Announcement of grant **			
Media Release	Local community, key industry groups, tourism operators, arts organisations	Announcement of funding and details on project delivery, expectations, long term benefit to the community and economy	Grant announcement
Stakeholder direct engagement (including state departments, cultural organisations, key industry bodies both local and state)	Local community, key industry groups		
Council website			
Radio promo	Local and state		
Social Media platforms (Council Facebook, Barossa Regional Gallery Facebook)			
Council Monthly newsletter	Local community		
Quarterly Council newsletter	All ratepayers in Council area		
Stage 2 – Construction Phase **			



2.5.2 Who are the stakeholders?

The Project's key stakeholder groups, along with their potential interests/issues are identified in Table 2-13. Stakeholders will be regularly kept informed of the project's progress to ensure that all stakeholders understand the process and can address any concerns that they may have.

Table 2-13 Key Stakeholders and their key interests/concerns

Stakeholder	Link to key interests/concerns
LOCAL GOVERNMENT AND KEY PRIVATE SECTOR STAKEHOLDERS	
Barossa Council Project Stakeholder Group	As the project lead, Council has a direct and ongoing interest in all aspects of the project. The infrastructure built will form part of Council's asset register.
SA Government	
Premier and Departmental Ministers	Project aligns with SA Government department objectives and plans including those relating to regional growth, immigration and net zero targets. Infrastructure investment that is properly planned and timed.
Elected representatives	Project aligns with SA Government department objectives and plans including those relating to regional growth, immigration, and net zero targets. Infrastructure investment that is properly planned and timed. Local economic, social, and environmental benefits.
State Department and Authorities	Project aligns with SA Government department objectives and plans including those relating to regional growth, immigration, and net zero targets. Infrastructure investment that is properly planned and timed.

Commonwealth Government	
Departmental Ministers	Project aligns with federal objectives and plans including those relating to regional growth, immigration, and net zero targets. Infrastructure that is properly planned and timed. New jobs created and delivery of a major infrastructure project. Population growth supported in regional SA.
Elected representatives	Project aligns with federal objectives and plans including those relating to regional growth, immigration, and net zero targets. Infrastructure that is properly planned and timed. Local and regional economic, social and environmental benefits.
Commonwealth Government Departments and Authorities	Project aligns with federal objectives and plans including those relating to regional growth, immigration, and net zero targets. Infrastructure that is properly planned and timed. Local and regional economic, social and environmental benefits.
Community and business	
Business community	Minimal disruption to the local community and businesses during construction. Advancing growth in various industry sectors. Job creation in regional SA. Infrastructure induces growth and increases economic activity. More workers and residents will result in more expenditure in local shops and demand for services. Opportunities for new industries to establish in the region.
Industry Peak Bodies such as: * Regional Development Australia and Barossa Australia	RDA Plan- RDA Plan which highlights “Gamechanger Projects identified by the Board to have a transformative impact on the regional economy. RDA advocates for and supports the business case for these projects. Project 8. Is Outstanding Creative Industries.”
Community Groups (interest groups and community service organisations)	Minimal disruption to the local community and businesses during construction. Interest in new programs, services and events to be offered post development.
Local and regional community	Interest in new programs, services and events to be offered post development. Improved liveability in the Barossa. Greater opportunity for the Barossa community to work locally as business expansion occurs resulting in increased job opportunities. Social and economic disadvantage are addressed by encouraging business growth resulting in greater job opportunities, more job stability and potentially better mental health outcomes. Better work-life balance with more local jobs closer to home. Minimal disruption to the local community and businesses during construction

2.5.3 Level of stakeholder and community support

Barossa Community Plan 2020-2040

- Goal 4- The Barossa fosters community resilience, connection and wellbeing through its social planning, recreation, safety, education, preventative health and social strategies especially for our youth and vulnerable people.
- Goal 5- We are a strong community that is welcoming, safe and enjoys a quality lifestyle

that celebrates our local identities, diversities, cultures and histories including our Aboriginal heritage.

- Goal 6- The Barossa maintains and develops infrastructure that meets the needs of the region and is efficient.
- Goal 11- The Barossa has a strong local economy that adapts, innovates and thrives on change and strives for a diverse industry base that provides a sustainable range of business and job opportunities for people.
- Goal 12- We are a visitor destination of choice.

Council Corporate Plan 2023-2027

- Customer Service Area 2 – Arts and Culture - Organising and facilitating the Barossa Regional Gallery, arts, culture and events.
- Customer Service Area 3 – Assets - Planning, construction, maintenance and operation of Council's assets (Transport, Bridges, Stormwater, Community Wastewater Management System, Community, Cultural, Recreation, Open Spaces, Trees and Vehicles)
- Customer Service Area 6 - Community - To help the prosperity and wellbeing of the community. Including community grants programs, planning for future community needs, support for community groups, networking and advice.
- Customer Service Area 10 – Economic Development - Facilitating the economic well-being and quality of life of local businesses and the community.
- Customer Service Area 11 – Events - Management of internal events, including planning and execution. Supporting community focused events throughout the region.
- Customer Service Area 12 – Facilities and Community Land - The management of Council buildings and property, including facilities maintenance and occupancy (users and hirers) agreements or permits to ensure we have safe, accessible, fit for purpose and well managed community facilities, office spaces and community land.
- Customer Service Area 14 – Heritage - Ensuring the heritage of the Barossa is recorded and available to the community to access. Support of the heritage network (museums, historical societies).
- Customer Service Area 19 – Social Inclusion - Advocate and work in collaboration with core service providers to ensure vulnerable people have increased access and inclusion, are connected with their community and have access to facilities and opportunities to improve their lives. Aboriginal Reconciliation support. Youth Development. Social Planning. Support for older people. Providing a broad range of sporting, recreational and leisure facilities/ services/programs at a range of facilities, parks and open space areas.
- Customer Service Area 21 – Tourism - Provision of a range of tourism services, including managing the nationally accredited Barossa Visitor Centre, development and maintenance of tourism resources both digital and printed, customer service delivery encouraging longer stays, dispersal throughout the region, and maximising visitor yield and investment in our region, Tourism Business Support, capacity building, training, product development, marketing and events.
- Business Service Area 2 – Business Improvement - Growing the efficiency of the processes and systems we use to deliver services and outcomes through innovation and continuous improvement.
- Business Service Area 5 – Enterprise Risk and Safety - The management of Council's Enterprise Risk profile including strategic and operational risk assessment, control and monitoring; internal control and audit; business continuity and disaster recovery planning; organisational emergency management; insurance portfolio management; and Work Health Safety system coordination.

- Business Service Area 7 – Governance - Provision of governance advice and support in the discharge of legislative responsibilities for policy development, delegations and authorisations, internal review of Council decisions, Native Title claims.

Barossa Economic Development Plan 2022 -2027

This project aligns with two key strategies:

- To pursue economic diversification
- To support skill development and the attraction of key workers

Barossa Regional Heritage Strategy 2021-25

- To ensure a strong, knowledgeable and collaborative community heritage sector for the region.
- To maintain a strong presence in the cultural tourism sector and establish heritage experiences which contribute to the social, environmental and economic status of the community.
- To ensure productive relationships with government, statutory bodies and private interests
- to ensure decisions relating to heritage are made with an informed heritage perspective.
- To ensure effective preservation and digitisation practices in our leading cultural heritage and community facilities.

2.5.4 Letters of support

A number of letters of support for this project have been provided and are attached as separate, documents.

2.5.5 Future Communication Activities

2.5.5.1 Engagement and reach strategy

The engagement and reach strategy will manage stakeholder expectations through an extensive and wide-reaching communication process. The strategy shows that stakeholder views have been considered in developing the project and that their opinions are important. The communication process for this project includes the following:

Objective

The objective is to keep the community and key stakeholders informed of the project and the schedule for delivery of the project.

Audiences

The target audience for this project includes:

- Local community
- State Government Departments
- Federal Government Departments
- Regional Government Agencies
- Regional Industry and Other Bodies
- Local and regional businesses
- Investors and businesses from outside the region
- Cultural and arts groups
- Schools and educational establishments
- Social groups
- RTOs and other training organisations

Messages

That the project is of significant importance to the community and will bring with it a number of significant benefits to the community and region as a whole and that any disruptions will be to all stakeholders' long-term advantage. That a range of new economic development opportunities are being created in the region alongside improvements to liveability and tourism opportunities.

Resources and timescales

This is such a critical and major project that genuine ongoing interest will exist. Council can use its day-to-day resources currently in place to keep all stakeholders informed of the project's progress.

Council has a communications team that has an ongoing and well-established communication process. Project communication will continue through this process.

Public notification comes through Council's latest news and announcements including:

- Council's newsletter
- Media Releases for the local and regional press
- Media Statements
- Onsite information
- Social media channels
- Directly with stakeholders as and when required.

Evaluation, feedback and amendment

As the project rolls out and the messages are delivered, Council will perform a communications audit to assess the effectiveness of the messages. Council will consider and discuss the results carefully with all stakeholders and use them to amend the messages if required.

2.5.6 Potential issues from lack of communication

A summary of potential issues resulting from lack of communication is shown below:

Table 2-14 Issues that can result from a lack of communication regarding the project	
Stakeholder	Potential issues
Federal and State Government	Concerns could arise with regards to the progress of the project and the impact of delays to its completion (including financial).
Regional Government agencies	Lack of understanding of the importance of the project and its positive impact upon the region.
Community, businesses and residents	Misunderstanding of what the project will result in and achieve. Lack of understanding as to why the project is being undertaken. Concern over disruptions to service. Lack of awareness of the opportunities the project will offer the community, businesses and new residents.
Barossa Council	Misunderstanding of what the project will result in and achieve. Lack of understanding as to why the project is being undertaken. Inadequate internal resources allocated to the project. Concern over disruptions to service.

Table 2-15 provides a draft Communications Plan Summary. Key stakeholders (both internal and external) are listed and a description of how they will be engaged is provided. The overall key communication and management issues for the project are summarised, concentrating on what will contribute to the project's success.

Table 2-15 Communication Plan Summary - draft only				
Who Stakeholder Sector	Why - Why are they involved/ have interest in the project?	What - What information do they need? What are the key messages?	How - How will they receive this information	When - When will this communicatio n occur?
LOCAL GOVERNMENT AND KEY PRIVATE SECTOR STAKEHOLDERS				
Barossa Council	Addresses the issue of lack of cultural centre. Addresses infrastructure and accessibility issues of the existing facility Opportunity to increase access to the arts and cultural activities. New regional jobs created as a result of industry growth. Support business growth.	Key staff and Councillors will be informed of the project's progress, need and impact. Key staff will need to understand the impact of the project on the region. Key staff will need to be able to answer queries from the public regarding the project and its need.	Meetings and status reports via email and/or telephone.	As required.
STATE GOVERNMENT				
Premier and Departmental Ministers	Investment decision / approval. Alignment with other SA Government department objectives and plans.	Necessary Ministerial communications will be advised of the project's progress and implication.	Meetings and status reports via email and/or telephone.	As required.
Elected representatives	Investment decision / approval. Alignment with other SA Government department objectives and plans.	The elected body will be advised of the project's progress and implication.	Meetings and status reports via email and/or telephone.	Quarterly.
State Department and Authorities	Investment decision / approval. Alignment with other SA Government department objectives and plans.	Departmental staff will be advised of the project's progress and implication.	Meetings and status reports via email and/or telephone.	Monthly.
COMMONWEALTH GOVERNMENT				
Departmental Ministers	Alignment with federal objectives and plans. Investment decision / approval.	Necessary Ministerial communications will be advised of the project's progress and implication.	Meetings and status reports via email and/or telephone.	As required.
Elected representatives	Alignment with federal objectives and plans. Investment decision / approval. Local economic, social and environmental impacts.	Departmental staff will be advised of the project's progress and implication.	Meetings and status reports via email and/or telephone.	As required.
Commonwealth Government	Alignment with federal objectives and plans. Investment decision / approval.	Departmental staff will be advised of the	Meetings and status	As required.

Departments and Authorities	Local economic, social and environmental impacts.	project's progress and implication.	reports via email and/or telephone.	
COMMUNITY AND OTHER BUSINESSES				
Business community	New education and training opportunities. Access to new business initiatives to help business growth. Job creation in the region. Infrastructure induces growth and increased activity. More workers and more tourists will result in more expenditure in local shops and demand for services.	Businesses advised of the project's progress and implication.	Via emails and press releases.	As required.
Industry Peak Bodies	Improved conditions for the tourism and other industry sectors. Advancing the region's status as an attractive place to invest. This project will directly promote the Barossa region's strengths and grow sustainable communities.	Peak bodies advised of the project's progress and implication.	Via emails and press releases.	Quarterly.
Community Groups (interest groups and community service organisations)	Improved conditions for local residents and a range of industry sectors. Minimal disruption to the local community and businesses during construction. Effective WHS processes.	Groups advised of the project's progress and implication.	Via emails and press releases.	Quarterly.
Local community	Greater opportunity for the community to work locally. Social and economic disadvantage are addressed by encouraging business growth resulting in greater job opportunities, more job stability and potentially better mental health outcomes. Increased job opportunities. Greater access to the arts and cultural activities. A place of first nations story telling.	Community advised of the project's progress and implication.	Via emails and press releases and radio broadcasts.	As required.
The media	What is being done and by whom? Project cost? Why is this needed? How long it will take to plan and build? Value for money for taxpayers?		Via press releases and radio broadcasts.	As required.

