

Title	POTENTIAL SALE OF MEDICAL CENTRE AT 14 GEORGE STREET, CYGNET
Agenda Number	15.035/18*
Strategic Plan Reference	3 and 5
File Reference	7830242
Author	Legal and Governance Officer
Responsible Officer	Legal and Governance Officer
Reporting Brief	The Director Legal and Governance Services presenting a report from the Legal and Governance Officer on the subdivision and potential sale of the Medical Centre at 14 George Street, Cygnet with the remaining balance of the land to remain as Council land.
Attachments	A. Satellite image of land where medical centre is situated at 14 George Street B. Plan showing approximate area to be subdivided for the Medical Centre title

Background

The Cygnet medical centre at 14 George Street was developed by Council in 2012 for the benefit of the community due to the limited availability of medical services in the Cygnet area.

The centre was developed with funding as part of the Health and Hospitals Fund from the Commonwealth. The funding was subject to an agreement between the Council and the Commonwealth and required, amongst other things, the provision of services for the medical centre for a period of 20 years until 2032 ("the Funding Agreement").

As part of the Funding Agreement there is a caveat over the land in Certificate of Title 106267/3 to prevent any dealings which would affect the operation of the medical centre. The land title is part of a larger portion of land owned by the Council in that area which includes the former Cygnet Depot and adjoining vacant land and other vacant land fronting George Street.

The Council operated the centre as the Cygnet Medical Services between December 2012 and February 2017

The medical centre is currently leased and operated by Huon Valley Health Centre Pty Ltd so that medical services are being provided from the property in accordance with the Funding Agreement.

The Council intends to retain the land surrounding the medical centre subject to a development plan and community engagement. To do so the current title is to be subdivided, to create a separate title for the land upon which the centre is located upon including provision for future expansion opportunity.

Under the Funding Agreement the Council has a significant burden to ensure a medical practice is operated in the George Street location. If a third party operator is unavailable, or unable, to provide services at the location, the Council would need to provide the

medical services to comply with the agreement. As the Funding Agreement is secured by a caveat over the property the Commonwealth's consent is required for any dealing with the land.

Council currently complies with all reporting requirements under the Funding Agreement on the services provided for from the centre which forms part of the Council's Community Services budget. This currently presents a risk for Council in the future of incurring significant costs of operating the medical centre until 2032.

The purpose of this Report is to consider options for transferring Council's obligations under the Funding Agreement by way of sale of the medical centre at 14 George Street, Cygnet.

Council Policy

Council's Land Strategy applies to the use of Council land. The portion of the land containing the medical centre is considered to be public land due to the community health facilities provided. The property is considered in the strategy and the recommendations in this report are consistent with the strategy recommendation:

"To undertake a subdivision of the land to create a formalised Cygnet Medical Centre title to allow for expansion."

Action upon this recommendation is occurring independently to consideration of any possible sale to ensure that the balance land not required for the medical centre may be considered for development opportunities as identified under the Strategy.

The Commonwealth's preliminary consent has been provided for the transfer of the caveat to the medical centre only.

Legislative Requirements

Section 177A of the *Local Government Act 1993* applies and the portion of land upon which the medical centre is located is considered to be public land due to the provision of health facilities for public use. The balance of the land is not otherwise public land.

Section 178 of the *Local Government Act 1993* provides for the sale and disposal of public land owned by the Council and the process to be undertaken in respect of the sale of land as follows:

- A resolution of the Council to sell public land is to be passed by an absolute majority.
- If the Council intends to sell public land, the General Manager is to:
 - Publish that intention on at least 2 separate occasions in a daily newspaper circulating in the municipal area (the Mercury);
 - Display a copy of the notice on any boundary of the public land that abuts a highway;
 - Notify the public that objection on the proposed sale, lease, donation, exchange or disposal may be made to the General Manager within twenty one days of the date of the first publication.

- If the General Manager does not receive any objection and an appeal is not made, the Council may sell the public land in accordance with its published intention.
- The Council must consider any objection lodged and by notice in writing within 7 days after making a decision to take or not to take any action under this section, advise any person who lodged an objection of that decision and the right to appeal against that decision.

Section 178A of the Act allows a person who made an objection to appeal Council's decision to the Resource Management Appeal Tribunal within 14 days of receipt of notice of decision.

An appeal may only be made on the grounds that the decision of the Council is not in the public interest in that the community may suffer undue hardship due to loss of access to, and the use of, the public land or there is no similar facility available to the users of that facility.

The Resource Management Planning Appeal Tribunal in hearing an appeal may confirm Council's decision, set aside the decision or set aside the decision and substitute another decision or remit the matter back to the Council for consideration.

Proposals for the sale of public land are to be discussed in the portion of the Council meeting that is open to the public pursuant to Regulation 15(3) (c) of the *Local Government (Meeting Procedures) Regulations 2005*.

Risk Implications

The Funding received from the Commonwealth is subject to confidentiality and in order to comply with the confidentiality requirement, clarification has been obtained from the relevant Commonwealth Department to publically release relevant details of the funding agreement.

There is a general risk associated with Council continuing its ownership of the medical centre as future liabilities of Council for provision of medical services could arise. The current lessee may seek other business opportunities and not continue to provide medical services at the George Street location. That would in turn place Council in the position of needing to arrange medical services at the location.

If a sale were to progress pursuant to section 178 of the *Local Government Act*, there is risk for an Appeal to be made to the Resource Management and Appeal Tribunal against a decision of Council under section 178(6). If an appeal were lodged, Council may incur legal costs in representing Council in the appeal process.

Any appeal is considered unlikely to succeed as it would be difficult to make out the limited ground of "undue hardship to the community". The provision of medical services at the location is secured by the Funding Agreement with the Commonwealth therefore there would be no loss to the community of access to the current medical facility.

Consultations

There have been discussions with the Department of Health as well as the current Lessee and operator of the medical centre, Huon Valley Health Centre Pty Ltd, the Commissioner and the Executive Leadership Team.

Council has also met with key stakeholders in the Cygnet community.

If Council resolves its intention to sell the public land then formal consultation will be undertaken by the notification process under section 178 of the *Local Government Act 1993* with publication in at least two occasions in the Mercury newspaper. Articles will also be provided for the Huon Valley News and the Cygnet Classifieds. A fact sheet will be prepared which will be available on the Council website, in the Council's Customer Service Centre and at locations to be identified in Cygnet (including the Council notice board).

The formal process will allow opportunity for any objection to the process to be lodged. The process may be considered in conjunction with the subdivision process however the two remain and are separate and the subdivision is required to be undertaken irrespective of the outcomes of the consultation on the medical centre.

It is acknowledged within this report that there is likely to be considerable public interest in this issue within the Cygnet community. This Report has therefore been prepared to place the issues and opportunities on the table prior to simply undertaking a formal process to allow for the community to be informed. Any decision of the Council to resolve its intention to sell the land commences the process, it does not complete it.

Human Resource and Financial Implications

Council Officer time associated with putting into effect the Council's decision will involve public consultation, consideration of enquiries and objections and preparation of further reports to the Council. Should the matter be subject to an appeal then this will also need to be dealt with appropriate representation and Officer time involved.

There will also be council officer time involved in the subdivision process, transfer of caveat and transfer arrangements with the Commonwealth as well as the sale of land.

Discussion

At the time when the medical centre was developed in 2011, there was a need for medical services in the Cygnet area that was not met by private business. Therefore Council developed and operated the medical centre in accordance with a Commonwealth regional health initiative and funding program.

Interest from private medical services providers was later received in relation to the operation of Cygnet Medical Services. As Council does not compete with private business, nor have a core responsibility for the provision of medical services to the community, Council requested expressions of interest (EOI) from medical services providers in late 2016. Following the EOI process, Council entered into a lease with Huon Valley Health Centre Pty Ltd to operate medical services at the medical centre.

Huon Valley Health Centre Pty Ltd has been operating the centre at George Street since February 2017 without any issues being referred to the Council. Services are being provided in accordance with the requirements of the Funding Agreement.

Huon Valley Health Centre Pty Ltd has expressed interest in purchasing the medical centre and a willingness to transfer the Council's obligations under the Funding Agreement.

For Council to consider sale of the medical centre (restricted to an area of land including the centre and sufficient room for future expansion) it would need to be satisfied that such a decision would secure the provision of medical services at that location until 2032 without Council bearing the risk and responsibility associated with operating a medical practice.

In order to achieve that, there needs to be a transfer of the Council's obligations under the Funding Agreement to provide medical services at that location as required by the Commonwealth.

The consent of the Commonwealth is also required for any sale of the medical centre which will involve the approval and transfer of obligations. This could all be done within the same process to minimise costs. The caveat transfer is a relatively easy process to achieve with the Commonwealth. In terms of a potential transfer of obligations, the Commonwealth are currently not able to provide confirmation that such an arrangement would be achieved.

As a transfer of Council's obligations needs to be approved by the Commonwealth, the transferee would need to be a medical services provider acceptable to the Commonwealth. This means that Council does not control the decision of which provider can take over the obligations under the funding agreement to provide services at the George Street location.

The current lessee and provider of medical services at the location, Huon Valley Health Centre Pty Ltd would be the logical party to transfer the obligations due to their demonstrated commitment and reliability in providing medical services at the George Street location.

If Council were to go through an expression of interest process or put forward alternative parties that would create an additional cost for Council with no guarantee that the Commonwealth would consent to the transfer. Further, any process would not be able to be put into effect until conclusion of the current lease in February 2022. This would create a risk for Council and uncertainty if the Council had to take over the centre operations at that time.

The sale of the medical centre and transfer of the obligations from the Commonwealth will ensure that the community has continued access to the medical services at 14 George Street until 2032 to the extent of the Funding Agreement. Whilst the transfer of obligations is not necessary, in the event that Huon Valley Health Centre Pty Ltd or another operator is not willing to provide medical services in Cygnet, the burden for providing those services will fall on Council at a potential cost to ratepayers.

The options available in relation to the medical centre are:

1. To continue the current operation with Huon Valley Health Centre Pty Ltd operating the centre as lessee and to reassess operations in 2022;

2. Put forward Huon Valley Health Centre Pty Ltd as a transferee for the obligations under the Funding Agreement to provide medical services at the George Street location until 2032 with a sale of property contingent upon acceptance of the arrangement by the Commonwealth; or
3. Consider an expression of interest process for purchase of the medical centre with the contingency that a purchaser must take over the obligations under the funding agreement on conclusion of the current lease in 2022.

The first option would carry the risk that the current lessee seeks other business opportunities and does not continue to provide medical services at the George Street location. That would in turn place Council in the position of needing to arrange medical services at the location.

The second option would relieve Council of its responsibilities under the Funding Agreement and would ensure that Council does not have the burden of providing medical services at that location in the future. The obligations under the Funding Agreement are onerous in limiting the property to providing medical services and it would be difficult to find another provider that could demonstrate they are willing and able to meet the obligations to the Commonwealth.

The third option cannot be undertaken until 2022 and would prolong the process as any potential purchasers would need to demonstrate a willingness and ability to take over the obligations of the Funding Agreement. Whilst the final decision will not rest with Council as it will be made by the Commonwealth, if Council can nominate an appropriate transferee there is a better chance of approval and would circumvent a repeated process of nominating parties and potentially having them rejected. There is also a risk that the current lessee may discharge the lease early exposing Council to potential costs and liability.

Conclusion and Recommendation

The development of the medical centre was an initiative of Council to provide adequate medical services to the community of Cygnet utilising Commonwealth funding under the Hospital and Health Fund programme. The cost and risk for Council to operate the medical centre has been reduced with the involvement of Huon Valley Health Centre Pty Ltd in operating the centre. However, the risk and responsibility of Council will remain until 2032 whilst the Funding Agreement is in operation and applies to Council.

It is highly desirable for Council to discharge the risk and responsibility of the medical centre through a transfer of obligations under the Funding Agreement. As there is currently an operator at the location providing services to the satisfaction of the community, and they have shown a willingness and ability to take over the Funding Agreement obligations, it would be ideal to arrange a transfer of obligations whilst it is currently viable.

There are options available for Council to retain the current arrangement or seek other providers however that could jeopardise the current opportunity which has a good chance of being acceptable to the Commonwealth.

It is therefore recommended that, following subdivision of the current title, Council nominates Huon Valley Health Centre Pty Ltd as a transferee of the obligations under the

Funding Agreement to the Commonwealth on the basis that Huon Valley Health Centre Pty Ltd purchases the centre upon receipt of consent of the Commonwealth.

15.035/18*

RECOMMENDATION

That:

- a) The report on the potential subdivision and sale of the medical centre at 14 George Street Cygnet be received and noted.
- b) Pursuant to Section 178 of the *Local Government Act 1993* Council resolves its intention to sell public land containing the medical centre at 14 George Street, Cygnet being part of the land contained in Certificate of Title volume 106267 Folio 3 being that portion of land of approximately 2050 square metres (final area subject to subdivision approval and final survey) as generally shown outlined in red and Lot 1 on the plans included as Attachment B to this Report.
- c) For the purposes of Paragraph b) of this Resolution and subject to meeting the requirements of section 178 of the *Local Government Act 1993*:
 - Huon Valley Health Centre Pty Ltd be the approved purchaser of the land for the purposes of the ongoing operation of the medical centre; and,
 - the Council nominates Huon Valley Health Centre Pty Ltd as the transferee of the Council's obligations under the Commonwealth Funding Agreement for the medical centre.

15.035/18*

RESOLVED

COMMISSIONER TAYLOR

That:

- a) The report on the potential subdivision and sale of the medical centre at 14 George Street Cygnet be received and noted.
- b) Pursuant to Section 178 of the *Local Government Act 1993* Council resolves its intention to sell public land containing the medical centre at 14 George Street, Cygnet being part of the land contained in Certificate of Title volume 106267 Folio 3 being that portion of land of approximately 2050 square metres (final area subject to subdivision approval and final survey) as generally shown outlined in red and Lot 1 on the plans included as Attachment B to this Report.
- c) For the purposes of Paragraph b) of this Resolution and subject to meeting the requirements of section 178 of the *Local Government Act 1993*:
 - Huon Valley Council calls for expressions of interest for purchase of the land for the purposes of the ongoing operation of the medical centre in accordance with the Commonwealth Funding Agreement;

- The Council engages an independent probity officer to conduct the expression of interest process and make recommendations to the Council for a decision in relation to the expression of interest;
- the Council nominates the preferred purchaser as the transferee of the Council's obligations under the Commonwealth Funding Agreement for the medical centre; and
- any sale of the land is dependent upon the preferred purchaser being accepted by the Commonwealth as transferee of the Council's obligations under the Commonwealth Funding Agreement for the medical centre
- This expression of interest process is to run concurrently with the sale of public land process under paragraph b) of this Resolution.

Title	POTENTIAL SALE OF THE CYGNET MEDICAL CENTRE
Agenda Number	15.024/19*
Strategic Plan Reference	3 and 5
File Reference	7830242, 19/76
Author	Legal and Governance Officer
Responsible Officer	Legal and Governance Officer
Reporting Brief	The Director Legal and Governance Services presenting a report from the Legal and Governance Officer on the potential sale of the Cygnet Medical Centre
Attachments	<ul style="list-style-type: none"> A. Health and Hospitals Fund Funding list B. 2016 Census Snapshot for Cygnet and the Huon Valley C. Objections received pursuant to section 178 <i>Local Government Act 1993</i> D. Extracts from Annual Reports E. Plan showing approximate area to be subdivided for the Medical Centre title

Background

The Cygnet Medical Centre at 14 George Street was developed by Council in 2012 with Commonwealth funding for the benefit of the community due to the limited availability of medical services in the Cygnet area. Prior to securing the funding Cygnet was lacking in infrastructure and was facing a shortage of doctors as two of the area's doctors were expected to retire in the short term.

The centre was developed as part of the Health and Hospitals Fund from the Commonwealth. The funding was subject to an agreement between the Council and the Commonwealth and required the provision of services for the medical centre for a period of 20 years until 2032 ("the Funding Agreement").

The Council operated the centre as Cygnet Medical Services between December 2012 and February 2017. The Council ceased providing medical services in Cygnet as the services were no longer necessary as other private providers were available. In Geeveston and Dover Council continues to provide medical services and there are no other providers available in those areas.

The medical centre is currently leased and operated by Huon Valley Health Centre Pty Ltd so that medical services are being provided from the property in accordance with the Funding Agreement.

At the September 2018 Ordinary Meeting of Council a resolution was made in open Council commencing the potential sale process by providing Council's intention to sell public land in accordance with section 178 of the *Local Government Act 1993* ("the Act"). The resolution is subject to specific conditions as set out in resolution 15.035/18 therefore any progress of that intention must not only comply with the statutory process

any progress of that intention must not only comply with the statutory process under section 178, it must also meet those conditions to be a valid execution of the resolution. The matter was progressed to advertising for expressions of interest in purchasing the medical centre and commencing the statutory consultation process by inviting any objections to the intention to sell.

The request for expressions of interest opened on 1 March 2019 and closed on 2 April 2019. The statutory process under section 178 of the Act commenced on 1 March 2019 and objections closed at midnight on Friday 22 March 2019.

Information regarding the processes has been provided on the Council's website and an Information Session was held at Carmel Hall, Cygnet at 2:00pm on Thursday 14 March 2019.

The purpose of this report is to inform Council and the community of the objections received to the Notice of Intention to Sell a portion (2,050m²) of land and the building at 14 George Street, Cygnet, being the Cygnet Medical Centre.

In total 13 objections were received pursuant to section 178 of the Act and a petition containing 144 signatures was lodged pursuant to section 57 of the Act. The petition will be considered within this report as per the resolution 15.015/19* at the Ordinary Meeting of Council on 17 April 2019.

This report will analyse the reasoning of the objections as well as issues relating to Council's ownership of the Centre. Through understanding of the reasons for objections and Council's issues regarding ownership of the centre, Council will be in a position to consider options available and make a decision of whether or not to sell the land and any other action to be taken. There will also be consideration of whether additional community consultation should be undertaken.

Council Policy

Council does not have any specific policy in relation to Medical Centres.

Council resolution No. 15.035/18 at the September 2018 ordinary meeting:

That:

- a) *The report on the potential subdivision and sale of the medical centre at 14 George Street Cygnet be received and noted.*
- b) *Pursuant to Section 178 of the Local Government Act 1993 Council resolves its intention to sell public land containing the medical centre at 14 George Street, Cygnet being part of the land contained in Certificate of Title volume 106267 Folio 3 being that portion of land of approximately 2050 square metres (final area subject to subdivision approval and final survey) as generally shown outlined in red and Lot 1 on the plans included as Attachment B to this Report.*
- c) *For the purposes of Paragraph b) of this Resolution and subject to meeting the requirements of section 178 of the Local Government 1993:*

- *Huon Valley Council calls for expressions of interest for purchase of the land for the purposes of the ongoing operation of the medical centre in accordance with the Commonwealth Funding Agreement;*
- *The Council engages an independent probity officer to conduct the expression of interest process and make recommendations to the Council for a decision in relation to the expression of interest;*
- *The Council nominates the preferred purchaser as the transferee of the Council's obligations under the Commonwealth Funding Agreement for the medical centre; and*
- *Any sale of the land is dependent on the purchaser being accepted by the Commonwealth as transferee of the Council's obligations under the Commonwealth Funding Agreement for the medical centre*
- *This expression of interest process is to run concurrently with the sale of public land process under paragraph b) of this Resolution.*

Also relevant to this matter is the Council's Communication and Engagement Policy and the Lease Policy.

Legislative Requirements

Section 178 of the Act applies to the sale of public land process. The portion of the Council land at George Street, Cygnet is considered to be public land under Section 177A of the Act in that it is land that provides health facilities for public use.