3 ANALYSIS OF THE PROPOSAL

3.1 Objectives and indicators

Table 3.1 outlines the objectives and the associated indicators of the Project, based on the problems and opportunities identified in Section 2. Objectives are SMART – Specific, Measurable, Achievable, Relevant and Timed.

Table 3-1 Proposal objectives		
Key problem/issue	Key proposal objective	Key success indicator
No fit-for-purpose centre for arts or cultural activities in the Barossa. Need to support the economic diversification of the region. Need to support the creation of new and divers jobs. Existing gallery is not suitable and has safety issues and restricted access. Poor climate control is placing existing artworks at risk from damage. Unable to support environmental sustainability and net zero with existing infrastructure. Unable to fully support creative industries sector. Existing infrastructure cannot cope with electrical load. Lack of storage space. No central hub for businesses to innovate and be supported as they seek to expand their markets. Lack of space and facilities for staff.	Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.	Scheduling of new events hosted per annum. Number of gallery visitors increases by 3% per annum. Reporting of increased business activity. Measure number of development applications. Measure Dollars (\$), revenue Measure changes to GRP.
Lacks a cultural beacon that brings people together and attracts visitors to the centre of town. A growing population expects Tanunda to be home to a cultural centre but this does not currently exist. Lack of cultural centre reflects poorly on the region. Need to encourage more volunteering for people to benefit from the experience. Unable to help increase participation in the arts due to lack of a suitable venue. Poor access in existing gallery is excluding a number of community sectors. Lack of space to appropriately support the region's first nations heritage and storytelling.	Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.	Volunteer numbers at the centre increase by 5% per annum. Scheduling of new events hosted per annum. Number of gallery visitors increases by 3% per annum. Membership numbers increase for a range of arts groups. Number of first nations programs developed and implemented.

3.2 Initial options review

Initial project options were investigated as part of the Feasibility study undertaken by Council. A summary of findings is provided below.

3.2.1 Option 1 – Base Case

The Base Case provides the benchmark against which the economic and social impacts of the Barossa Creative Industries Centre Project are evaluated and quantified.

The Base Case is defined as a ‘business-as-usual’ approach, occurring in the absence of a proposed project going forward.

Important characteristics of a Base Case include:

- the Base Case provides the benchmark against which the economic and social impacts of the proposed project are evaluated and quantified.
- the Base Case is not a ‘zero spend’ option.
- all expected actions connected to the base case are expected to be taken if none of the Project options are implemented and service levels are reasonably maintained.

Objectors to the Barossa Creative Industries Centre expressed a view that such a facility duplicates and/or puts at risk other arts and cultural activities; is better funded by the private sector; is not a good use of public funds and is not a core function of Council.

In considering the feedback Council took the view that Tanunda’s appeal and profile as a significant landing point in the Barossa is a key driver and means of facilitating visitation to other parts of the region. This is achieved by providing accessible and high-quality information and signposting people to other cultural attractions and experiences. A centre does not duplicate services but generates and activates cultural activity across a wider region. Prioritisation has been based on the assessed potential of this concept to deliver the desired outcomes of economic, employment and tourism growth and regional capacity building.

The role of Council is already heavily invested as a partner in the arts, cultural, heritage, events and tourism for the betterment of the community in delivering both economic and social outcomes including new and growing opportunities centred on our first nations story. Private investment is not present to the level of lever the opportunities and thus the market requires support and intervention to the level foreseen in this visionary strategy.

Cultural facilities are directly referenced in the Local Government Act and are expected “Functions of Council” with specific strategies set out in Council’s Barossa Community Plan 2020-2040. Stakeholders driving the Barossa Brand strategy such as Barossa Grape & Wine Association; RDA Barossa, Gawler, Light & Adelaide Plains; Tourism Barossa and Food Barossa see cultural services development as an authentic and underdeveloped opportunity and driver for the Barossa Brand. “Culinary tourism” represents the biggest present opportunity for Barossa tourism.” (Source: Tourism Barossa Strategic Plan 2017-18).

The Base Case (or business-as-usual approach) impacts a number of user groups and principal stakeholders. These user groups/principle stakeholders include:

- Regional Development Barossa
- Liedertafel Men’s Choir

- Tourism Barossa
- Friends of the Hill and Son Organ
- Stella One Studio
- Barossa Arts Council (Creative Barossa)
- Barossa Baroque and Beyond
- Barossa Visitor Information Centre
- Tanunda RSL

Base Case annual costs

As previously noted, the base case is not a ‘no cost’ option. Existing annual costs will still be imposed and as the existing infrastructure ages, it is anticipated that maintenance costs in particular will increase.

Impact of – ‘base case-do nothing’

It is assumed that development in the project area would remain largely unchanged. Only minor improvements may be undertaken by Council resulting in:

- less competitive than other wine regions resulting in a decline in tourist numbers
- less access to arts and culture
- fewer employment opportunities
- less community cohesion
- less CBD and regional activation
- no catalyst for attracting additional private investment into the region
- no additional jobs being created within the local community
- less community infrastructure
- less attractive to current and future residents
- lost opportunities to develop the character of the Barossa
- lost opportunities for first nations storytelling in a fully funded and curated manner.

Given the considerable support for this project, including the inclusion of such infrastructure in many Council strategies, an ongoing ‘do nothing’ option is not considered feasible.

3.2.2 Option 2: Hub and Spoke Model vs permanent investment per township

The ‘Big Project’ is premised on a hub and satellite facilities model delivering high service delivery levels across the Barossa region. This aligns with Council’s commitment to fullest possible access of Council owned cultural and learning facilities to the wider community. Best practice shows facilities that extend their reach into the community and collaborate effectively with business and community are more successful and sustainable, leading to improved community capacity building and social cohesion outcomes. Activation of Councils other facilities and activation in the regional through the other townships will be achieved through careful program design; initiatives such as pop ups and temporary activations; mentoring and residency programs, and capacity building approaches.

Further, successful tourism destinations are able to provide a critical mass of diverse experiences. The “hub and spoke” approach focuses on ensuring benefit from the investment in one facility has impact more broadly and improves the overall positioning of the Barossa as a destination. Section 2.3 – Operating Models provides detailed rationale on the hub and spoke approach as the preferred model when compared alongside investment in purpose-built, permanent infrastructure in individual townships.

3.2.3 Option 3: External design and visual aesthetic

Concerns were raised by the community in relation to the external (visual) appearance of the building as depicted in the consultation documents, in particular, that the architectural design did not complement the vernacular of buildings in the town centre of Tanunda, nor provide a complementary architectural form. Further concerns were raised about its relationship to the broader locality and how people use the space and surrounding precinct. Council acknowledged these concerns and through the Request for Quote process required that the physical form of the building and social environment it engenders give reference to its location within the Barossa Character Preservation Area, and reflect what is distinctive, unique, authentic and special about the Barossa as a place, brand and region.

Additionally, the facility should reflect good design principles of: character and identity; adaptability; have well defined public and private spaces; provide attractive and well used outside spaces; provide ease of movement and navigation, and ensure the place making opportunities across the whole precinct are realized and connected. This includes development of Chateau Tanunda facilities, Tanunda Clubhouse facilities, Tanunda main street and the completed \$12.5M of upgrades to the Tanunda Recreation Park and Showhall as part of The Big Project.

3.2.4 Option 4: Co-location of Visitor Centre, branch library and Creative Industries Centre

Council completed the refurbishment of its Visitor Centre and collocated branch library in 2020. The Visitor Centre is a highly regarded and valued service for local residents as well as visitors, facilitating events and use of the public open space to activate Tanunda Township and drive revenue through businesses in the town. Through the masterplan development process, the option of co-locating the Visitor Centre and Culture Hub operations was raised.

Council rejected this approach on the grounds there is not sufficient space in the BVC site for both facilities; moving the region's primary visitor services away from the current main street location would be detrimental; and co-location of services would potentially detract from both with limited economies of scale deriving from resourcing and operational cost efficiencies. The activities arising from the Culture Hub are services and products for the visitor centre to promote, not the vehicle for tourism information. However, the operational and strategic nature of these facilities is significant, as is their physical proximity, with significant opportunities for improved linkages to help drive visitation between the two locations.

Similarly, traditional library services will also remain at the main street site, however, there will be a focus on a curated, Heritage archive and library service at the Culture Hub site. Opportunities for digital, regional archival support and interpretative display via a heritage library are a key design objective and requirement for the new facility to promote increased opportunities for community learning and knowledge creation and provide immersive, authentic and educational experiences for both visitors and local users. Preservation of documents and stories about the first nations, Lutheran and British traditions of the region is pivotal to ensure that an understanding of this heritage does not fade and falter and continues to shine a light on what makes the region special and authentic into the future.

3.3 Shortlisted options

Ultimately it was decided that the only feasible option was to undertake the Hub and Spoke Model as detailed in 'The Big Project'. This became known as the Barossa Creative Industries Centre and will act as a central landing point offering a unique range of services that do not duplicate cultural activities occurring elsewhere, but instead increase their exposure and profile and activate underutilised spaces and community assets through cultural pursuits.

In addition to the Base Case ('do nothing'), therefore, two other options were considered by Council for this project:

1. Option 1 – Complete the Barossa Creative Industries Centre
2. Option 2 – Complete the Barossa Creative Industries Centre but at a later date

3.3.1 Option 1 – Complete the Barossa Creative Industries Centre

Option 1 involves the development of the Barossa Creative Industries Centre project, as soon as possible. This option will meet the project objectives and result in:

- improved destination image, competitiveness and sustainability
- creation of a central place for storytelling
- greater social cohesion and sense of belonging
- improved liveability of the region
- population growth as the region becomes more attractive to residents
- greater volunteer opportunities
- workshops assisting people into new employment roles
- reduction in youth unemployment
- new training opportunities
- support a generation of new entrepreneurs in the creative industries
- the region has an additional drawcard to compliment its already renowned reputation as global wine city
- local employment opportunities created
- more business opportunities
- induced/leveraged development
- induced visitor numbers and expenditure (increased length of stay)
- induced local expenditure (retention of local expenditure)
- increased output for a number of growth industry sectors including tourism
- greater access to the arts and culture
- a place for first nations storytelling
- reduction in seasonality of tourism

3.3.2 Option 2 – Complete the Barossa Creative Industries Centre but at a later date

Option 2 relates to undertaking the project in full but in a smaller scale. This will essentially result in the same benefits as Option 1 but there are some drawbacks of this option which should be noted including:

- increased future construction costs
- increased youth unemployment and mental health issues
- lost opportunity to support the growth and social recovery of the region
- continued inability to host more events and increase activity in the CBD
- delayed catalyst for attracting additional private investment into the region
- delayed additional jobs being created
- fewer volunteer and job opportunities
- less attractive to current and future residents
- fewer additional visitors to the area
- current infrastructure deteriorating further with escalating costs

3.4 Decision matrix

A Decision Matrix is a tool which reduces the subjectivity in decision-making by creating a series of selection filters. The Decision Matrix Summary Table 6.5 provides further clarification as to why the preferred option was chosen. The Criterion are based upon the key project objectives. It should be noted that a Cost Benefit Analysis has been completed and the results have been taken into account under Criterion 5. There are 5 decision criteria summarised in Table 6.5. Based on the decision matrix **Option 1 - Undertake the Barossa Creative Industries Centre** is shown to be the preferred option.

Essentially, the preferred option best meets the needs of the current and future community which will be able to adapt to future growth and capitalise on the uniqueness of the region.

Table 6.5 Decision matrix summary of strategic project options					
	Decision model		Do nothing	Option 1 - Undertake project now	Option 2 - delay the project
	Criterion	weight distribution	score	score	score
1	Benefits created within a short period	30	5	30	20
2	Address youth unemployment and create new jobs	30	5	22	15
3	Increase tourism levels	25	5	20	15
4	Make the region more attractive and address social disadvantage	10	1	8	5
5	Offers value for money and is financially manageable	5	1	4	1
	Total	100	17	89	56

3.5 Information about the proposal

3.5.1 Scope of works

3.5.1.1 Project location/study area

The building housing the Barossa Regional Gallery was opened on 16 May 1913 as the hall of the Tanunda Club. It was designed by the prominent firm of Adelaide architects English & Soward in a stripped classical style employing red brick and stucco. The building became the Soldier's Memorial Hall after the First World War. The hall itself, which currently seats around 350 people, still awaits full restoration, electrical, repurposing for gallery needs, amenity and access standards and repainting of the interior. The Barossa Creative Industries Centre will be located in the Soldier's Memorial Hall located on the corner of 3 Basedow Road, Tanunda, SA 5352 which is adjacent to Tanunda Club House at 45 MacDonnell Street.

Directly east of the facility is Chateau Tanunda, the site of proposed hotel accommodation. Directly west is Tanunda community Clubhouse, the site of a the recently completed \$1 million development comprising eight artisan guest suites.

Also in close proximity is the co-located Tanunda Library and Barossa Visitor Centre situated at 66- 68 Murray Street Tanunda, a primary landing site for visitors to the Barossa. The operational and strategic nature of these facilities is significant, as is the physical relationship to Tanunda Soldier's Memorial Hall.

The Tanunda main street hosts a vibrant retail and café scene with over 20 food outlets and a number of emerging boutique wine businesses and bars. Only 700m away is the completed \$12.5M upgrades to the Tanunda Recreation Park which now boast the revamped and unique Tanunda Show Hall with capacity to support events up to 1000 people.

Figure 3-1 Project location



Source: Barossa Council

3.5.2 Tanunda

Tanunda has a population 5,076 (Source: ABS Census 2021). However, being located only a short distance from Nuriootpa and many other towns, the catchment population is much larger than this.

While today Tanunda is the cosmopolitan heart and accepted tourism landing point of the Barossa, it started life far more humbly as the tiny settlement of Langmeil located on the banks of the North Para

River, to the north of the present-day town. Langmeil ('Long Mile') was settled in 1843 with a school house as their first public building followed soon after by the Langmeil Church. As the settlement grew and prospered it joined with, and was eventually incorporated into, the town of Tanunda.

3.5.2.1 *Project scope elements*

New construction elements will include:

- Climate control for gallery spaces
- Additional gallery space
- Additional black box digital gallery
- New gallery collection storage space
- New gallery work room and storage
- New performance / production storage space
- New performance changing rooms including dedicated toilet / shower
- New green room space
- New lift
- Lower level rehearsal space, organ display area, music storage and archive
- space
- Upper / mezzanine level theatre style seating overlooking stage.
- New staff office space
- All new spaces will have new flooring, contemporary climate control and electrical services
- New soldiers memorial space
- New main entrance
- New foyer to include ticket counter and glass windows and entry/egress points out to the internal courtyard
- New bar for catering of opening events and performances
- New Heritage Library, Story and Discovery Centre
- Archiving space and storage
- Digital capability for smart technology and the Internet of Things (IoT) New public toilets
- New radio broadcasting studios x 2
- New recording and production studio
- New control / technical room
- New green room for radio station
- New radio meeting / personnel space
- New separate entrance area for music and production area
- New music, education and production practice rooms x 4 small
- New group music education and production practice room x 1 large
- New reception / admin space radio and music production
- New art / making / craft studio small x 4
- New group creative arts work studio and residency facility x 1
- Studios opening into external courtyard space with capacity for outdoor workshop / wet activities
- New external, shaded "courtyard" performance, gathering space ("Valley of Song")
- Main outdoor / performance stage
- New casual / impromptu performance area ("Valley of Dreams")
- Landscaped external areas to include stone and basket walls and planting, seating and story nodes

- Soft landscaping
- New perimeter fencing upgrades
- New carparking
- New internal roads
- New bin storage
- Electrical capacity upgrade for whole site
- All associated services, drainage, Community Wastewater Management System
- All associated civil and engineering construction elements
- New roofing for new areas, maintenance to existing as required
- All code / DDA requirements including upgrades/handrails to existing staircases
- Centre signage – internal / external / wayfinding
- External lighting
- Internal and external fixtures and fittings
- Telecommunications and digital connectivity / equipment

3.5.3 Detailed scope

There are various elements that make up the Barossa Creative Industries Centre. These elements are further explained below to gain a better understanding of the infrastructure asset proposed.

1. Multiple Exhibition Spaces

The dedicated exhibition space will increase from 2 to 4 rooms. It will consist of a minimum of three “white box” rooms with climate control, hanging resources and industry standard lighting plus a black box/digital gallery and a digital projection area. There will also be a range of flexible, temporary, informal and temporary exhibition spaces throughout the facility that are suitable for the exhibition of artworks and to cope with overflow from the dedicated spaces and making displays accessible to and from the foyer and external courtyard areas.

2. Main Auditorium

The existing hall space will be upgraded but the flat floor will remain with a traditional stage and balcony seating. This will provide a dedicated venue for larger performances with both theatre and cabaret style seating and removable or retractable seating which will allow for both formal and informal functions and events. Currently that space is having to be used for too many different functions including exhibitions and workshops and it is too hot in the summer and too cold in the winter. All those considerations make optimum programming very challenging. Lighting and sound rigs will be installed to improve the function of the space from a performance perspective. The main auditorium will seat 300 people at capacity.

3. Black Box

This is a small boutique multipurpose space that can be used for a variety of uses including live music and theatre, forums and training. The ‘black box’ will have a range of applications, ranging from a “hipster” friendly music joint to a conference room with standard AV and lectern or an intimate live theatre space. Lighting and sound equipment will be installed and a moveable stage, seating and tables will add to the overall flexibility of the black box. It will be an important space to be utilised for locally produced content as well as touring musicians, live theatre and film. It will have a capacity for 80 – 90 people, providing an opportunity to present smaller more tailored events creatively and efficiently.

4. Foyer Area

As well as providing an “arrival space” for a range of other functions and events, the foyer will be suitable for small functions in its own right, provide additional exhibition space and include basic bar and catering facilities. With glass aspect and doors into the external courtyard areas it will provide maximum flow and interaction throughout the facility, linking all the spaces together.

5. Artisan Retail Space and Ticketing Outlet

Offering artists and artisans across the myriad of creative genres, a chance to sell their wares, the retail space also provides an opportunity for visitors to purchase artisan wares unique to the region. Ticketing and bookings will also be managed here as the key point of sale (POS) for efficiency and cross promotion purposes. The retail space is also a key training ground for volunteers, work experience opportunities for those who are keen to develop retail skills that can help them secure paid employment elsewhere.

6. Digital Suite and Broadcasting Booth

A space will be developed that provides for an identified community not for profit broadcaster (Triple B FM) to operate from the facility. It is currently in temporary facilities having had to move from its traditional base in the Tanunda Railway Station in 2018. Facilities will be positioned in a strategic location, providing announcers with an opportunity to see the daily happenings inside and outside the Centre first hand. Pedestrians will be able to see into the studios from the large street glass windows on Basedow Road. Triple B is looking forward to live, impromptu interviews with locals and tourists passing by. It will provide an incubator for young talent interested in job readiness for all elements of broadcast and production as well as collaboration opportunities for recording and broadcast with music production professionals, performers and community organisations also using the facility.

7. Live Music Incubator

Managed by an external operator/tenant the Music Incubator will provide practical and professional support for the production of live and recorded music within the facility and the development of a vibrant and sustainable music scene across the Barossa. An expression of interest has already been received from a local music business to develop the Music Incubator as a new commercial initiative for the region. It is expected that this facility will offer:

- Music education services.
- Sound engineering and recording.
- Live music performances of varying sizes including touring content coming to the region and opportunities for local musicians to perform.
- Support for emerging musicians in developing stage craft, marketing and musicianship skills.
- Links to Music SA and the Music Development Office.
- Opportunities to develop community music projects.
- Opportunities for other tenants and users to collaborate with musicians.
- The development of a new music festival focused on contemporary acoustic music.
- A professional music booking agency that supports links between local and touring musicians and potential new performance venues across the region.

8. Heritage / Library Archive Space / Business Innovation and Education / Publishing & Writing

A facility to house relevant heritage collections and archives, it will provide access to research, preservation projects and training. Creative research and writing will also occur as well as a focus on education and lifelong learning for old and young alike. A collaborative operation model will encourage

business incubation through activities such as publishing, ancestry and partnerships with the Regional Development Australia's "Business to Business" programs and support network. The space will be designed to offer a unique experience, complement the interpretive space and provide a link to other museum and heritage spaces in the region and in Adelaide. It will provide a platform for exploring the region's aboriginal roots and cultures. It will also be a key training site for volunteers and emerging professionals who wish to support the preservation and promotion of history.

9. Heritage Interpretive Space

A dedicated space for an immersive and interactive heritage experience that will include both permanent and temporary installations that take advantage of contemporary design and technology. Combined with the Archive Space, the heritage facilities will provide an immersive and entertaining experience for visitors and offer an important education space for the region. The types of activities visitors will experience within this space include:

- a. Heritage based augmented and virtual reality installation, where people can step back in time and use personal digital devices to see how the region's landscape and people looked 20, 50, or 1000's of years ago for our first nations stories.
- b. The Barossa Story Bank, which people can engage with in a number of ways. It will be a multifaceted and interactive experience where visitors can enjoy local stories and also contribute their own. It is designed to inspire the nostalgia in people – reflecting on their own stories as well as the stories of others and growing the collective memory of the region. Artists will be regularly engaged to use historic materials, archives and oral histories to create captivating stories across multiple art forms. Each year new stories will be added to the story bank in new ways for people to enjoy.
- c. Audio pods, where people can listen to stories of the region's significant icons.
- d. A digitised archive for visitors to explore historic artefacts, records, images and other items. They can learn the provenance of an item, download a picture card to their device that gives them some information and also provides them with the directions of how to get to the place where the item is stored or is relevant to. This will be carefully curated with thematic options also included. For example, if visitors are interested in Lutheran Churches, the English Heritage of the region or the Barossa Horse racing industry they can search these subject areas and see the relevant collections and stories that are linked.
- e. Research facilities where people can discover their family history or learn more about the history of their home, their favourite winery or the B&B they are staying in.
- f. Thematic exhibitions that are developed periodically with historical groups, schools, businesses and individuals to convey both the "every day" and the significant.
- g. The Parish Chapters Installation, where people can hear/see/engage with the first part of a captivating tale about the Barossa's heritage including our first nations. Linking with both the Story Bank and the digitised archive, this installation will offer visitors the first chapter of a bigger more extraordinary story. To hear the rest of the story, visitors will need to travel to a particular place, to hear/see/ learn about the rest of the story. Downloadable media and other digital technology will be used to link the stories for people as they tour around the region.

10. Meeting Rooms

For community and commercial use for formal and informal meetings, training and small gatherings.

11. Artist Studios

Tenanted studies for artists working across a variety of artforms. These spaces will be designed to enable access to the public, who will be encouraged to interact with the artists working on site. The Artist Studio program will be carefully managed to ensure diversity and quality. Lease payments from the tenants will be subsidised and in return artists will be expected to work in their studio for a minimum number of hours per week – most likely 20 hours. One of the studios will be offered at a peppercorn rate to encourage a new or emerging artist to develop their practice within the facility.

12. Shared Workshop Space

For a range of workshops to be presented both as part of regular programming, for studio artists to use for collaborative and community-based projects and for fee for service workshops.

13. Under a Barossa Sky Creative Industry Residencies

The Under a Barossa Sky Creative Industry Residencies program will be an ongoing opportunity for industry professionals to visit and stay in the Barossa to develop their practice in return for mentoring and providing workshops and classes in their specialist area for community and emerging local professionals alike. This can be both at the Centre and in the form of outreach at other community facilities in the area or at business premises such as cellar doors, retail spaces, outdoor parks etc. They could be artists, actors, writers, curators, musicians or from any creative background. A small self-contained studio for the resident to use on site for short to medium stays will be available.

Council is collaborating with the National Trust to provide accommodation through its residency program at Collingrove estate in nearby Angaston and the Tanunda Community Club next door to the Centre is also looking to expand its accommodation offering and work in partnership with Council. This has the potential to provide multiple residency opportunities throughout each year with Council staff operating from the Centre providing the administrative and organisational programming support. This will add to the overall sense of “activity” on site and provide opportunities for visiting artists to enjoy the local hospitality and spread the word elsewhere. It will also provide exposure to visiting artists for local artists, schools, businesses and members of the public. There will be two streams offered through the Artist Residency program including:

- a. A “retreat” style fee for service residency program that sees practicing artists rent the space for a reasonable price for 1 – 4 weeks at a time. There will be an application process to ensure quality and a focus on professional artists who will use the facility to take in the Barossa and allow it to inform their practice in a focused way.
- b. Programmed residencies, will presented throughout the year with artists invited to use the facility free of charge and provided with a small stipend (\$500 per week) in exchange for interaction with the Barossa community. The artists’ interaction could involve an exhibition, curation, creating specific work in collaboration with stakeholders or through workshops and education programs to activate facilities and spaces throughout the Barossa region. Programmed residencies will occur across all art forms and practice including practicing visual artists, musicians, historians, writers, performers, film makers and curators.