Section 178A of the Act outlines the right of a person who lodged an objection under 178 to appeal against a Council decision to sell public land on the grounds set out in section 178A(3).

The functions of Councillors in section 28 of the Act and the functions of Council in section 20 of the Act are to be considered in the decision making process and should form the basis of a decision.

A petition has been lodged with respect to the potential sale of the Cygnet Medical Centre and is to be considered in this report. Petitions are dealt with pursuant to Division 1 of Part 6 of the Act in accordance with the process set out in sections 57 and 60. Notice has been provided to the person who lodged the petition of when Council is to consider the petition. The petition was considered by Council within 42 days. At the April 2019 meeting it was resolved that the petition would be considered in conjunction with a decision pursuant to section 178 of the Act.

Risk Implications

Council is at risk for its liability and obligations under the Funding Agreement with the Commonwealth. That is that the Commonwealth funding is likely to be repayable if medical services are not provided at the centre until 2032.

Also following on from variable risks of the Funding Agreement obligation is the potential situation that Council might be in if it is unable to continuously have a private provider in the centre providing medical services. If that occurs and Council has to provide the services to comply with the Agreement obligations then Council will be competing with other providers in Cygnet.

Under the National Competition Policy and Competitive Neutrality Principles it is still possible for Council to provide services in competition with private businesses however, it must be done either with full cost attribution or by corporatisation and this could in all likelihood lead to Council running the centre at a loss.

An additional risk associated with Council having to provide services is the reliance upon doctors and locums. With the difficulties currently and historically faced for Council to attract permanent general practitioners, the risk that Council cannot secure permanent general practitioners is significant.

If the land is not subdivided, the Commonwealth covenant as per the Funding Agreement will be retained across the entire site. That will put any future plans or attempts to develop the surrounding George Street land at risk.

As the owner of land which contains a medical centre, the Council has a public liability risk regardless of whether they provide medical services. A medical services facility attracts a high standard of care and therefore must be maintained prudently to ensure the safety for patients visiting the centre who may have a diverse range of physical abilities. This duty as landlord can be delegated to an extent at common law to a lessee, but cannot be removed.

Council maintains appropriate insurance to cover public liability risk and there is always a risk of premiums to rise based on ownership of facilities and varying risk.

In addition to legal risk there is also financial risk in terms of an ageing facility which will depreciate over time. The maintenance required increases over time and eventually refurbishment or replacement of the building would be required at Council's cost if the building is retained by Council for the long term.

Finally, as with most Council decisions there is always a risk that the decision made will not satisfy every member of the community. This means that Council has to consider all factors associated with making a decision and objectively reach a decision based on the interests of the Huon Valley community.

Engagement

Community engagement was undertaken in accordance with Section 178 of the Act and expressions of interest were called for the purchase and ongoing operation of the medical centre.

An information session was held on Thursday 14 March 2019 to provide the community with further information regarding the potential sale of the Cygnet Medical Centre.

The process under Section 178 of the Act received 13 objections to the Notice of Intention to Sell provided on 1 March 2019.

A petition was received asking for the medical centre not to be sold and on that petition there were 144 signatories.

The potential for further community engagement has been considered in the Discussion of this Report.

Engagement associated with this Report will be undertaken at inform level by inclusion with the Council meeting minutes that will be available to the public on the Council's website and at the Customer Service Centre.

Human Resource and Financial Implications

If additional community engagement is required to accompany statutory consultation that will require additional resources to be provided. Depending on the scale of community engagement, consultants may be required at additional cost to Council.

There are financial implications on Council for owning any asset through management of assets. A key issue associated with this property is the rate at which it depreciates, increasing the financial burden on Council.

The remaining land forming the Old School Farm requires funding to progress that project. To move things forward that project has been segregated from the medical centre due to the completed status of the medical centre.

Another financial implication is the absence of having developed land subdivided from undeveloped land to allow a higher rateable value for the medical centre land. Without subdivision of the land, it is difficult for Council to fully recover the potential rateable value, equating to a loss per year.

Council consideration may also be required in terms of whether a rate increase is a way to support provision of medical facilities and services in all townships.

There are differing human resource and financial implications depending on the decision that Council makes. If a strategy is to be developed regarding Council's provision of medical facilities and services, additional staff resources and budget allocation would be required. Council would need to consider a way to fund any loss arising from ongoing ownership of the medical centre which could be a differential rate for the Cygnet area on the basis that Council's ownership of the centre is not necessary.

If there is a decision to sell the centre then resources would be required for the expression of interest process, contractual negotiations and finalising legal documentation. If the Council decides to do nothing then there would be the ongoing resources associated with ownership of the centre as well as additional property management resources. Further, as outlined earlier, if the current operator is to withdraw services and there is no other tenant willing to pay a commercial rental rate, then Council will have the financial burden of operating the centre in competition with other businesses or repaying the Commonwealth grant funds.

Discussion

History of the Cygnet Medical Centre

In 1999 Council purchased the land known as the Old School Farm from the Crown for \$40,000.

In 2003 Council resolved for conceptual plans to be developed for residential allotments on the Old School Farm.

In 2009 Council endorsed a Site Development Strategy and that was then released for community consultation. Overall there was support for the development of a medical centre and development of the surrounding George Street land subject to further investigation.

In December 2009 the Council resolved to progress investigation and planning for the development of the George Street site subject to obtaining a Traffic Impact Study, Hydrology Study and architectural review of the design.

In 2010 the Council applied for Federal funding for the medical centre and in 2011–2013 the centre was developed with Federal funding of \$1,160,000 (see Attachment A), \$80,000 from Huon Valley Financial Services and \$200,000 of Council contribution.

The specific need for the Cygnet community to receive funding for the medical centre is not detailed in previous reports however review of Council's records has revealed background information which suggested that retirement of two key doctors within the Cygnet community was anticipated which would have led to a shortage of medical services. Council attempted to engage local doctors to provide the services at the medical centre however those attempts were unsuccessful. Therefore, Council engaged doctors to fulfil the Commonwealth requirement to provide services at the location which was done between 2013 and 2017.

Within that time, particularly 2014, there were complaints from the local community regarding the provision of medical services at the centre. This was largely resulting from the Council's difficulty in securing permanent general practitioners and reliance upon locums.

Due to the difficulties that Council faced in operating the medical centre and interest in providing a practice by other providers, in November 2016 expressions of interest were called for a lease of the medical centre. In February 2017 a lease was entered into with Huon Valley Health Centre as the highest scoring applicant in the expression of interest process.

In 2018 The Cygnet Association undertook its own community consultation for the Old School Farm development to present ideas and concepts for the development of the remaining Old School Farm land surrounding the medical centre.

Current position regarding development of Old School Farm

The Development Strategy that was previously endorsed by Council and subject to community consultation back in 2009 has not yet been acted upon. There has been a lack of financial resourcing to progress the hydrology study, traffic management study and architectural review.

It has been 10 years since the last formal consultation process in respect of the wider development of the Old School Farm. A consultation was recently undertaken by The Cygnet Association which has communicated fresh ideas from the community for the development.

The completion of the development of the medical centre separates it from the remaining vacant land and planning for future development of the Old School Farm Land does not require a connection between the property titles.

Future engagement and investigation into the viability of any plan on the remaining George Street land needs to be conducted. Engagement of consultants and allocation of financial resources is required to achieve that. However, the covenant requiring only medical services to be conducted on the George Street land needs to be restricted to the medical centre only. That can be achieved through subdivision of the land that is not part of the medical centre.

The Land Strategy includes a recommendation to undertake a subdivision of the land to create a formalised Cygnet Medical Centre title including allowing for a future expansion. The other recommendation was to prepare a development proposal for the land to consider the matters outlined in that recommendation. The recommendation will be considered in the context of the consultation feedback from The Cygnet Association.

The objections made by some members of the community indicate a desire to not allow a subdivision of the land between the medical centre and the surrounding area so that all of the Old School Farm land at George Street can be considered as one development. That would create a complicated financial and legal status of the land.

The development of the Old School Farm Land has potential to add value to the township of Cygnet and to improve the quality of services available to residents. To simplify and proceed with the development, it is not recommended that the subdivision resolution be changed and whilst the Land Strategy implementation is on hold Council resolve to proceed with the subdivision.

Population and Demographic

In determining a decision that will impact the Cygnet and Huon Valley community, it is important to consider relevant population and demographic information.

The 2016 Census information shows the following for the area of Cygnet:

- the population at that point of time for Cygnet was 1,556 people
- the median age was 44 years
- there were 706 private dwellings
- 18.3% of the population as Aboriginal or Torres Strait Islander
- 637 people above 50 years
- 735 people between the age bracket of 10-49 years old

The data for the Huon Valley is as follows:

- the population was 16,199
- the median age was 45 years
- there were 7,997 private dwellings
- 9.2% of the Huon Valley population are Aboriginal or Torres Strait Islander people

The Cygnet population forms 9.6% of the population of the Huon Valley.

The petition received contains 144 signatures which is 0.8% of the Huon Valley population and 9.25% of the Cygnet population.

The data for Cygnet shows that there is an ageing population of a similar percentage consistent with the wider Huon Valley. Therefore any approach for the provision of

services for the population should be considered in light of the needs of the whole Huon Valley.

The Statistics of the above Census data are attached as Attachment B to this report.

Objections Received

A copy of the objections received and notes regarding the objections are included in the Attachments to this Report indicated as Attachment C. In total 13 objections were received and the common themes throughout those objections are:

- Concerns over the remaining land at George Street;
- Security of long term provision of medical services at the location;
- Support for continuing to own the medical centre as commercial land;
- Against privatisation of a community asset;
- No guarantee that funds from selling would be used solely in Cygnet;
- Concern regarding other private businesses and the ability of those private businesses to use the centre in the future;
- Loss of essential services to the Cygnet community;
- Potential loss of access to a purpose built medical centre for the community;
- Concern over the lack of consultation process;
- Loss of rental income from the centre;
- Concern over what could happen if a subsequent provider were to become bankrupt;
- Inapplicability of competitive neutrality principles;
- Desire to use the land and building for purposes other than a medical centre in the future;
- Desire to ensure the long term health and wellbeing of the Cygnet community;
- Concern that subdivisions could create urban sprawl by taking over valuable agricultural land in Cygnet.