14. Organ Interpretive Space

The Hill and Son Organ is an impressive and world-renowned instrument that has been installed in a way that enables the public to see inside the Organ and view the inner workings. Approximately one quarter of the instrument is below the stage and encased in glass to allow easy viewing. This area will

be upgraded and interpretive content that enhances the visitor experience and provides improved education opportunities will be developed.

15. Back of House

A green room, administration area, kitchen, ablutions and multiple storage spaces will be included in the facility to ensure it is functional on a very practical level.

- a. The storage facilities will cater to the diversity of users located at the space and include secure, climate-controlled rooms for storing the Vintage Art Collection and other delicate artefacts.
- b. The kitchen, whilst not a full commercial kitchen, it will be appropriate for catering a range of events both large and small.
- c. The administration area will be centrally located to ensure the most efficient use of staff time in managing and supervising the venue.
- d. Plug and play access and universal connectivity will be included in the infrastructure to provide efficient and simple bump-ins, installations and maximum flexibility across the site in relation to the use of technology.⁵⁸

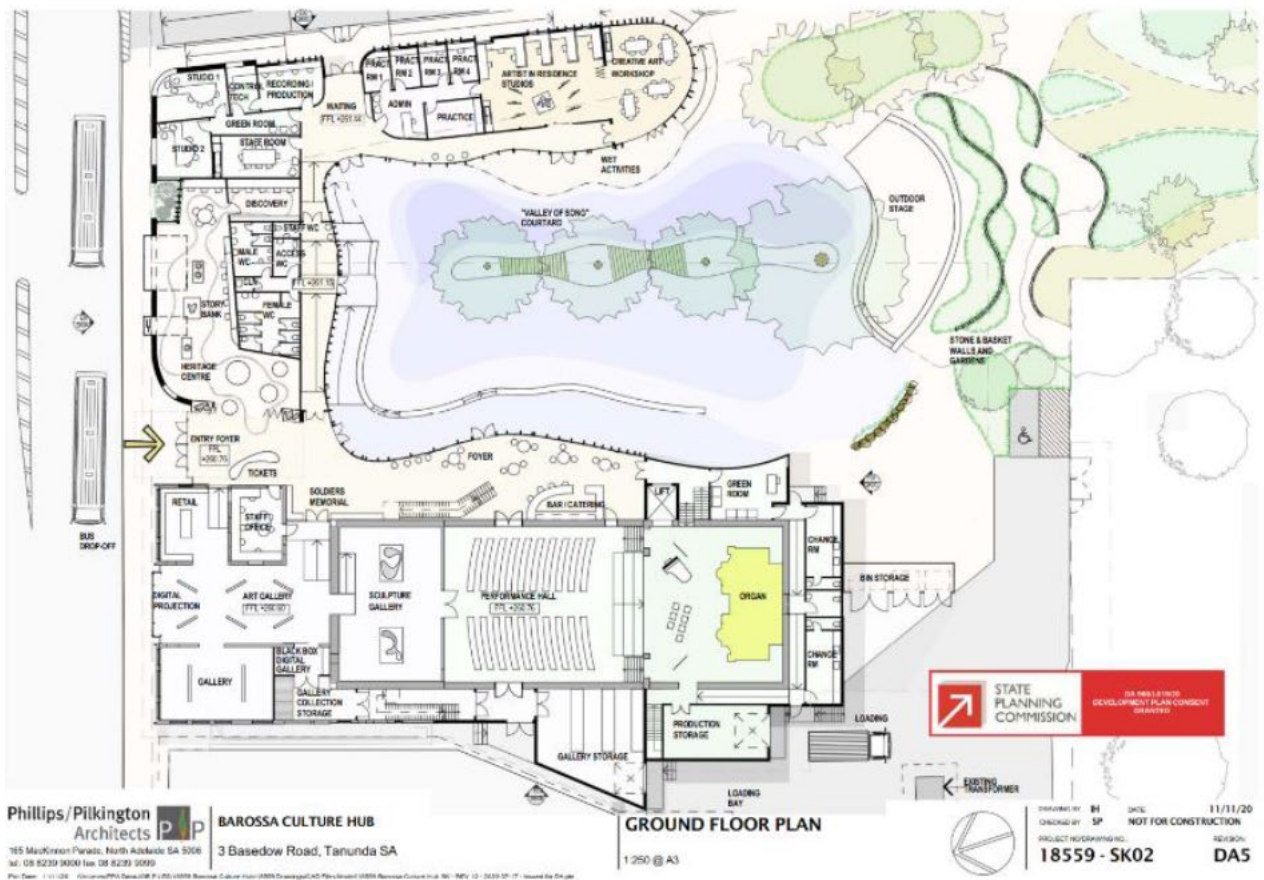
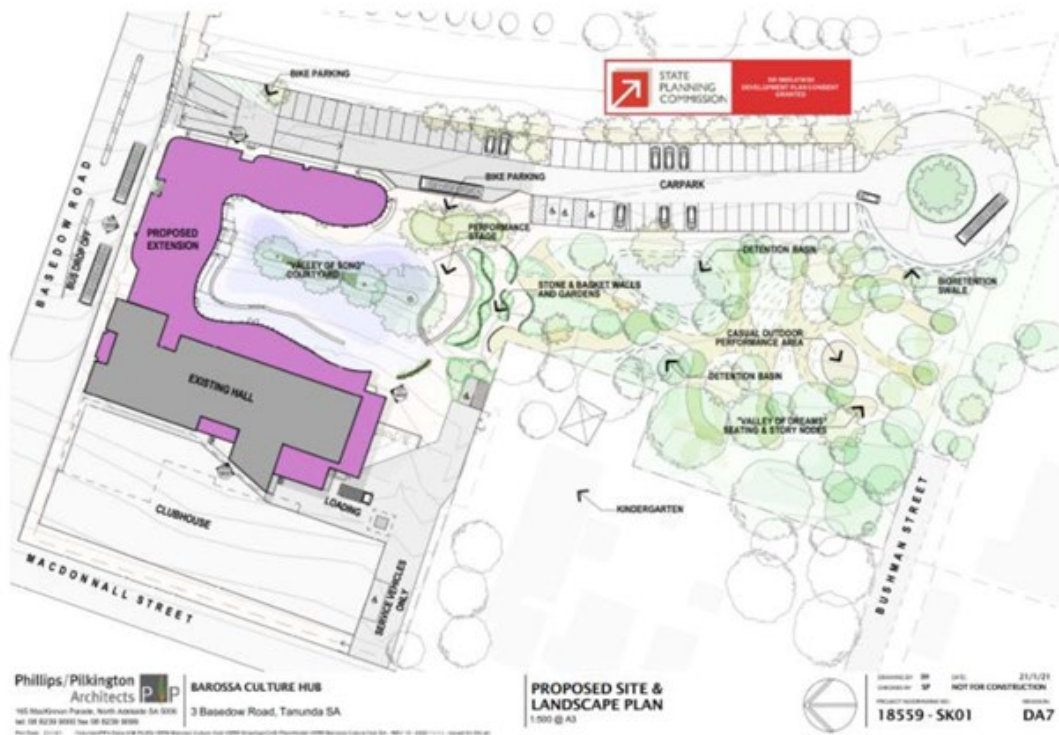
16. Facility Exclusions - Café / Restaurant

Research of other cultural facilities during the development of the scope for the Centre, revealed challenges in securing and maintaining high quality café or restaurant operators to manage these types of facilities in cultural venues. This information, combined with the significant number and range of eateries situated beside or within close proximity to The Creative Industries Centre, and the potential to use Clubhouse restaurant facilities immediately next door to the facility, informed the decision not to include a café or restaurant on site.

This aligns with the overall operational principle for the facility to generate activity out in the community. This decision does not preclude the development of specific food and wine events being presented on site and local businesses being activated to cater for events such as exhibition openings and performances and other more casual food options presented at specified times for “pop-up” style activities. Again this is part of the Centre’s ethos for creating and sustaining jobs, work experience and growth in the region.

3.5.4 Approved diagrams and plans

Architect designs have been completed by Phillips/Pilkington Architects. Full designs are provided as a separate attachment. Some examples are provided below:





3.6 Projected costs

3.6.1 Projected capital costs

The project costings have been prepared by Chris Sale Consulting, one of South Australia's reputable independent Cost Consultancy firms to the Property and Construction Industry.

The total project cost is estimated at **\$13,922,000 (GST exclusive)**. A full cost breakdown is provided in a separate attachment. A summary of the cost estimate for the Barossa Creative Industries Centre is provided in Table 3-2 below:

Table 3-2 Projected capital costs	
Capital cost element	\$ GST exclusive
Upgrade and refurbishment of existing building	\$1,769,284
Extension of existing building	\$5,330,215
External works (civil, open space)	\$2,824,675
Building works on costs – preliminaries, site establishment, supervision, margins	\$2,128,000
Allowance for project contingency	\$1,869,826
Total	\$13,922,000

Source: Barossa Council

3.6.2 PROJECTED ADDITIONAL ONGOING COSTS

The projected additional ongoing costs are presented below and have been carefully estimated by Barossa Council.

Council has made provision for the creative industries centre operational costs in the ongoing Long Term Financial Plan.

These budgeted amounts will be reviewed on an ongoing basis as part of the annual budget cycle. The table following illustrates figures up to year 5 (post development) which are applicable.

Operating Expenses include employee costs, depreciation, services, program and exhibition costs. Maintenance Expenses include mowing/landscaping, electrical repairs and cleaning. (Note, depreciation is excluded as an expense in the Cost Benefit Analysis.)

A summary of the additional annual costs is provided in Table 3-3 below:

Table 3-3 Additional annual costs post development					
	Year post development				
	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Expenses					
Depreciation	81,407	82,221	83,044	83,874	84,713
Employee Costs - Inclusive of Insurances and Superannuation	75,757	232,954	238,778	244,747	250,866
Program Contractors and Casuals	6,667	20,000	20,400	20,808	21,224
Program and Exhibition Costs	21,667	65,000	66,300	67,626	68,979
Marketing	6,667	20,000	20,400	20,808	21,224
Residency Program	5,270	15,810	16,126	16,449	16,778
Stock	8,333	25,000	25,500	26,010	26,530
Miscellaneous Running Costs and Consumables	1,667	5,000	5,000	5,100	5,202
ESL Levy	684	701	718	736	755
Electricity Consumption	8,689	9,037	9,398	9,774	10,165
Materials Water	652	669	685	703	720
Insurance	17,330	17,849	18,385	18,936	19,504
Operation expenses total	234,790	494,241	504,734	515,571	526,660
Maintenance Expenses					
Mowing - General Open Space	7,452	15,202	15,506	15,816	16,132
Maintenance - General Open Space	7,452	15,202	15,506	15,816	16,132
Mowing - Amphitheatre Area	3,229	6,587	6,719	6,854	6,991
Maintenance - Amphitheatre Area	2,236	4,560	4,652	4,745	4,840
Building Maintenance - Increase Phased in over 10 years	2,961	8,885	11,846	14,807	17,769
Maintenance expenses total	23,330	50,436	54,229	58,038	61,864
Total	258,120	544,677	558,963	573,609	588,524

Source: Barossa Council 2023

As the above are additional costs post development, the full annual costs are presented in Table 3-4 below which includes those costs associated with the current running of the facility and will continue once the Barossa Creative Industries Centre is built.

Table 3-4 Total annual costs post development

	Year 1	Year 2	Year 3	Year 4	Year 5
Additional post development expenses	258,120	544,677	558,963	573,609	588,524
Plus existing operating expenses post development	460,317	469,523	478,913	488,492	498,262
Total annual costs post development	718,436	1,014,200	1,037,877	1,062,101	1,086,786

3.7 Financial viability

Financial viability is the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels. There are several factors which contribute to this project's financial viability.

Financial viability is the ability to generate sufficient income to meet operating payments, debt commitments and, where applicable, to allow growth while maintaining service levels. There are several factors which contribute to this project's financial viability.

Firstly, the Barossa Region is one of the most well-known wine destinations in Australia. Its capacity to produce exceptional food and wine has created a strong economic foundation for the region both as a producer/manufacturer and as a key tourism destination. The Tourism and Transport Forum report titled, CULTURAL & HERITAGE TOURISM IN AUSTRALIA APRIL 2016, identified that 54% of all international visitors to Australia and 26% of domestic (overnight) visitors participated in cultural and heritage activities in 2015 and cultural and heritage visitors generated a higher yield on average, spending more and staying longer.