None of the objections raised any issue relating to who owns and operates the building or whether there is a personal impact to the objectors if Council no longer owns the building.

The 13 objections received are 0.84% of the Cygnet population and 0.08% of the Huon Valley population. The objections received did not all address the specific appeal grounds under section 178A of the Act however the following points were made:

- There is no other modern purpose built medical facility in Cygnet that would be available to community members and therefore that could result in undue hardship arising from the loss of access to and the use of that public land. That is based on the notion that beyond 13 years from now, if the centre was privately owned there is no guarantee those services would be continued.
- This is the newest medical centre facility currently available therefore there is no similar facility available to the users of that facility.

The level of feedback received being 13 objections is consistent with the level of community engagement response back in 2009 where 19 written submissions regarding the Old School Farm development were received.

Overall the objections lacked specific examples or evidence of how the objectors would personally be impacted by a potential sale of the medical centre.

Current market for medical services in the Huon Valley

The Huon Valley currently has medical services available in the areas of Huonville, Geeveston, Dover and Cygnet. The medical services in Dover and Geeveston are currently provided by the Huon Valley Council due to the fact that there are no other medical services available in both of those areas.

The table below shows the current service providers in the Huon Valley and the status of the premises:

Huonville	
Community Health Centre Tasmania Health Service	Owned by the Department of Health and Human Services. Allied health services only.
Huon Doctors Surgery	Privately owned
Huon Valley Health Centre	Privately owned
Cygnet	
Tasmania Health Service	Allied health services only.
Cygnet Family Practice	Private provider at premises owned by the Department of Health and Human Services
Huon Valley Health Centre	Private provider at premises owned by the Huon Valley Council
South East Tasmanian Aboriginal Corporation	Privately owned
Geeveston	
Geeveston Medical Centre	Owned and operated by the Huon Valley Council
Dover	
Dover Medical Centre	Operated by the Huon Valley Council
THS	Allied health services only

Council's ownership risk of the Cygnet Medical Centre land and building

Council developed the medical centre with the expectation that local doctors would provide services at the centre. As that did not happen Council had to step in and provide services to comply with the Funding Agreement obligations of the Commonwealth.

The Council's requirements under the Funding Agreement include:

- Commonwealth commitment to assist with the construction of a new single storey medical centre in Cygnet, Tasmania with no ongoing commitment to operation funding;
- To ensure the property and the works are used for the designated use;
- To ensure the property and the works are not left unused or unoccupied for a period in excess of four weeks without first obtaining the written consent of the Commonwealth;
- Not to use the property or works or permit the property or works to be used for any purpose other than the designated use without first obtaining the written consent of the Commonwealth;
- To safeguard the property and the works against loss, damage and unauthorised use;
- To maintain the property and the works in good condition;
- To reinstate the property and the works if they are damaged or destroyed;

- Not to grant or dispose of any interest in the property or any part of the property without first obtaining the Commonwealth's consent and requiring any purchaser to enter into a Deed of Covenant with the Commonwealth on terms acceptable to the Commonwealth under which the purchaser has covenants in favour of the Commonwealth to use the property and works for the designated use until the expiry of the designated use period;
- A requirement to repay the Commonwealth funding on a sliding scale if the Commonwealth considers that the Council has failed to comply with the obligations under the agreement;
- Provide reports as and when requested by the Commonwealth;
- Prepare financial reports for the Commonwealth;
- Allow access by the Commonwealth to the property upon giving of reasonable notice.

As this is a commercial property, the Lease Policy applies to require Council to obtain commercial rent which limits the ability of Council to negotiate with providers, particularly in market lows. If Council is unable to comply with the lease policy whilst securing a tenant for the property that may lead to a breakdown in any negotiations and Council being unable to fill the tenancy. A further complication is the limitation of a five year lease term imposed by section 178 of the Act.

If the Council cannot fill the tenancy, at a commercial rate, then it will need to either repay the outstanding funds to the Commonwealth or provide medical services in accordance with the funding agreement obligations. The implications of Council providing services arise from the fact that Council would be competing with private businesses. It is likely that Council, through full cost attribution, would run the centre at a loss. There is also the complication arising from the Tasmania-wide doctor shortage and the difficulties Council faces in competing with private providers to secure permanent general practitioners.

If Council needs to repay funds under the Agreement, that would significantly impact Council's ability to fund or service other assets or services for the community.

The financial risk relating to the Council's ownership of the building includes the depreciation value and the cost that Council is liable for over the life of the building. Those costs include insurance, land tax, rates and maintenance costs.

The 2016-2017 Annual Report of Council shows that for the 2017 financial year medical centres were in deficit of \$227,000 and that went down to \$56,000 for the 2018 financial year. Extracts from the relevant Annual Reports are attached to this Report as Attachment D.

Since 2013 the overall deficit for all medical centres run by Council is \$274,000. The overall deficit from the operation of Cygnet Medical Services was approximately \$226,000 between 2013 and 2017.

As part of the development of the medical centre Council contributed \$200,000 to the development and that sum of money is tied up in the asset as long as Council has ownership of it.

The annual lease income of the property is reduced by annual depreciation and Council is liable for ownership expenses such as commercial property management and structural maintenance.

The objections received pursuant to section 178 of the Act raise concern over the potential lack of security for future services if the medical centre was sold to a private provider. Those concerns do need to be taken into account and considered with any future contractual negotiations with the Commonwealth. The risk for selling the centre without sufficient conditions to apply to the funding agreement includes:

- Loss of control over who can own the centre;
- If Council needs to acquire land in the future it would be at an unknown cost and would be at valuation;
- Any contract or deed entered into between the Council and a purchaser needs to meet the requirements of the Commonwealth and therefore there is a risk that that process will not be able to be completed if the conditions of sale are not sufficient to address those needs.

In light of those risks it is recommended that any sale of the property should be subject to conditions protecting the future use of the land and securing compliance with the Commonwealth conditions.

Competitive Neutrality

There is guidance to the principles of competitive neutrality applicable to local government is available from the Department of Treasury and Finance, Tasmania. The website link for that information is <https://www.treasury.tas.gov.au/economy/economic-policy-and-reform/national-competition-policy>.

If Council were to be required in the future to provide medical services to fulfil the Funding Agreement obligations, those services would have to be provided at either full cost attribution or by corporatisation. By going through either of those processes there is a high likelihood that the expense of operating medical services would further increase for Council, causing a greater financial loss.

The Competitive Neutrality Principles are a requirement at the federal level and are implemented through State legislation. Unless there is policy change, the Council must be wary of the potential legal and financial risks arising from engaging in and control over public assets in excess of the public needs.

There was a suggestion by an objector that Council should be providing low cost or free health services to the Cygnet community. That would be a clear breach of competitive neutrality principles and would cause a significant deficit to the Huon Valley community.

Community Needs

The concept of provision of medical services in the Huon Valley by the Council is only to the extent as it is appropriate for the community needs. That concept is set out in:

- The Community Plan 2020
"To meet the challenges of modern living a community must be fit and health. Promoting an active and health lifestyle supported by medical and allied health services will help meet these demands. As the Valley's population ages and others

discover its natural appeal and benefits, the provision of appropriate care and housing will become an increasing priority.”

- The Strategic Plan 2015-2025

“The mix of health services, doctors, allied health, emergency response and aged care facilities is critical to attracting and retaining people and businesses across the Huon Valley.

Council’s Strategic stance is to intervene and as necessary facilitate services on a break-even cost basis. There the opportunity to work with networks to develop creative and cost effective responses to health and safety conditions and risks that also include preventative elements.”

None of the objections raised indicate that there is a specific need of the Cygnet community for Council owned medical facilities and/or services to justify Council ownership of the Cygnet Medical Centre. As there is no need for Council to facilitate or provide medical services in Cygnet, continuation of ownership of the Cygnet Medical Centre would be inconsistent with the Community Plan 2020 and the Strategic Plan 2015-2025.

To deviate from the current strategy would require further investigation of all health facilities and services provided for all Huon Valley townships. As that is a larger issue that may require development of a new strategy, a Council decision is required to determine whether that path should be pursued.

Consultation Process

The objections raised concerns over the lack of consultation prior to the report provided in the September 2018 ordinary meeting and prior to notification of the sale of Public Land process pursuant to section 178 of the Act, and the Expression of Interest process.

Under the current Community Engagement Policy no additional consultation is required when there is a statutory consultation process (i.e. the process under section 178 of the Act).

If Council wishes to extend that consultation process, there must be separate consideration and a decision reached as to the following issues:

- Whether additional consultation should be required only for issues under section 178 of the Act, or if it should apply to all statutory consultation processes.
- How Council will fund additional consultation?
- The scope of consultation required?

To proceed with altering the community consultation process, direction is required from Council as to whether the additional consultation process is warranted.

Protection for Future Use of Land

The portion of land containing the medical centre is currently zoned Community Purpose. The purpose of the Community Purpose Zone as stated under provision 17.1 of the Huon Valley Interim Planning Scheme 2015:

17.1.1.1 To provide for key community facilities and services where those facilities and services are not appropriate for inclusion as an associated activity within another zone.

17.1.1.2 To ensure land required for future public use is protected from inappropriate use or development.

17.1.13 To encourage multi-purpose, flexible and adaptable social infrastructure to respond to changing and emerging community needs.

The Cygnet Medical Centre is approved for use of the land as a Medical Centre. If there is any other use of the land proposed, that would require development approval.

Legal Test for Objections

The main legal factor to be considered in relation to the issues of whether to sell public land is the test for grounds of an Appeal under section 178A of the Act. This test must be considered as Council should not make a decision that gives rise to a successful appeal against the decision.

The grounds for Appeal under section 178A of the Act are:

- (3) An appeal may only be made on the ground that the decision of the council is not in the public interest in that –*
- (a) the community may suffer undue hardship due to the loss of access to, and the use of, the public land; or*
 - (b) there is no similar facility available to the users of that facility.*

The potential implications if the grounds for appeal are not considered are:

- Council having to pay for a protracted Appeal;
- Council having to pay for costs of an Appellant;
- Appellant may be required to pay for Council's costs if there is evidence of unreasonableness.

The elements which must be met for the first ground for appeal under section 178A(3)(a) are:

- The decision of council is not in the public interest; and
- The community may suffer undue hardship due to the loss of access to the public land; and
- The community may suffer undue hardship due to the loss of the use of the public land.

The elements which must be met for the second ground for appeal under section 178A(3)(b) are:

- The decision of Council is not in the public interest; and
- There is no similar facility available to the users of that facility.

Some of the objections partially address the grounds as follows:

- *"The Cygnet Medical Centre, by far, surpasses any other medical facility in Cygnet. For the HVC to remain as the landlord it helps to keep competing medical providers on a more equal footing. If one provider was to acquire this centre it would seriously*

put other medical providers at a great disadvantage. It would be instrumental in helping monopolising services in the new owners favour. This is definitely not in the public interest. The public interest is best observed by the HVC being a neutral observer in the provision of medical services, not favouring one over the other."

- *"As outlined above the sale of the Cygnet medical centre into private ownership would not guarantee the availability of medical services at the site for more than 13 years. This could result in undue hardship due to the loss of access to, and the use of, public land beyond 2032. There is no other publicly-owned, modern, purpose-built medical facility in Cygnet that would be available to community members."*
- *"I am not at all convinced that it is in the public interest to sell off a very valuable public asset to a private buyer, especially as it is currently used by the community as a medical facility and once privatised costs would inevitably rise."*
- *"The other medical services providers in Cygnet are housed in much older buildings it is important to ensure the most modern medical facility remains available for Cygnet into the future. It seems obvious to community members that the best way to ensure this is for our local council – HVC- to retain ownership of the Centre and to ensure it is leased to the most able and appropriate provider. This is in the public interest."*

The objectors use the correct wording for the grounds of appeal but there is a lack of reasoning behind the objections to support the statements made. For example, the objections that raise hardship do not explain what that hardship would be. If the objectors do not address the ground of undue hardship in their objections with ease, it seems unlikely that they would be able to provide any reasoning or evidence for the purpose of an appeal.

The objections attempt to address the element of public interest however once again there is limited explanation for how a decision to sell the land would not be in the public interest. The reasoning of increased costs of privatisation, retaining public ownership and HVC being a neutral observer may be factual circumstances relevant to considering public interest but do not explain how or what impact those factors would have on the objectors or any member of the public at a personal level.

Other factual circumstances such as the financial risk and impact on the public would also be considered to determine if the decision is in the public interest.

As the objections do not raise evidence based reasoning to show that there would be a successful ground for appeal, any risk of an appeal is substantially reduced.

Funding Medical Facilities and Services

The broader issue of whether Council is to own and operate medical centres involves consideration of how Council should fund facilities and services, particularly if it is not necessary for Council to provide such facilities and services.

It is currently within Council's strategic framework to provide medical services and facilities in the townships of Dover and Geeveston as there are no other available services in those towns. Cygnet is vastly different because the medical industry there has shown strength and growth within the private sector. If Council were to retain involvement in the medical industry in Cygnet potentially at the cost of the Huon Valley ratepayers, that is not equitable. Therefore to retain the facility would require Council to consider how the risk of future financial loss to Council should be funded.

A funding solution that is possible within the powers of Council is to apply a specific rates charge to the area of Cygnet to support the ownership and provision of services and facilities.

If Council is to continue ownership of the facility, investigation should be undertaken to consider the potential for a separate rate or charge for the Cygnet area to mitigate the financial burden and impact of the medical centre.

Action on Petition

The Act requires the Council to consider the petition and any actions proposed in relation to the request. Council may choose to take action as requested on the petition, take some other action or take no action at all.

The matters raised in the petition regarding the potential sale of the medical centre are similar to the matters raised by objections pursuant to section 178 of the Act.

Under section 178 of the Act Council is to consider the objections and make a decision on whether or not to proceed with the sale.

The petition requests three actions of:

1. No further action be taken until the subdivision of the property has been approved so that the exact area is defined.
2. The Council retains the facility in public ownership in order to ensure the long-term health and wellbeing of the community through provision of local medical services after 2032 (ie for more than 13 years).
3. The Expression of Interest (EoI) process be put on hold and re-opened only if there is strong community support for the council's proposed sale of public land and the medical centre located at the site.

The process of subdividing the land is a separate process to a potential sale. Subdivision is required prior to any sale and the process of subdivision requires a discretionary permit. Through the subdivision process there is opportunity to deal with determining the exact area.

Allowing the first action suggested in the petition would cause unnecessary delay and is not necessary because through the subdivision process the exact area will be finalised.

Therefore the first action is not recommended.

The second action should not be progressed as it requires Council to commit to providing services after 2032 and is confined to the Cygnet community only. If Council were to make a decision to provide the Cygnet community with medical facilities and services after 2032, Council needs to consider if similar facilities and services are also to be provided to the wider Huon Valley community.

The third action is unreasonable as it does not allow Council to make a decision based on the best interests of the Huon Valley community and in exercise of the functions of Council.

It is recommended that no further action be taken on the petition.

Process if sale proceeds

If the Council resolves to sell the Medical Centre, the Expression of Interest process will be recommenced and the Council will be presented with options arising from the Expression of Interest process to decide whether there is an adequate offer for a sale to proceed. However, this process may be delayed if any appeal is made until a time when an outcome of the appeal proceedings is achieved.

Council would also need to assess the current equipment inventory, including equipment granted to Council, at the Centre to determine the value of any items that remain which do not belong to the current tenant.

At a point where any appeal proceedings are finalised, a purchaser has been selected by the Council and inventory complete, the relevant parties (i.e. a purchaser, current tenant, Council and the Commonwealth) will negotiate and prepare contractual arrangements for the transaction.

The whole process is dependent upon each step being achieved successfully. For example, if an adequate offer is not received or the purchaser is not accepted by the Commonwealth, the sale will not proceed. The decision to sell the Centre would be the first step in a long process to achieve a discharge of Council's obligations.

Conclusion and Recommendation

The process of considering the decision of whether Council should sell the Cygnet Medical Centre has resulted in some key objections from the public which bring to the forefront broader issues in terms of:

- Does the Council need to own the Cygnet Medical Centre when it does not operate the Centre?
- What impact does that have on Council's funding?
- Should Council fund the provision of medical facilities and services when there is a financial loss?
- Should Council retain ownership of property when it does not fit within any strategy of Council?
- Will there be any value for money if there is additional community consultation when there is a statutory consultation process?
- How would additional consultation processes be funded?
- Should all townships in the Huon Valley have local and equal access to Council owned medical facilities?

Not all of the above questions have been considered by this report as the issues fall outside the scope of this decision. However, the questions have been raised as a decision to retain ownership of the Medical Centre will trigger investigations into the broader issues to develop a strategy of the Council to deal with the issues.

This report has discussed at length various factors impacting the decision on whether to retain the land, including the 13 objections received. The key factors that Council has to consider when making a decision are:

- The financial and legal risks of ownership;
- The financial risk if Council is required to provide services again;
- Supporting or mitigating any risks;
- Whether it is in the public interest to sell or not to sell public land;

- Any benefit to the community from the sale;
- Any benefit to the community by retaining ownership;
- The powers, role and responsibility of Council as a Local Government Authority; and
- The needs of the Cygnet community.

Commercial and financial information has been provided to Councillors on a confidential basis to assist with their decision making in terms of the financial risk posed by the medical centre to Council.

The Council's ownership of the medical centre is receiving a modest commercial rental return incorporating depreciation. That rental return can continue as long as there are private providers in the Cygnet area who are ready, willing and able to pay for a commercial tenancy of the premises as well as providing medical services. There is no way for Council to guarantee that a separate provider will provide services at the location until 2032 without a contract with a provider, which from commercial perspective is highly unlikely due to the commitment that would be required from the private provider.

Until 2032, Council must ensure that there are medical services provided at the medical centre otherwise it must repay a significant amount of the Federal Government funding. The option of repaying the funding is always available but that is not a desirable course of action due to the financial loss to Council. However, the risk of being in a position where Council must provide medical services again is also not desirable due to the potential impact that could have on existing businesses and the cost to ratepayers for any loss arising from Council providing services.

Council presently has an opportunity to address the issues regarding the medical centre and make a determination on which direction to take. Below is an outline of the key options available to Council as well as an overview of the functions of Council which would be impacted by each option.

The reasonable options available to Council are as follows:

1. Sell the medical centre

This option is consistent with the current Council strategies to only support necessary services.

Selling the medical centre would remove all financial and legal risk from Council whilst stepping out of the way of commercial enterprise developing naturally in the community.

The functions of Council pursuant to section 20 of the Act are impacted by the option to "sell the medical centre" in regards to:

- *Provision of health, safety and welfare of the community* – Council is not currently providing health care services to the community at the medical centre, nor is it financially viable to do so in the future. This function would not be impacted by a decision to sell the medical centre.
- *Represent and promote the interests of the community* – This function would be achieved by a decision to sell the medical centre as the majority of the population in the Huon Valley has no interest in retaining ownership of the centre.

- *Provision of peace, order and good government of the municipal area* – This function would be achieved by a decision to sell the medical centre as Council would be mitigating known financial risk however it should be ensured that any sale would maintain security of medical services at the location.

If the option to sell the medical centre is selected, any sale must only be to a suitable provider and must be to the satisfaction of the Commonwealth. Selection of a provider and allowing a purchase may be in the near future or after conclusion of the current lease depending on market conditions.