Secondly, these trends in the tourism industry suggest there is a significant opportunity to increase income and investment in cultural tourism in the region. To take advantage of this opportunity, The Barossa Creative Industries Centre will allow the region to develop its cultural tourism offerings, encourage increased visitation and extended stays. Government is well placed to play a role in addressing existing or potential market failure in relation to the provision of arts and cultural goods and services in a region. Government interventions – which can include direct ownership of major institutions, subsidisation of non-government organisations and regulation of arts production – can also ensure equitable access to such goods and services for the benefit of all members of the community.

The vision for the Barossa Creative Industries Centre is to develop a unique cultural and creative space that creates jobs and activates cultural activity across the region, showcasing Barossa stories and music in contemporary and interactive ways.

3.7.1 Revenue projections

The third contributor to the project's viability is the operating revenue. Council has developed income projections based upon a number of revenue streams post development. The figures up to year 5 are provided in the table below and show a steady increase in revenue. Revenue in Year 1 is lower than subsequent years to take into account the fact that the centre will take some time to become fully operational.

Table 3-5 Revenue projections post development

	Year 1	Year 2	Year 3	Year 4	Year 5
Artist Studio Tenancy	3,896	11,979	12,279	12,586	12,900
Triple B Lease	1,051	3,231	3,311	3,411	3,513
Liedertafel Lease	460	1,413	1,449	1,492	1,537
Music Incubator Lease	1,313	4,038	4,139	4,263	4,391
Barossa Players Lease	525	1,615	1,656	1,705	1,757
Concert Income	1,963	6,037	6,188	6,374	6,565
Door Donations	2,627	8,077	8,279	8,527	8,783
Venue Hire	788	2,423	2,484	2,558	2,635
Workshop Fees	2,101	6,461	6,623	6,822	7,026
Commission on Sales / Merchandise Sales	7,860	24,169	24,774	25,517	26,282
Project Funding / Signature Events / Other Support	11,820	36,345	37,254	38,371	39,522
Artist Residency Sponsorship	1,576	4,846	4,967	5,116	5,270
Heritage Sponsorship	2,627	8,077	8,279	8,527	8,783
Artist Residency Fee for Service Income	2,252	6,926	7,099	7,312	7,531
Total revenue	40,858	125,638	128,779	132,581	136,496

Source: Barossa Council 2023

3.8 Proposed funding arrangements

The total project cost (excluding GST) is \$13,922,000. The amount of funding being requested by Barossa Council is for 50% of total project cost being \$6,961,000 ex GST.

3.8.1 Funding assistance from Government

There are a number of compelling reasons for government to fund and support creative industry infrastructure such as the Barossa Creative Industries Centre including:

Economic stimulus and job creation

Investment in creative industry infrastructure can stimulate economic growth by creating jobs and supporting businesses. This, in turn, also contributes to increased tax revenue and overall economic prosperity.

Cultural enrichment and national identity

Supporting creative infrastructure helps preserve and promote cultural expressions, fostering a sense of local, regional and national identity. This is crucial for maintaining a diverse and vibrant cultural landscape.

Global competitiveness

A thriving creative industry enhances a region's competitiveness. Supporting infrastructure in areas such as film, music, and design can help a region stand out on the national and international stage.

Innovation and technological advancement

Creative industries often drive innovation, pushing the boundaries of technology and contributing to advancements in various fields. Funding creative infrastructure supports these innovative endeavours.

Education and skill development

Investment in creative infrastructure provides opportunities for a range of education and skills development, ensuring a well-trained workforce in fields like media, arts, and entertainment.

Tourism and cultural diplomacy

Well-supported creative infrastructure attracts tourists and enhances cultural diplomacy. This contributes to economic gains through increased tourism and positively shapes both the region's and the country's image on the global stage.

Social well-being and inclusion

Creative industries contribute to social well-being by fostering a sense of community and providing avenues for self-expression. Government support can ensure that these benefits reach diverse segments of the population.

Export and trade opportunities

Creative products and services are often exportable, contributing to international trade. By funding infrastructure, the government can facilitate the export of cultural products, generating revenue and increasing the country's economic footprint.

Cross-sector collaboration

Creative industries often collaborate with other sectors, leading to cross-disciplinary innovations. Government funding can support initiatives that encourage collaboration between creative industries and sectors like technology and science.

Addressing social challenges

Creative endeavours can address social challenges by promoting inclusivity, diversity, and social justice. Government funding can support initiatives that use creative platforms to address and raise awareness about societal issues.

Quality of life

A well-developed creative infrastructure contributes to the overall quality of life by providing cultural and recreational opportunities. This can attract and retain a skilled workforce, making the region an attractive place to live and work.

Long-term sustainability

Investing in creative infrastructure is an investment in the long-term sustainability of the creative sector. This support can help industries weather economic challenges and adapt to changing trends.

In summary, government funding and support for creative industry infrastructure are crucial for fostering economic growth, cultural richness, innovation, and social well-being. It positions the nation and region as a hub for creativity and contributes to a resilient and thriving society.

3.8.2 Why do Councils need assistance to fund major projects?

Local Councils often find it challenging to fund major projects independently for a variety of reasons including:

Budget Constraints

Councils tend to operate within a limited budget, primarily generated from taxes, fees, and grants. These budgets are often allocated to various essential services and infrastructure maintenance, leaving limited funds for major projects that require substantial upfront investments.

Competing Priorities

Local governments must address a wide range of community needs, including education, healthcare, public safety, and social services. Major projects often compete with these essential services for funding, making it difficult to prioritise and allocate resources for large-scale initiatives.

Resource Limitations

Local councils may lack the financial and human resources needed to undertake complex projects. Major projects often require specialised expertise, project management, and technical capabilities that smaller local governments may not possess in-house.

Borrowing Limits

There are legal limits on how much debt a council can incur, and exceeding these limits can lead to financial instability and increased borrowing costs.

Political Challenges

Major projects can become politically contentious, especially if they involve significant changes to the local landscape, increased taxes, or perceived impacts on certain interest groups. Elected officials may be hesitant to support projects that could be unpopular with constituents, especially in the run-up to elections.

Economic Uncertainty

Local councils often face economic uncertainties and fluctuations in revenue streams, making it challenging to commit to long-term financing for major projects. Economic downturns can reduce the ability to fund such initiatives.

To address these challenges, local councils may seek partnerships with higher levels of government, private sector entities, and community stakeholders to leverage resources and expertise for major projects. Additionally, they may explore innovative financing options and prioritise projects based on their long-term benefits to the community.

3.9 Cost Benefit Analysis

The objective of this economic appraisal is to assess whether undertaking Barossa Creative Industries project would be more beneficial for the community as a whole than a 'without project' case scenario.

This economic appraisal uses a cost benefit framework (CBA) to assess the desirability of each option. The appraisal focuses on the benefits and costs accrued by users (e.g. Barossa Council, broader regional SA, visitors, businesses, investors and the community as a whole), which include increased visitor numbers, economic and social benefits and encouraging further investment. Benefits arising from each option identified are based on net decreases in user costs relative to the 'without project' case - otherwise known as 'the Base Case'.

Note that the Barossa Creative Industries project is referred to as the 'Reference Project' or Option 1. Option 2 refers to undertaking the Reference Project but at a later date.

There are a number of social and environmental impacts that cannot be valued due to limited information about the valuations of social and environmental benefits and costs associated with certain elements of the project. To compensate for this, this study separately identifies, in a qualitative way, the full range of program outcomes, including economic, social and environmental costs and benefits. This approach is outlined in the Qualitative Assessment.

3.9.1 Project objectives

The starting point for a CBA is to specify the intended objectives and outcomes of the initiative/reference project. The objectives flow from addressing the problems and opportunities identified in the case for change.

Objectives are stated clearly in terms of welfare outcomes and not be tied to specific outputs:

- *Economic Benefit: Create an accessible and fit-for-purpose creative industries centre which will foster the next wave of innovation by supporting businesses which will drive economic growth and diversification, rebuild our region and create the jobs of the future.*
- *Social benefit: Support and sustain population growth whilst creating greater opportunities for employment, volunteering, social connections, first nations storytelling and increased participation in arts, heritage and culture, resulting in a more liveable and attractive region.*

These objectives are strategically aligned with a number of Federal, State and Local Government high-level objectives priorities and strategies.

The project's objectives are broad enough to allow innovative option design but focused enough to support streamlined, efficient option design.

3.9.2 Approach and values

3.9.2.1 Approach

The approach adopted to undertake the economic element of this CBA was as follows:

- clearly define the Base Case (i.e., where the Reference Project is not developed representing a status quo scenario where no water security strategies are implemented beyond those in place at the time the analysis was undertaken.)
- quantify cash flows (inflows and outflows) related to the Base Case, including the potential costs to be incurred in meeting water requirements in the region over the study period.

- identify the Reference Project options for which the economic impacts of the project are to be assessed - Option 1 is the Reference Project and Option 2 is the Reference Project constructed at a later date
- identify cash flows to be considered under the Reference Project options
- where economic impacts are actual and quantifiable, quantify the economic benefits and under each of the Reference Project options relative to the Base Case
- estimate the net economic impact, in terms of both the BCR and NPV of the Reference Project relative to the Base Case.

3.9.2.2 General parameter values

The following general parameter values have been used for the Barossa Creative Industries Project cost benefit analysis.

- Base Year- The base year considered for discounting purposes is 2022/23.
- Discount Rates- A discount rate of 7% has been used to discount future capital costs and user costs to the base year. Discount rates of 3% and 10% have also been used for the purpose of sensitivity analysis.
- Evaluation Period- An evaluation period of 50 years has been used for the economic analysis.
- Dollar values- All dollar values are based on the Australian dollar using estimated 2022/23 figures.
- Construction of the Reference Project to commence 2024 and be completed by the end of 2026.
- Ongoing annual costs were provided by Barossa Council.
- Capital costs were estimated by registered quantity surveyors.

3.9.3 Base case

Role of the base case in a CBA

The benefits and costs of all options are calculated relative to the base case, i.e., the incremental change. Therefore, if the costs of all options exceed the benefits, then the base case is the strongest performing option. Comparing options to a base case is necessary to isolate the outcomes directly attributable to the option.

Defining the base case

The base case is the projection of costs and benefits if none of the options proceed. The base case is basically, a 'business as usual' situation. It assumes that the existing situation remains as it is and generally retains the status quo. That is, continuation of the current situation including quality of services, planned maintenance and usage, existing issues.

The Base Case provides the benchmark against which the economic and social impacts of the Barossa Creative Industries Project are evaluated and quantified.

Important characteristics of a Base Case include:

- the Base Case provides the benchmark against which the economic and social impacts of the proposed project are evaluated and quantified.
- the Base Case is not a 'zero spend' option.

- all expected actions connected to the base case are expected to be taken if none of the Project options are implemented and service levels are reasonably maintained.

3.9.4 Annual costs under the Base Case

Under the Base Case, being the scenario under which the Reference Project is not developed, annual costs will still be incurred as presented in Table 3-6.

Table 3-6 Current annual costs under the Base Case scenario					
	Year 1	Year 2	Year 3	Year 4	Year 5
Operating Expenses	\$442,442	\$451,291	\$460,317	\$469,523	\$478,913

Source: Barossa Council 2023

3.9.5 Cost of work already completed on the Project to date

Should the project not proceed under the Base Case, then the work already completed by Council to date would essentially be lost.

So far, Barossa Council has advised that \$357,156.82 has been invested into the project. This would therefore be considered a cost under the Base Case scenario as the work would have had no impact or end purpose.

Table 3-7 Costs to date	
Year	\$ spent
23-24 YTD	24,303.94
22-23 Actual	23,412.14
21-22 Actual	29,029.62
20-21 Actual	62,418.50
19-20 Actual	113,049.55
18-19 Actual	104,943.07
Total	\$357,156.82

Source: Barossa Council 2023

3.9.6 Option 1 – Reference project: Complete the Barossa Creative Industries Centre Project

Option 1 is the Reference Project or ‘preferred project’. The following sections assess and quantify, where practicable, the economic benefits and costs under this reference option (Option 1).

In order to quantify the impacts listed, unit values for each parameter are required. These have been derived by referencing other reports and surveys and through discussions with Council and key stakeholders. All calculations are considered to be conservative and are limited in terms of the level of investigation completed at the time of developing this Cost Benefit Analysis.

3.9.6.1 Economic benefits of Option 1: Reference Project

To complete the Barossa Creative Industries Centre Project would result in:

- increase in visitor numbers and subsequent spend
- various revenue streams from workshops in the hub, events and leases
- increased volunteer activities

3.9.6.2 Increase in visitor numbers and subsequent spend

Using the Tourism metrics for Barossa LGA - 2019 from Tourism Research Australia 2019 (SEE APPENDIX A), it has been estimated that post development tourism numbers will increase by (a conservative) 3% per annum post development. This is as a direct result of the project and the associated activities and events etc, that will be created through the centre.