2. Retain the Medical Centre and develop a strategy to address the issues with ownership of medical centres

By retaining the Medical Centre Council will need to be diligent in its ownership and develop a strategy to:

- Determine whether similar facilities should be available for all Huon Valley townships;
- Fund provision of medical facilities and services for areas where there is no specific need for services;
- Manage leased property as a commercial landlord;
- Investigate the impact of competitive neutrality principles on Council medical services.

The functions of Council pursuant to section 20 of the Act are impacted by the option to "Retain ownership" in regards to:

- *Provision of health, safety and welfare of the community* – If Council is to retain ownership and no other provider is willing to provide services at the location, Council would need to provide medical services to fulfil this function. However, if Council does so for the Cygnet area, Council must consider the health safety and welfare in terms of provision of Council provided medical facilities and services for all Huon Valley residents to equitably fulfil this function.
- *Represent and promote the interests of the community* – In order to retain ownership of the Cygnet Medical Centre with the risk of providing services in the future, Council must consider the interests of all of the Huon Valley community. This would include consideration of distribution of resources for the provision of medical facilities and services for all areas of the Huon Valley.
- *Provision of peace, order and good government of the municipal area* – Developing a strategy for Council's ownership of medical centres would fulfil this function as it would ensure that Council considers community needs in an equitable manner. In the absence of federal or state funding, this function is not met in the respect that there is currently no reliable funding available to support Council supplied medical services to all townships. Therefore expenditure of resources for Council to investigate and consider funding provision of medical facilities and services by rate increase for specific areas is required.

The Council's involvement in the Cygnet Medical Centre is distinguished from Geeveston and Dover due to the absence of any other providers in those areas. Therefore Council's involvement in the Cygnet medical sector presents a complicated issue of ensuring that

such involvement is fair and equitable for the Huon Valley community. This issue can be addressed by investigating and developing a strategy to consider funding provision of medical facilities and services for all areas of the Huon Valley. To fulfil Council's functions under section 20 for this option, the major hurdle will be developing a way to equitably fund the approach.

15.024/19*
MOTION

CR WILSON

CR PRINCE

That:

- a) The report on Potential Sale of the Cygnet Medical Centre be received and noted.
- b) Pursuant to Section 178 of the Local Government Act 1993 Council resolves to sell public land containing the medical centre at 14 George Street, Cygnet being part of the land contained in Certificate of Title volume 106267 Folio 3 being that portion of land of approximately 2050 square metres (final area subject to subdivision approval and final survey) as generally shown outlined in red and Lot 1 on the plans included as Attachment E to the Report.
- c) Sale of the land is subject to:
 - a. Completion of the Expression of Interest and a suitable provider selected by Council, and
 - b. If a suitable provider is selected, any transfer is subject to agreement between the Council, the Commonwealth and the selected provider securing medical and allied health services until at least 2032.
- d) The General Manager is authorised to undertake all necessary actions to sell the land in accordance with this resolution.
- e) No action be taken on petition objecting to the proposal to the sale of a portion of public land at 14 George Street, Cygnet lodged with Council 19 March 2019 as the action will be in accordance with the decision of Council as confirmed by resolution.
- f) The subdivision of the medical centre land from the surrounding George Street land known as the "Old School Farm" is to only be to the extent that the medical centre is separate from the remaining land.

Any further subdivision of the balance George Street land requires a separate decision of Council.

That:

- a) The report on Potential Sale of the Cygnet Medical Centre be received and noted.
- b) Pursuant to Section 178 of the *Local Government Act 1993* Council resolves to sell or lease public land containing the medical centre at 14 George Street, Cygnet being part of the land contained in Certificate of Title volume 106267 Folio 3 being that portion of land of approximately 2050 square metres (final area subject to subdivision approval and final survey) as generally shown outlined in red and Lot 1 on the plans included as Attachment E to the Report.
- c) Council has registered the petition and community concern objecting to the proposal to the sale of a portion of public land at 14 George Street, Cygnet lodged with Council 19 March 2019. The action will be to reopen the Expression of Interest (EOI) process to include the option of a leasing arrangement, with the possibility of the lessee altering and/or extending the facility.
- d) Any sale or lease of the land is subject to:
 1. Completion of the EOI process; and
 2. A report from a qualified financial business analyst be obtained to provide advice on the relative financial benefits to the Huon Valley of the options received through the expressions of interest, and The EOI offer being reasonable and commensurate with the costs of the development; and
 3. Any purchase price being reasonable; and
 4. Any transfer to a selected provider is subject to agreement between the Council, the Commonwealth and the selected provider to secure medical and allied health services until at least 2032.
- e) The subdivision of the medical centre land from the surrounding George Street land known as the "Old School Farm" is to only be to the extent that the medical centre is separate from the remaining land.

Any further subdivision of the balance George Street land requires a separate decision of Council.

THE AMENDMENT WAS PUT AND LOST

Councillors Gibson and Campbell voted for the amendment and Councillors Enders, Doyle, Wilson, Bird, Prince and O'May voted against the amendment.

THE MOTION WAS PUT AND CARRIED

Councillors Enders, Doyle, Wilson, Bird, Prince and O'May voted for the motion and Councillors Gibson and Campbell voted against the motion.

Health and Hospitals Fund - Approved Projects

Last update December 2013

	Total Amount (\$m)
Translational Research and Workforce Training	430.3
Ingham Health Research Institute Facilities, Liverpool NSW	46.9
Monash Health Research Precinct Translation Facility, Clayton VIC	71.0
The Melbourne Neuroscience Project, Melbourne VIC	39.8
Children's Bioresource Centre, Melbourne VIC	4.7
Eccles Institute - John Curtin School of Medical Research Stage 3, Acton, ACT	60.0
Stage 2 Menzies Building, Hobart TAS	44.7
New Research and Training Facility, Menzies School of Health Research, Darwin NT	34.2
Hunter Medical Research Institute, Newcastle NSW	35.0
Academic and Research Precinct for Melbourne's North, Epping VIC	14.0
Translational Research Institute (formerly Smart Therapies Institute), Brisbane QLD	40.0
Nepean Clinical School, Kingswood NSW	17.2
Clinical medical education and best practice in ambulatory care, NSW/VIC	22.8
National Cancer Statement (Better Cancer Care)	735.6
Parkville Comprehensive Cancer Centre, VIC	426.1
Lifeforce at RPA : The Chris O'Brien Cancer Centre, Sydney NSW	119.5
Garvan St Vincent's Cancer Centre - Kinghorn Centre, Sydney NSW	70.0
Digital Mammography	120.0
Regional Cancer Centres	556.4
ACT Capital Region Cancer Centre (servicing ACT and South East NSW)	29.7
New England and North West RCC, NSW	31.7
Central Coast Regional Cancer Service	28.6
North Coast Cancer institute, NSW	17.1
Shoalhaven RCC (servicing the Shoalhaven)	23.8
Illawarra RCC (servicing the Illawarra)	12.1
Lismore Cancer Patient & Carer Accommodation, NSW	2.6
Central Integrated Regional Cancer Service, QLD	84.6
Toowoomba and South West Queensland Integrated Cancer Service, QLD	9.6
Townsville & Mt Isa Integrated Regional Cancer Service, QLD	70.1
Enhancement of Service Capability of the St Andrew's Cancer Care Centre, QLD	6.7
Ballarat RCC, VIC	42.0
Gippsland CCC, VIC	22.0
Statewide enhancements to RCCs, VIC	9.5
Stage 2 Accommodation Rotary Centenary Gippsland CCC, VIC	1.5
Albury/Wodonga Patient & Carer Accommodation Centre, VIC	1.5
Strengthening Cancer Services in Regional WA	22.3
South West Health Campus CCC, WA	23.4
Premion Nambour RCC, QLD	12.8
SA Whyalla RCC	69.8
Tasmanian Cancer Care Centre, TAS	18.7
Expanding Radiotherapy Services in Burnie	16.5
Hospital Infrastructure and Other Projects of National Significance	1,465.5
Australian Red Cross Blood Service: Principal Site Development, Melbourne VIC	120.0
Donor Tissue Bank of Victoria, Melbourne VIC	13.0
Townsville Hospital Expansion, QLD	250.0
Rockhampton Hospital Expansion, QLD	76.0
Health and Medical Research Institute, Adelaide SA	200.0
New State Rehabilitation Unit at Fiona Stanley Hospital, Perth WA	255.7
Midland Health Campus, Perth WA	180.1
Kimberley Renal Services, WA	8.6
Replacement Paediatrics Unit, Broome and Kimberley region, WA	7.9
Hospital Emergency Department, Alice Springs NT	13.6
NT Medical Program Flinders University, Darwin NT	27.8
Royal Darwin Hospital – Short term Patient Accommodation, NT	18.6
Acute Medical and Surgical Service Unit, Launceston TAS	40.0