As a result of the increase in tourist numbers, the increase in expenditure is estimated to total \$5,184,990 in the first-year post development (See Table 3-8). Tourism figures are expected to increase by a further 3% per annum. Figures for International visitors have not been included in this assessment.

Table 3-8 Increase in visitor numbers

	2019 visitors	% increase	Av. spend per trip/day	Total \$
Domestic overnight	202,000	3% increase = 6,060	\$564	\$3,417,840
Domestic day	765,000	3% increase = 22,950	\$77	\$1,767,150
Increased tourism expenditure total				\$5,184,990

Source: TRA 2019 LGA Profile

3.9.6.3 Various revenue streams from workshops in the hub, events and leases

A number of revenue streams will provide income on an annual basis post development. The table below provides a summary of these income streams. The first year post development is likely to result in \$40,858 in additional revenue with this figure increasing on a year by year basis as numbers increase etc.

Table 3-9 Revenue projections post development

	Year 1	Year 2	Year 3	Year 4	Year 5
Artist Studio Tenancy	3,896	11,979	12,279	12,586	12,900
Triple B Lease	1,051	3,231	3,311	3,411	3,513
Liedertafel Lease	460	1,413	1,449	1,492	1,537
Music Incubator Lease	1,313	4,038	4,139	4,263	4,391
Barossa Players Lease	525	1,615	1,656	1,705	1,757
Concert Income	1,963	6,037	6,188	6,374	6,565
Door Donations	2,627	8,077	8,279	8,527	8,783
Venue Hire	788	2,423	2,484	2,558	2,635
Workshop Fees	2,101	6,461	6,623	6,822	7,026
Commission on Sales / Merchandise Sales	7,860	24,169	24,774	25,517	26,282
Project Funding / Signature Events / Other Support	11,820	36,345	37,254	38,371	39,522
Artist Residency Sponsorship	1,576	4,846	4,967	5,116	5,270
Heritage Sponsorship	2,627	8,077	8,279	8,527	8,783
Artist Residency Fee for Service Income	2,252	6,926	7,099	7,312	7,531
Total revenue	40,858	125,638	128,779	132,581	136,496

3.9.6.4 Increased volunteer activities

“Volunteers are the lifeblood of so many facets of our society, including aged care, emergency services, environmental management, health care, sport and tourism – all of which simply could not operate effectively without them.” Minister for Citizenship and Communities NSW.

It is anticipated that post development a significant number of additional volunteer opportunities will arise. Roles just as additional guides, front of house, marketing, ticket collection, sales, event assistants, etc, will be created.

It is estimated that post development, volunteer numbers will reach 90 persons (equivalent to 35 additional volunteers) with 6,450 predicted hours contributed to the Culture Hub. This equates to approximately 71.66 hours per volunteer per annum.

Twice a year, Volunteering SA&NT updates the volunteering dollar replacement hourly rate figure, which is currently \$46.62 per hour (2023 rates). The basis of this calculation is taken from the biannual Australian Bureau of Statistics (ABS) average weekly earnings figures for Australia.

55 volunteers contributing 3,227 hours per annum equates to an average of 59 volunteer hours per person (volunteer), per annum. It is estimated that post development, volunteer numbers will reach 90 persons (equivalent to 35 additional volunteers) with an additional 2,065 hours contributed to the Barossa Creative Industries Sector. This equates to \$96,270.30 in volunteer value per annum - (2,065hrs x \$46.62). For the purposes of this CBA, the figure for number of volunteers has been increased by (on average) 1 person per year. This is considered to be very conservative.⁸

3.9.6.5 Summary of Option 1: Reference Project economic benefits

Table 3-10 summarises the economic benefits, relative to the Base Case, under Option 1: The Reference Project.

Table 3-10 Summary of economic benefits under Option 1: Reference Project		
	Economic benefit	Description
1	Increase in visitor numbers and subsequent spend.	As a result of the increase in tourist numbers, the increase in expenditure is estimated to total \$5,184,990 in the first-year post development.
2	Various revenue streams from workshops in the hub, events and leases.	\$40,858 in additional revenue is anticipated in the first-year post development with this annual figure increasing steadily.
3	Increased volunteer activities.	An estimated \$96,270.30 in volunteer value per annum is expected to be contributed.

3.9.6.6 Reference Project Economic Costs

This section sets out the economic costs to be incurred under the Reference Project, which. include:

1. The capital cost of constructing the Barossa Creative Industries Centre.
2. The costs incurred in operating and maintaining the Barossa Creative Industries Centre.

3.9.6.7 The capital cost of constructing the Barossa Creative Industries Centre (Reference Project)

Capital costs were estimated by registered quantity surveyors. The total project cost is estimated at \$13,922,000 (GST exclusive).

3.9.6.8 Reference Project Annual costs

The ongoing costs associated with maintaining and operating the Barossa Creative Industries Centre also constitute an economic cost under the Reference Project option. The value of depreciation has been removed therefore, in the first-year post development the annual costs are estimated as being \$637,029 per annum.

⁸ <https://vsant.org.au/value-of-volunteering>

Table 3-11 Total annual costs post development

	Year 1	Year 2	Year 3	Year 4	Year 5
Total annual costs post development	718,436	1,014,200	1,037,877	1,062,101	1,086,786
Minus depreciation	81,407	82,221	83,044	83,874	84,713
Total annual costs post development	\$637,029	\$ 931,979	\$954,833	\$978,227	\$ 1,002,073

3.9.7 Option 2 – Complete the Reference Project but at a later date

For the purposes of this CBA analysis, Option 2 is the Reference Project (Barossa Creative Industries Centre Project) undertaken but at a later date – an estimated 5 years later.

Option 2 shares all of the same benefits of Option 1 but they will not commence until five years later (2030 onwards). The benefits and differences are described in the following sections.

3.9.7.1 Economic benefits

To complete the Barossa Creative Industries Centre project but at a later date would ultimately result in:

- increase in visitor numbers and subsequent spend
- various revenue streams from workshops in the hub, events and leases
- increased volunteer activities

The value of these economic benefits for the purposes of this analysis, are considered to be the same as the Reference Project – see Section 3.6.5.

3.9.7.2 Economic Costs: Option 2 – Complete the Reference Project but at a later date

This section sets out the economic costs to be incurred under Option 2 where the Reference Project is undertaken but at a later date. This is where the differences between the Reference Project and Option 2 are shown. Economic costs include:

1. The higher capital cost of constructing the Barossa Creative Industries Centre.
2. The costs incurred in operating and maintaining the Barossa Creative Industries Centre.
3. The costs associated with repeating research work and supporting documentation.
4. Capital costs have been increased by 5% based on the September CPI.
5. Annual/ongoing costs have been increased by 5%.

3.9.7.3 Capital cost of constructing the Reference Project but at a later date

Capital costs were estimated by registered quantity surveyors. The total project cost is estimated at \$13,922,000 (GST exclusive).

Capital costs for Option 2 are the same as for Option 1 (Reference Project) except that they have been increased by 5% (based on September CPI). This means that the estimated capital cost for Option 2 is \$14,618,100 (GST exclusive).

3.9.7.4 Annual costs

The ongoing costs associated with maintaining and operating the Barossa Creative Industries Centre also constitute an economic cost under delaying the Reference Project option. For the purposes of this analysis the Reference Project's annual costs (after delaying the project by 5 years) have been increased by 5% totalling \$668,880 per annum in the first-year post development.

Table 3-12 Total annual costs after a delay of 5 years

	Year 1	Year 2	Year 3	Year 4	Year 5
Total annual costs post development	\$668,880	\$ 978,578	\$ 1,002,575	\$ 1,027,138	\$1,052,176

3.9.7.5 Cost of repeating research work and supporting documentation

Should the project be delayed then some of the capital invested to date (calculated by Council to be \$357,156.82) for the Reference Project may need to be spent again due to much of the work becoming obsolete. For the purposes of this CBA, a figure of \$200,000 in potential additional costs should the project be delayed has been used.

3.9.7.6 Summary of impacts in delaying the Reference Project

There are a number of impacts associated with delaying the Reference Project which do not make this option favourable including:

- Increased capital costs.
- Increased maintenance cost to ageing assets.
- Loss of momentum in current planning and start-up phases.
- Redirection of government awareness and determinations to other priorities.
- Delay realisation of benefits linked to this project.
- In depth research over the last few years not being implemented.
- Some capital invested to date would require to be spent again for funding to be obtained.
- Additional similar effort would be required in the future in the coordination of business case, funding applications and project management by the various parties in the future would have to be repeated.

3.9.8 Qualitative Assessment

A qualitative assessment has been undertaken to support the Cost Benefit Analysis to highlight a range of potential costs and benefits associated with the project that cannot be assigned a value or easily costed. Both options would result in the following qualitative benefits.

Qualitative benefits

The Barossa Cultural Centre can bring about a variety of qualitative benefits that enrich the lives of individuals, strengthen communities, and contribute to the overall cultural vibrancy of the region. Following, are several qualitative benefits associated with the presence of a cultural centre in Tanunda:

Cultural enrichment

The Barossa Creative Industries Centre will serve as a hub for artistic and cultural activities, providing residents with opportunities to engage in diverse experiences such as art exhibitions, performances, and workshops. This exposure contributes to the cultural enrichment of the community.

Community cohesion

The Barossa Creative Industries Centre will become a focal point for community gatherings and events. It will foster a sense of belonging and cohesion by providing a shared space where residents can come together to celebrate their cultural heritage and shared interests.

Creative expression and learning

The Barossa Creative Industries Centre will offer spaces for creative expression and learning. Residents, including artists and enthusiasts of all ages, can participate in workshops, classes, and collaborative projects that foster artistic skills and self-expression.

Preservation of local heritage

The Barossa Creative Industries Centre will play a role in preserving and showcasing the Barossa's local heritage. The centre will house exhibitions and programs that highlight the history, traditions, and stories unique to the region, fostering a sense of pride and identity.

Intergenerational connectivity

The Barossa Creative Industries Centre will provide a space for intergenerational interactions. Events and programs can attract people of different ages, encouraging the sharing of knowledge, skills, and experiences across generations.

Tourism and regional identity

The Barossa Creative Industries Centre will become a key attraction for tourists, contributing to the region's identity and promoting cultural tourism. Visitors seeking authentic cultural experiences will be drawn to the centre, boosting the local economy.

Fostering creativity and innovation

The Barossa Creative Industries Centre will serve as an incubator for creativity and innovation. It will provide a platform for artists, designers, and entrepreneurs to collaborate and experiment, contributing to a culture of innovation within the community.

Social inclusion and diversity

The Barossa Creative Industries Centre will promote social inclusion by offering events and activities that cater to diverse interests and backgrounds and are accessible by all. The Centre will become a space where people from various walks of life can come together, fostering a sense of unity and acceptance.

Quality of life

The presence of the Barossa Creative Industries Centre will enhance the overall quality of life in the Barossa region. Access to cultural activities, artistic performances, and educational programs contributes to the well-being and satisfaction of residents.

Cultural exchange and dialogue

The Barossa Creative Industries Centre will provide a platform for cultural exchange and dialogue. The centre will host events that bring together people from different cultural backgrounds, fostering mutual understanding and appreciation.

Encouraging local talent

The Barossa Creative Industries Centre will nurture and showcase local talent. By providing a venue for performances, exhibitions, and events, it will encourage emerging artists and creators to pursue their passions and gain recognition.

Place-making and civic pride

The establishment of the Barossa Creative Industries Centre will contribute to place-making, creating a distinctive and vibrant identity for the region. This, in turn, will foster a sense of civic pride among residents who identify with the cultural richness of their community.

Qualitative costs

3.9.8.1 Costs associated with amenity, noise and dust impacts during the project construction phase

It is possible that there exists the potential for noise, dust and amenity impacts to negatively affect businesses and residents within the infrastructure project area plus increased traffic along major access routes during the construction phase. It is anticipated that traffic on these access routes will increase although calculations have not yet been completed.

Measures will be included in road use management plans to mitigate these impacts.

3.9.9 Cost Benefit Analysis results

This Section presents the results of the economic analysis of the Reference Project against the Base Case Options.

The costs and benefits identified in an economic assessment typically occur over a number of years. In order to compare costs and benefits over time, the values attached to costs and benefits need to be converted and expressed in today's dollar value. This is referred to as 'discounting' future values. The discount rate is the percentage rate at which future values are reduced to bring them into line with today's values.

In this case, to provide the total present value of benefits for undertaking the Barossa Creative Industries Centre Project, the resultant time-stream of cost savings (or increases) were discounted and summed over the 50-year evaluation period from the construction ending. 50 years is considered to be the usual lifespan for such major infrastructure projects. A similar process of discounting and addition was carried out for the capital and maintenance costs previously identified, to provide the equivalent present value of costs for each option.