Health and Hospitals Fund - Approved Projects

Last update December 2013

	Total Amount (\$m)
Narrabri District Health Service, NSW	27.0
Blacktown Clinical School, Research and Education Centre, NSW	17.6
Nepean Health Services Redevelopment - Stage 3 (including Pialla), NSW	96.4
Oral Health Centre Queensland	104.0
Primary Care Infrastructure in Rural Australia	9.2
2010 Regional Priority Round	1,287.0
Improving Critical Care Outreach and Training in the ACT and SE NSW (Multi-site)	2.3
Bega Valley Health Service Development, NSW	160.1
Port Macquarie Base Hospital, NSW	96.0
Tamworth Base Hospital Redevelopment Stage 2, NSW	120.0
Wagga Wagga Base Hospital Redevelopment, NSW	55.1
Dubbo Base Hospital Redevelopment, NSW	7.1
Maintain and Expand Cancer Centre services for the Wingecarribee Shire, Bowral NSW	0.5
Dalmeny Dental Facility, NSW	0.2
WAMS Multidisciplinary Health Care Centre & accommodation, Walgett NSW	3.0
Drug & Alcohol Services - Detoxification & Rehabilitation Facility, Wagga NSW	3.5
Our House - Lismore Patient & Carer Accommodation, NSW	1.0
Redevelopment of the Emergency Department, Tennant Creek Hospital, NT	3.7
Redevelopment of the Emergency Department, Gove District Hospital, NT	13.0
The Palmerston Hospital, NT	70.0
Improving Aboriginal Access to Primary Health Care in Remote NT	50.3
Short Term Patient Accommodation, Katherine Hospital, NT	1.5
Short Term Patient Accommodation, Gove District Hospital, NT	1.2
Laynhapuy Homelands Clinic & Multipurpose Rooms, NT	0.7
Townsville Base Hospital - Planned Procedure Centre, QLD	12.1
Cairns Base Hospital - Planned Procedure Centre, QLD	12.1
Regional Mental Health Community Care Units QLD (multi-site)	40.4
Bloomhill Cancer Help Community Therapy House, Buderim QLD	0.6
Mater Misericordiae Hospital Mackay - Operating Theatre Expansion, QLD	3.1
Operating Theatre Equipment Upgrade, Rockhampton QLD	3.1
St Stephen's Regional Hospital, Hervey Bay (Construction), QLD	25.9
St Stephen's Hospital Regional e-Health Initiative, Hervey Bay QLD	21.3
MIFNQ Mental Health Hub, Townsville QLD	1.7
RFDS Charleville Base Redevelopment, QLD	2.3
RFDS Mt Isa Base Redevelopment	2.8
Patient & Family Accommodation Project, Rockhampton & Bundaberg, QLD	3.7
Cairns Health and Wellness Stay Centre Development, QLD	1.9
Retention of GPs in the McKinlay and Julia Creek area, QLD	0.6
Walleroo Community Dental Clinic, SA	3.3
Mount Gambier Health Service Redevelopment, SA	26.7
Port Lincoln Health Service Redevelopment, SA	39.2
Mount Gambier Ambulance Station, SA	3.5
Riverland Oral Health Centre, Berri SA	6.1
Primary Health Care Enhancement on the Anangu Pitjantjatjara Yankunytjatjara Lands, SA	2.4
Kincraig Medical Clinic Development, Naracoorte SA	1.4
Royal Hobart Hospital Redevelopment, TAS	240.0
Medical Centre at Cygnet, TAS	1.2
Sheffield Multi-purpose Health Precinct, TAS	1.8
Albury-Wodonga Regional Cancer Centre, VIC	65.0
Integrated Regional Cancer Service, Geelong VIC	26.1
Ballarat Dental Clinic, VIC	8.3
Expansion of Kilmore and District Hospital, VIC	10.0
Expansion of Echuca Regional Health, VIC	12.1
Expansion of Kerang District Health, VIC	18.4
Dialysis Unit Upgrade, Ararat VIC	1.1
Colac Youth Health Hub, VIC	1.2
Ambulatory Care Centre, Kyneton VIC	6.8

Health and Hospitals Fund - Approved Projects

Last update December 2013

	Total Amount (\$m)
Integrated Primary Health Care, Timboon VIC	1.0
Expansion of Mildura Base Hospital, VIC	9.5
Strengthening Aboriginal Services to Close the Health Gap, Bairnsdale VIC	5.2
Central Primary Care Facility, Ballarat VIC	11.7
Development of Wallan Integrated Primary Health Care Centre, VIC	2.7
Expanded Integrated Primary Health Care Facility, Shepparton VIC	3.9
Busselton General Dental Clinic, WA	2.6
Bringing Renal Dialysis & Support Services Closer to Home, WA	45.8
Centre of Excellence in Aboriginal Primary Health Care & Training for Rural WA	3.9
Renal Dialysis Unit Expansion, Bunbury WA	2.6
Multi-Purpose Health Centre, Eucla WA	2.7
2011 Regional Priority Round	475.0
Development of e-Health Capacity at the New Kinglake Ranges Health Centre, VIC	0.2
North West Qld establishment of an Oral Health Clinic Mobile Van, QLD	1.1
Toowoomba Primary Health Care Centre and Training Facility, QLD	7.0
Ballarat Health Care Service Expansion (BDNH), VIC	1.7
Bundaberg Integrated Cancer Care Centre Expansion, QLD	5.6
Port Macquarie Private Hospital Rehabilitation Service Expansion, NSW	1.5
St Vincents Private Hospital Surgical Service Expansion, Lismore NSW	2.5
Hillcrest Rockhampton Private Hospital Mental Health Unit Expansion, QLD	2.1
Health Clinic Redevelopment Wodonga, VIC	3.9
Dudley Private Hospital Hydrotherapy Pool Development, NSW	1.4
Purchase of Land for Wallan Integrated Primary Health Care Centre, VIC	1.0
Griffith Community Private Hospital Development, NSW	11.4
Development of a State Wide Integrated Cardiac Network Service, NT	6.1
Moe Interprofessional Community Health Centre Redevelopment, VIC	5.9
Townsville Expansion of Operating Theatre Services Mater Private Hospital, QLD	10.1
Bendigo Aboriginal Health Services Development, VIC	5.7
Expansion of Allied, Mental, Dental and Telehealth Services, Townsville QLD	2.0
RFDS Charleville Remote Staff Accommodation for Health Care Professionals, QLD	1.4
Bathurst Interprofessional Health and Wellness Precinct Development, NSW	6.0
Mudgee Allied & Mental Health Centre Expansion, NSW	0.6
Staff Accommodation Redevelopment and Pipalyatjara Community Clinic, SA	0.2
VicStroke (Telemedicine Stroke Care for Regional Victorian Hospitals)	7.3
Mildura Community Health Services Redevelopment, VIC	15.3
Hyden Health Centre Redevelopment, WA	0.5
Kurri Kurri Community Health Care Centre Expansion, NSW	2.0
Bundaberg Friendly Society Private Hospital Cardiac Care Services Expansion, QLD	5.4
Queenscliff Community Health Centre Redevelopment, VIC	3.0
Coffin Bay Wellness Clinic Development, SA	0.4
Newman Primary Healthcare Hub and Staff Accommodation Development, WA	12.1
Broken Hill Health Care Service Development, NSW	4.7
Orange Aboriginal Health Service Redevelopment, NSW	4.0
Bega, Cooma, Moruya South East NSW Health Collaborative Development, NSW	31.5
Ballan Primary Care Centre Expansion, VIC	3.3
Ballarat Student Placement Accommodation, VIC	2.6
Wangaratta Integrated Primary Care Centre Redevelopment, VIC	4.4
Bluewater Fitness Centre Hydrotherapy Pool Development, Colac VIC	2.8
Cape York Development of Primary Health Care Services, QLD	11.7
Yulu-Burri-Ba Community Health Centre Redevelopment, Dunwich QLD	3.2
RFDS Roma Aircraft Hangar and Patient Transfer Facility Development, QLD	1.2
RFDS Establishment of a Remote Area Mobile Dental Unit, WA	0.4
Ringer Soak Yura Yungi Medical Service Clinic Redevelopment, WA	0.6
Halls Creek Medical Centre Redevelopment, WA	4.8
Halls Creek Aboriginal Medical Service Staff Accommodation Redevelopment, WA	2.8
Ngaanyatjarra Training & Staff Accommodation, Warburton and Warakurna, WA	3.6
Tumby Bay Health Services Redevelopment, SA	0.6

Health and Hospitals Fund - Approved Projects

Last update December 2013

	Total Amount (\$m)
Port Augusta Calvary Regional Outreach Telehealth Centre Redevelopment, SA	0.7
St Giles, The Amy Road Re-development, Newstead TAS	6.8
Ulverstone Mount St. Vincent Professional Development Centre, TAS	1.3
Katherine Clinical Training Academic Health Centre Development, NT	2.5
E-Health to Support Integrated Care in Regional Queensland	35.0
Co-location of Primary Health Care Service, Mansfield, VIC	1.4
Lismore Base Hospital Redevelopment, NSW	60.3
Hillston Multipurpose Service Redevelopment, NSW	6.0
Peak Hill Multipurpose Service Redevelopment, NSW	6.0
Kempsey District Hospital Redevelopment Stage 1, NSW	40.0
Thursday Island Staff Accommodation for Health Care Professionals, QLD	12.7
Mount Isa Remote Staff Accommodation for Healthcare Professionals, QLD	10.9
Yamba Community Health Centre Development, NSW	4.3
Numurkah Multi-disciplinary Community Health Centre Development, VIC	4.0
Heathcote GP Primary Care Clinic Expansion, VIC	2.4
Leongatha Integrated Primary Care Centre Development, VIC	3.7
Gisborne Integrated Primary Health Care Expansion, VIC	5.0
Warracknabeal Campus Redevelopment Stage 2, VIC	8.8
Redevelopment of Paediatric Wards at Royal Darwin Hospital, NT	11.9
South Coast Primary Health Care Precinct Victor Harbour, SA	10.0
Redevelopment of Pathology Laboratories at Bunbury, Narrogin and Collie Hospitals, WA	7.0
Multi-disciplinary Teaching & Training Facility, Alice Springs Hospital, NT	5.2
Murray Bridge Community Dental Clinic Development, SA	3.8
Kyabram Health and Wellbeing Centre Expansion, VIC	3.5
Narrogin General Dental Clinic Development, WA	2.8
Bairnsdale Staff Accommodation Development, VIC	2.0
Proserpine Hospital Acute and Primary Care Clinic Expansion, QLD	1.5
Bowen Hospital Expansion, QLD	1.2
Tamworth Rural Referral Hospital Nuclear Medicine Department Upgrade, NSW	1.1
Point of Care Network for Rural & Remote Regions of WA	0.8
Charters Towers Primary Healthcare Clinic Redevelopment, QLD	0.4
Regional Priority Round allowance for compliance costs	6.5
TOTAL FROM HHF	4,949.8



Australian Bureau of Statistics

2016 Census QuickStats

Australia | Tasmania | State Suburbs

Cygnet

Code SSC60142 (SSC)

People	1,556
Male	49.5%
Female	50.5%
Median age	44
Families	411
Average children per family	
for families with children	1.9
for all families	0.6
All private dwellings	706
Average people per household	2.3
Median weekly household income	\$908
Median monthly mortgage repayments	\$1,196
Median weekly rent	\$240
Average motor vehicles per dwelling	1.8

People — demographics & education

People tables are based on a person's place of usual residence on Census night

People	Cygnet	%	Australia	%
<i>Persons count based on place of usual residence on Census night</i>				
Male	767	49.5	11,546,638	49.3
Female	784	50.5	11,855,248	50.7
Aboriginal and/or Torres Strait Islander people	284	18.3	649,171	2.8

In the 2016 Census, there were 1,556 people in Cygnet (State Suburbs). Of these 49.5% were male and 50.5% were female. Aboriginal and/or Torres Strait Islander people made up 18.3% of the population.