3.9.9.1 Cost Benefit Analysis results using a real discount rate of 7%

A summary of the results for the economic analysis in terms of Net Present Value (NPV) and Benefit Cost Ratio (BCR) using a real discount rate of 7 % are provided in Table 3-13 below. These were calculated from the estimates of Present Value Benefits and Present Value Costs assessed in accordance with the method outlined above.

A Benefit Cost Ratio greater than 1 means that the benefits outweigh the costs and the investment should be considered. If the ratio is less than 1, the costs outweigh the benefits. If the BCR is equal to 1, the benefits equal the costs.

Table 3-13 Summary of results of economic analysis at 7% Discount Rate (DR)		
	Option 1 – Reference	Option 2 - Do later
	Present \$ Value Estimates at 7%	
Total PV of benefits:	\$ 114,770,476.21	\$114,770,476.21
Total PV of costs:	\$ 32,319,557.09	\$32,790,448.30
Net present value:	\$ 82,450,919.11	\$81,980,027.90
Benefit cost ratio:	3.55	3.50

3.9.9.2 Sensitivity Analysis for the Options

There may be considerable uncertainty about predicted impacts and their appropriate monetary valuation. Sensitivity analysis provides information about how changes in different variables will affect the overall costs and benefits of the proposed project. It shows how sensitive predicted net benefits are to different values of uncertain variables and to changes in assumptions. It tests whether the uncertainty over the value of certain variables matters and identifies critical assumptions.

The sensitivity analysis for each Option was carried out using a Discount Rate of 3% and 10% and the results shown in Table 3-14 below. If the NPV is positive, the proposal improves efficiency. If the NPV is negative, the proposal is inefficient.

Table 3-14 Summary of results of economic analysis at 3% and 10% Discount Rates		
	Option 1 - Reference	Option 2 - do later
NPV with 3% discount rate	\$ 207,708,341.11	\$207,488,337.29
NPV with 10% discount rate	\$ 48,089,192.57	\$48,981,045.35
BCR at 3% discount rate	4.86	4.84
BCR at 10% discount rate	2.84	2.94

Taking the Reference Project, using a real discount rate of 3 per cent, the total project generates a net present value of over \$207.7 million with a benefit cost ratio of 4.86. A benefit-cost ratio of 4.86 means that policymakers can expect \$4.86 in direct benefits for every \$1 in costs.

3.9.10 CBA Conclusion

The CBA assessment identifies that Option 1- Reference project: Complete the Barossa Creative Industries Centre is the preferred option considering the estimates provided and assumptions made.

In summary, *Option 1 – Reference Project – Complete the Barossa Creative Industries Centre* under these assessment parameters, is the preferred option because:

- It offers better value for money and delivers on the principal objectives.
- Provides direct tangible and long-lasting benefits to the community and region.
- Results in the highest positive economic and social impact in the shortest time.
- Has the highest BCR at 3.55 at a 7% discount rate.

The preferred project option can deliver an outcome that is likely to increase the long-term sustainability of the Barossa region by investing in new physical assets resulting in a broader range of activities, job opportunities, and increased tourism. In addition to this, the project will deliver a wide range of social and economic benefits to the region and the surrounding regional community and help to both attract and retain new residents and workers.

While the business-as-usual option does not require any significant further investment over and above current maintenance, it does not enable economic diversification, or support increased CBD patronage or events. There are additional WHS risks and the potential for ongoing damage to existing and archived artworks plus the risk of unexpected maintenance costs as result of the age of the existing building. Continuing with a business-as-usual approach is a very short-term option only with little or no identified benefits.

Options 1 and 2 (construct the project later) will provide similar benefits supporting the ability to host more events, increased tourism, create more jobs, and improved access to the arts and culture. Visitations from tourists under both options will increase when compared to the business-as-usual option. The increase in visitations will translate into a more vibrant region and economy whilst providing infrastructure which meets the expectations of the community, businesses and visitors.

Both options will result in several job opportunities both during and post construction and improve the region's liveability. The job creation opportunities of the preferred option have been detailed in the separate jobs document. Delaying the project does not provide any additional advantages and is not considered favourably. To commence the project as soon as possible will yield the faster realisation of the benefits including new jobs and avoid increased construction costs as a result of the delay or further damage to existing artworks. It should be noted that the community has been waiting for this project to proceed for a number of years, so further delay would be considered unreasonable and not be well received.

Therefore, Option 1 - undertaking the Barossa Creative Industries Centre (without delay) is preferred overall due its lower capital cost, lower risks, higher BCR, greater opportunities to support new events and expanded activities, expedited new jobs, increased tourism activity, improved liveability and the fact that by completing the project without delay, will result in the associated benefits being experienced much sooner.

3.9.11 Construction Phase impact assessment results

Using the NIEIR Impact Assessment Module to assess an economic impact gives an idea of the likely flow on effects of the completion of this project noting that the figures are estimates only.

Originally an investment figure of \$10.719 million of Construction activity was assessed using the Impact Assessment Module. This resulted in \$2.95 million in direct impact in value added and 30.9 jobs associated directly with the construction.

Given the size of this project, this is likely to have a regional impact as not all of these jobs will be performed by local residents but many will be.

In addition, another 10.2 jobs (\$1.1 million in value added) would come from associated industries (suppliers and users), with approximately 7.4 jobs in consumption impact (more money flowing through the economy from increased spending by additionally employed workers).

The total impact on the local economy of this construction project is estimated to be 48.5 jobs and \$4.67 million in value add from the construction Phase of the project.

The impact model also included assumptions around input output relationships between regions and therefore there are additional impacts to the broader Australian economy as a result of supply chain relationships. These impacts estimated that there would be an additional \$3.42 m in value added and 29 extra jobs outside the region.

4 Implementation case

4.1 Program and milestones

This program details the current multiple processes that Barossa Council have underway for the Barossa Creative Industries Centre. Significant progress has already been made.

Following Council's approval to proceed with the project, the Contractor will commence the concept design while also simultaneously mobilising to site to commence project set up and the early enabling works. Following site investigations, construction is anticipated to be undertaken with staged commissioning of the various elements.

Key milestones are summarised in Table 4.1 below.

Title	Description	Start	Finish
Milestone 1 Construction Design Development, Final Authority, Appointment Managing Contractor, Trade Packages and Mobilisation. Statutory Charges	- Complete market procurement processes and contract negotiation to engage project Managing Contractor (Council's preferred procurement methodology for complex projects). - Establish Project Working Group and complete procurement of all associated trade packages. - Commence all site and contractor mobilisation in readiness for works to begin.	1/05/2024	31/05/2024
Milestone 2 Existing Building and—early works construction packages New Building – External Civils early works construction packages	Mobilise a range of early construction stages that can be commenced on existing building (ie: demolition of end of life, 2 story extension to current performance hall; power capacity upgrade, electrical and services upgrades (including SA Power Networks components/augmentation) - Demolition - Electrical upgrade - Mechanical upgrade Mobilise residual demolition to new site area and civil works including: excavation, earthmoving, tree removal, site clearance, stormwater and trench work - Demolition - Civil - Footings	1/06/2024	6/12/2024
Milestone 3	Construction of green room/changing room and associated facilities and services	9/12/2024	18/7/2025

construction Existing Building construction New Building	• Construction, refurbishment and fit out of gallery and storage spaces • Test and commission facilities where practicable subject to transition and interface to new build works • New footings and reinforced concrete slab, damp proofing and edge formwork • Set down to wet areas, connection/penetrations to existing structure • Footing for lift and staircase • External walls, framing and insulation • Internal walls including acoustic treatments, internal screens and doors • Structural columns • Associated first fix services • New building roof		
Milestone 4 New Building - Remaining external trades and Internal fit-out	• Second fix hydraulic, mechanical, fire protection, light and power services • Interior fit out – glazing, wall, ceiling and floor finishes • Communications and networking technologies • Commissioning of all areas and equipment	4/4/2025	19/11/2025
Milestone 5 Landscaping – hard and soft landscaping	• External roads, footpaths paved areas • Boundary walls, fencing and gates • Outbuildings, external landscaping/performance structures and covered areas • External stormwater drainage • External electrical light and power • Soft landscaping and performance area fit out	4/4/2025	19/11/2025
Milestone 6 New Building - Contingency and Handover	• Commissioning of all areas and equipment (new build) • Testing and review • Contingency and handover	19/10/2025	17/11/2025
	Project completion		17/11/2025

4.2 Governance

4.2.1 Project Manager

The Project will be managed by the Project Director – The Big Project, The Barossa Council. Council has an extensively experienced community infrastructure delivery team.

Key responsibilities of the Project Manager include:

- Scopes the Project in detail and is responsible for the Project Brief.
- Leads the Procurement Processes to deliver compliance and value for money out-comes.
- Leads the governance oversight, records management requirements and reporting to funding partners and Council.
- Oversees the budget management processes.
- Manages the project relationships and ensures that the contractor has the necessary resources (team members, prioritised time, budget, etc.) to meet commitments under the project plan.
- Monitors the project's progress against plan through regular meetings and project status reporting to ensure agreed outcomes are delivered.
- Makes timely and considered decisions within scope of delegations.
- Reviews the achievement of important milestones and project deliverables.
- Ensures benefits are identified and measurable and realised as a result of the project.
- Manages escalated requests for information, issues and risks, assisting in the resolution of major project related issues (including Stakeholder issues) and risks.
- Positively champions project aims and progress with stakeholders, ensuring transparent community communication processes and public relations.
- Refers to the council or business manager any high-level changes that affect Project goals, scope, cost and timing.
- Plans and delivers effective commissioning and opening processes and manages de-livery of defect liability processes.

4.2.2 Governance Structure

Council has developed the following governance principles for the management of strategic asset management in the organisation including those projects under the umbrella of The Big Project of which the Barossa Creative Industries Centre is a component project.

Council will retain full governance function for the project and will oversee final design or major variation approval, milestone reporting, business operation and budgeting approval, output and outcome reporting.

A Strategic Asset Committee with Terms of Reference adopted by the Executive Leadership Team provides guidance, cross organisational management and coordination to the project and consists of:

- 3 Directors.
- Relevant Management staff.
- Project Managers.
- Subject matter experts when required.

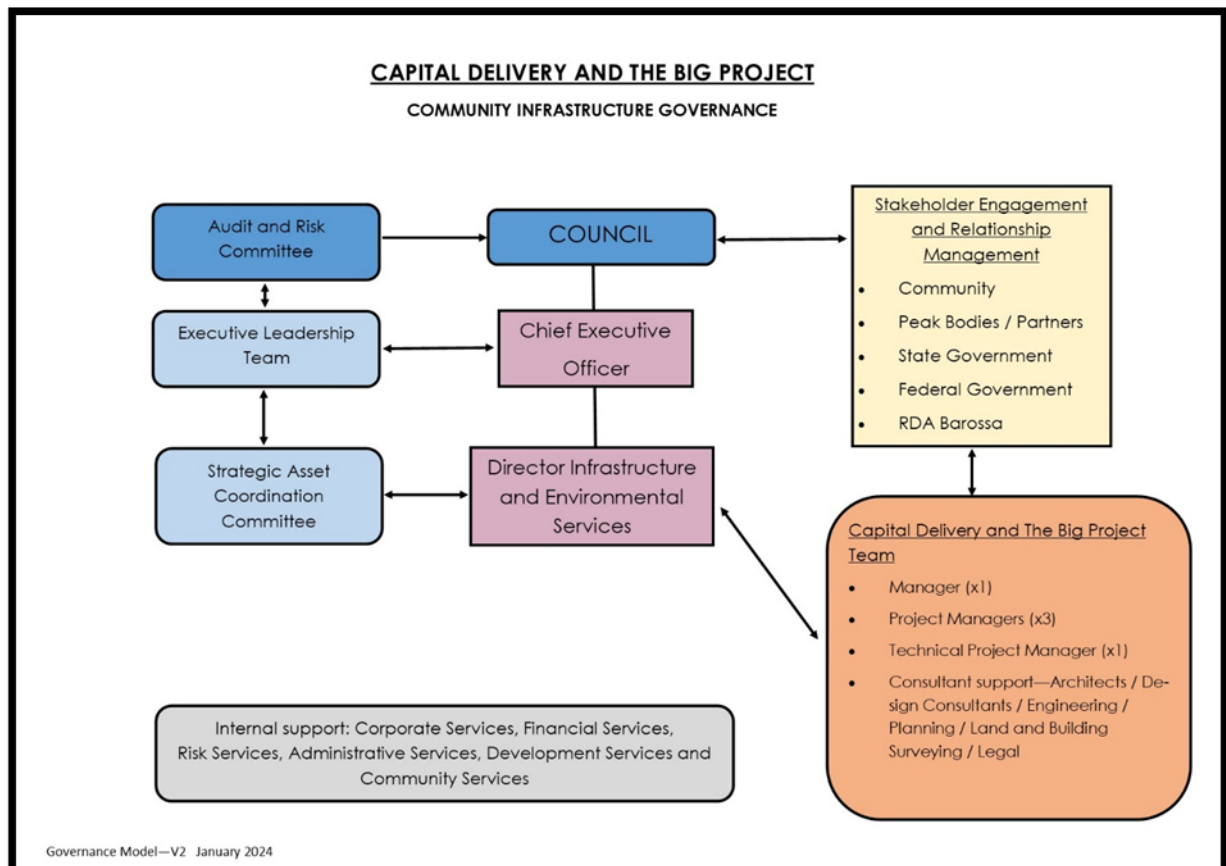
The Barossa Creative Industries Centre has a Working Group that has been responsible for the delivery of the Project Scope, Action Plan and Design. It has Terms of Reference adopted by Council.

Council has developed the following documents that detail the project communication and governance:

- Communication Plan
- Consultation Plan
- Governance Strategy

If the project is successful in securing funding to move into implementation the following governance framework will be adopted:

Figure 4-1 Governance Structure



Source: Barossa Council

4.2.3 Project management reporting

Project reporting and evaluation provide the confidence that the infrastructure is delivered the way intended and is achieving the desired outcomes.

Project reporting will be undertaken in a number of ways through the Council Executive, the Project Delivery Team and through ongoing business and community consultation including using the existing Council website information updates.

A quarterly Project Status Report will be completed and provided to the Council Executive Management Team and Council. This will form the basis for updates, internal and external communications. This report outlines:

- Key Deliverables and Milestones
- Major Activity /Deliverable Behind Schedule
- Accomplishments
- Major issues and risks
- Financials
- Change Requests
- The project management plan will identify milestone touch points in the delivery of the project.

Further details regarding the project's governance can be found in the Project Management Plan. This document is 'live' and will therefore, be edited as the project progresses. A copy of the Project Management Plan is provided as a separate attachment.

4.2.4 Project evaluation

Project evaluation will occur in line with the agreed funding agreement and milestones. Reporting will be against achievement of the objectives of the project.

Note: Objectives will be SMART – Specific, Measurable, Achievable, Relevant and Timed.

4.2.5 Project commissioning

The handover of a project to Council at the end of construction is a very important stage of the project procurement process and facility operation success. A well organised and efficient transfer of information from project works to Council is essential. The transfer of ownership of the project from contractor to council will influence health and safety, reliability, standards of operation, maintenance and operational cost efficiencies with the integration of the existing and new infrastructure. The handover program is undertaken by Council's project manager in conjunction with the head contractor and subcontractors.

4.2.6 Asset and Financial Management

Council maintains an Asset Management Plan and Long-Term Financial Plan which are connected for asset maintenance and renewal. These assets will be incorporated into these Plans.

4.3 Key risks

4.3.1 Risk management approach

The purpose of a risk plan is to support the project. Project risk management is a fundamental element of successful project management. Barossa Council has a comprehensive approach to risk management which will be applied to the Barossa Creative Industries Centre Project.

The principle is to achieve an appropriate balance between realising opportunities while minimising potential losses. The view of risk management is that it's not always about eliminating risk, but rather it is about intelligent risk-taking noting that every risk is different for each project.

Council recognises that risks are an integral part of normal everyday life that is unavoidable. Taking control of informed risks is part of good business practice, and allows for risks to be identified, analysed, evaluated and treated.

A separate and fully comprehensive Risk Management Plan is being prepared for this project and is closely linked to Council's Risk Management Policy which is attached as a supporting document.

4.3.2 Risk

The objective of a Risk Management Plan is to improve project planning, performance and effectiveness through the exploitation of opportunities and control of adverse events thereby minimising negative outcomes. This approach enables project management effort to be prioritised towards those activities that present the best opportunities that possess the highest risk.

The risk objectives of this project include:

- Maximising the scope of works for the fixed budget.
- Minimising the ongoing maintenance of the centre and associated infrastructure following practical completion of the works.
- Optimising the potential for future funding in ongoing management.
- Achieving value for money.
- Displaying quality of workmanship.
- Delivering the works in a timely manner.

The Risk Register is the outcome of the overall risk assessment process, involving: risk identification; risk analysis; risk evaluation; and risk treatment.

The Risk Register identifies the level of risk scored through a likelihood and consequence risk matrix and is then rated as extreme, high, moderate/medium and low. Note that the Risk Register is an iterative document and therefore, should be received and amended to meet the changing conditions during the project's lifespan.

4.3.3 Mitigation

The ultimate purpose of risk identification and analysis is to prepare for risk mitigation. Mitigation includes reduction of the likelihood that a risk event will occur and/or reduction of the effect of a risk event if it does occur.

Risk management planning needs to be an ongoing effort that cannot stop after a qualitative risk assessment, or a Monte Carlo simulation, or the setting of contingency levels. Risk management

includes front-end planning of how major risks will be mitigated and managed once they have been identified.

Risk mitigation plans should therefore:

- Characterise the risks that have been identified and quantified in earlier phases of the risk management process.
- Evaluate risk interactions and common causes.
- Identify alternative mitigation strategies, methods, and tools for each major risk.
- Assess and prioritise mitigation alternatives.
- Select and commit the resources required for specific risk mitigation alternatives.

4.3.4 Risk register

For the purposes of this Business Case, a risk register has been prepared for the Barossa Creative Industries Centre. All risk assessments and more detail are included in the project's Risk Management Plan. The Risk Management Plan is a living document and will be updated regularly during the course of construction. The Risk Management Plan is provided as a separate document.

Risk Impact Matrix

Risk is measured in terms of both consequence and likelihood. Risks are rated in four ways, either Extreme, High, Moderate (Medium) or Low.

Consequence Likelihood		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Moderate	Moderate	High	High	Extreme
Likely	D	Low	Moderate	Moderate	High	Extreme
Possible	C	Low	Low	Moderate	High	Extreme
Unlikely	B	Low	Low	Low	High	High
Rare	A	Low	Low	Low	Moderate	High

Legend:

Extreme (requires detailed research and management planning **OR** Urgent action required immediately – to be reported to General Manager)

High (requires management attention **OR** Targeted action needed)

Moderate (can be managed by specific monitoring or response procedures by position responsible for process)

Low (can be managed through routine procedures by position responsible for process)

An extract of the Risk Management Plan is provided below.

Table 4-2 Key proposal risks

	Risk	Proposed mitigation	Risk rating after mitigation		
			Likelihood	Impact	Level of risk
1	An agreed deed for funding will not be reached;	The Barossa Council has extensive experience working with the Australian Government and based on consultation and awareness of Australian Government priorities agreement of a deed will be achievable.	Unlikely	Minor	Low
2	Community will not agree to the project or will not be engaged	The groundwork has already been provided with the extensive consultation through councils strategy process and through the detailed consultation in the initial design stage	Unlikely	Moderate	Low
3	Suitable contractors will not be found	Council has an ongoing and positive relationship with regional contractors. The Open Tender process will be widely targeted to local contractors. However, cost of living environment, material supply and other building industry factors has had an impact of contractor availability.	Unlikely	Moderate	Low
4	Scope change occurs	Councils will work closely with all partners to ensure that delivery is in accordance with agreed outcomes. A project of this nature is not likely to experience significant scope change.	Possible	Moderate	Moderate
5	Project planning and consideration of all delivery aspects of the project not adequate	Project Management Plan has been prepared	Unlikely	Moderate	Low
6	Cost exceeds available funding	The Barossa Council systems in place to ensure costs are within project budget.	Possible	Moderate	Moderate

4.3.5 Reviewing and monitoring the risk management plan

At suitable times during the course of the project, it will be appropriate to re-assess the risks by reviewing the Risk Matrix and implementation of controls. The first review should be undertaken after the determination of grant applications.

If the project proceeds, then regular reports will be provided to Council to keep them and the community informed on the progress of the Barossa Creative Industries works. These reports should include updates on the implementation of the action plan developed in the Risk Management Plan.

Reporting in accordance with the requirements of funding agreements will also be provided.

4.4 Legislative, regulatory issues and approvals

The project has been through an extensive design, documentation and consultation process.

Project design is fully complete to quotation stage. Design has been completed by Phillips/Pilkington Architects.

Planning Consent is in place from the State Commission Assessment Panel (SCAP) for implementation.

Tender documentation is prepared to initiate procurement processes as soon as the essential match funding required to start this project is secured.

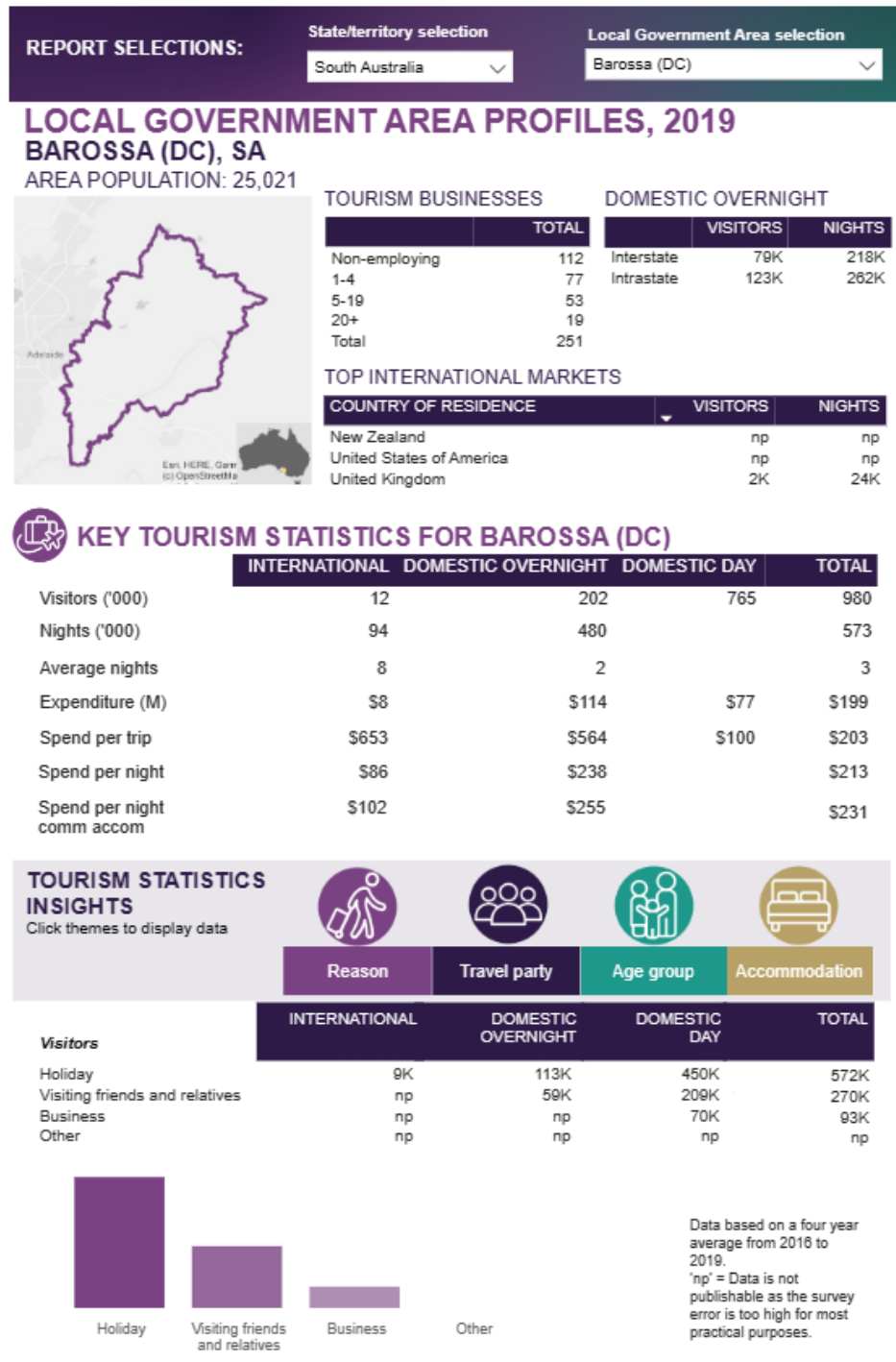
Council's 2023/24 Budget and Business Plan identifying the project as a priority and allocating its portion of funding was adopted on 18 July 2023.

Details costings for quotation purposes have been prepared by Chris Sale Consulting. All components in the costings are eligible expenditure.

The total project cost (excluding GST and including contingency) is \$13,922,000. Council has sought out pretender quotes to explore the construction market availability.

5 Appendix

Barossa LGA latest Tourism Research Profile 2019



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