Age	Cygnet	%	Australia	%
Median age	44	--	38	--
0-4 years	77	5.0	1,464,779	6.3
5-9 years	104	6.7	1,502,646	6.4
10-14 years	123	7.9	1,397,183	6.0
15-19 years	107	6.9	1,421,595	6.1
20-24 years	60	3.9	1,566,793	6.7
25-29 years	57	3.7	1,664,602	7.1
30-34 years	71	4.6	1,703,847	7.3
35-39 years	78	5.0	1,561,679	6.7
40-44 years	120	7.7	1,583,257	6.8
45-49 years	119	7.7	1,581,455	6.8
50-54 years	91	5.9	1,523,551	6.5
55-59 years	107	6.9	1,454,332	6.2
60-64 years	125	8.0	1,299,397	5.6
65-69 years	132	8.5	1,188,999	5.1
70-74 years	79	5.1	887,716	3.8
75-79 years	51	3.3	652,657	2.8
80-84 years	24	1.5	460,549	2.0
85 years and over	28	1.8	486,842	2.1

The median age of people in Cygnet (State Suburbs) was 44 years. Children aged 0 - 14 years made up 19.6% of the population and people aged 65 years and over made up 20.2% of the population.

Registered marital status <i>People aged 15 years and over</i>	Cygnet	%	Australia	%
Married	548	44.1	9,148,218	48.1
Separated	56	4.5	608,059	3.2
Divorced	137	11.0	1,626,890	8.5
Widowed	71	5.7	985,204	5.2
Never married	430	34.6	6,668,910	35.0

Of people in Cygnet (State Suburbs) aged 15 years and over, 44.1% were married and 16.1% were either divorced or separated.

Social marital status <i>People aged 15 years and over</i>	Cygnet	%	Australia	%
Registered marriage	484	43.7	8,001,141	47.7
De facto marriage	140	12.6	1,751,731	10.4
Not married	484	43.7	7,024,973	41.9

In Cygnet (State Suburbs), of people aged 15 years and over, 43.7% of people were in a



Australian Bureau of Statistics

2016 Census QuickStats

Australia | Tasmania | Local Government Areas

Huon Valley (M)

Code LGA63010 (LGA)

People	16,199
Male	49.9%
Female	50.1%
Median age	45
Families	4,458
Average children per family	
for families with children	1.9
for all families	0.7
All private dwellings	7,997
Average people per household	2.4
Median weekly household income	\$987
Median monthly mortgage repayments	\$1,300
Median weekly rent	\$230
Average motor vehicles per dwelling	2

People — demographics & education

People tables are based on a person's place of usual residence on Census night

People	Huon Valley (M)	%	Australia	%
<i>Persons count based on place of usual residence on Census night</i>				
Male	8,079	49.9	11,546,638	49.3
Female	8,119	50.1	11,855,248	50.7
Aboriginal and/or Torres Strait Islander people	1,492	9.2	649,171	2.8

In the 2016 Census, there were 16,199 people in Huon Valley (M) (Local Government Areas). Of these 49.9% were male and 50.1% were female. Aboriginal and/or Torres Strait Islander people made up 9.2% of the population.

Age	Huon Valley (M)	%	Australia	%
Median age	45	--	38	--
0-4 years	868	5.4	1,464,779	6.3
5-9 years	996	6.1	1,502,646	6.4
10-14 years	1,042	6.4	1,397,183	6.0
15-19 years	939	5.8	1,421,595	6.1
20-24 years	671	4.1	1,566,793	6.7
25-29 years	699	4.3	1,664,602	7.1
30-34 years	799	4.9	1,703,847	7.3
35-39 years	862	5.3	1,561,679	6.7
40-44 years	1,030	6.4	1,583,257	6.8
45-49 years	1,168	7.2	1,581,455	6.8
50-54 years	1,204	7.4	1,523,551	6.5
55-59 years	1,394	8.6	1,454,332	6.2
60-64 years	1,295	8.0	1,299,397	5.6
65-69 years	1,289	8.0	1,188,999	5.1
70-74 years	790	4.9	887,716	3.8
75-79 years	558	3.4	652,657	2.8
80-84 years	342	2.1	460,549	2.0
85 years and over	260	1.6	486,842	2.1

The median age of people in Huon Valley (M) (Local Government Areas) was 45 years. Children aged 0 - 14 years made up 17.9% of the population and people aged 65 years and over made up 20.0% of the population.

Registered marital status <i>People aged 15 years and over</i>	Huon Valley (M)	%	Australia	%
Married	6,454	48.5	9,148,218	48.1
Separated	463	3.5	608,059	3.2
Divorced	1,477	11.1	1,626,890	8.5
Widowed	723	5.4	985,204	5.2
Never married	4,178	31.4	6,668,910	35.0

Of people in Huon Valley (M) (Local Government Areas) aged 15 years and over, 48.5% were married and 14.5% were either divorced or separated.

Social marital status <i>People aged 15 years and over</i>	Huon Valley (M)	%	Australia	%
Registered marriage	5,651	48.2	8,001,141	47.7
De facto marriage	1,738	14.8	1,751,731	10.4
Not married	4,343	37.0	7,024,973	41.9

In Huon Valley (M) (Local Government Areas), of people aged 15 years and over, 48.2% of people



the Cygnet Association Incorporated

Incorporation Number IA 11567 ABN 43 860 150 304



Office Address:
Mobile:
Email:
<https://cygnet.org.au/>

The Mayor
Huon Valley Council
Huonville

Dear Mayor,

The Cygnet Association is concerned about the selloff of the undefined amount of land and the Medical Centre in George St in Cygnet. Our expectation was that if council intended to sell the public land the boundary adjustment of the Old School Farm would have been defined and approved by the Council and then, after consultation with the Cygnet community and support for the sale under s 178 of the Local Government Act, expressions of interest would be called for.

It seems to us that the land is undefined and expressions of interest asked for prematurely, especially closing just before the community consultation in Cygnet towards the end of March. We understand the Council is seeking to limit its exposure to the risk of being obliged to ensure that the provision of medical care at the Medical Centre continues until 2032. We recognise that this contractual obligation would be passed to any purchaser but feel that there is no guarantee that they, in turn, would be able to fulfil this obligation. If unable to do so for some unforeseen reason (ie insolvency) they might not be able to sell the land to a purchaser who could, it is not clear who then would be able to provide medical services to the community.

We understand that the facility could then be sold after 2032 to any purchaser for any purpose and the community could then be deprived of a valuable asset.

We understand the Council is seeking to ensure the medical centre continues until 2032 but, in the best interests of the Cygnet community it is also important that the medical centre continues to operate for more than the 13 years remaining in the contractual agreement with the Commonwealth Government. The lease can also be subject to expressions of interest after 2022 when the current lease expires, and once the property is properly defined.

If leased at a normal commercial rate this would continue to bring in an annual income to council and while not compromising Council's obligation to respect competitive neutrality.

Thank you for giving this issue your consideration,

Yours sincerely



Summary of Comments on Combined Redacted Objections.pdf

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Author: Subject:Note: Date:29/03/2019 12:40:31 PM

The land area will be approximately 2,050m2. The exact dimensions of the lot are subject to subdivision approval, which is why the area has been described as "approximately" however the lot will not be larger than 2,050m2.

Author: Subject:Note: Date:29/03/2019 12:42:47 PM

The subdivision process was anticipated to occur prior to the s178 process however the Council's decision to place land dealings on hold has prevented this.

Author: Subject:Note: Date:29/03/2019 12:40:40 PM

The process to be undertaken was outlined in the resolution of September 2018. Since that time Council has received no correspondence or engagement from the Community expressing concern with the process that is now being followed.

Author: Subject:Note: Date:29/03/2019 12:53:42 PM

A solution can and should be achieved through contractual negotiation between the Commonwealth, the Council and a purchaser.

Author: Subject:Note: Date:6/05/2019 4:37:06 PM

The land which the medical centre sits upon is zoned Community Purpose which restricts the use of the land. After 2032 there will be no covenant on the property and if there are sufficient medical services in the area Council would not provide additional services. In that instance, the land may then not be considered as public land and may be sold in accordance with applicable legislation.

- Regarding the potential sale of the Cygnet Medical Centre.

I object to this potential sale for the following reasons.

This building is a purpose built medical centre, a community asset, so selling it is privatisation of a community asset. The centre was built in 2011; it is short termed thinking selling it when it can be gainfully rented and still be publicly owned. By selling, the community loses twice, in the loss of annual rental income and the building gaining more capital value over time. Has the Council evaluated the expected working life of this building? Plus there is no guarantee funds gained from selling the centre will be used solely in Cygnet. The community had in the past responded widely and positively to consultation of how the Old School Farm land, [which is public land.] could be developed, the medical centre being an acknowledged first building and an integral component of future development. There is an expectation that the Cygnet Medical Centre remain a permanent fixture on the future development site.

With a caveat to provide medical services to 2032 [just 13 years away!]

The other medical service providers in Cygnet are located in older, perhaps even heritage-listed buildings? Which in ten years time may not be able to be updated further to accommodate all medical requirements. It is important to maintain the Cygnet Medical Centre as being a medical centre into the future, as the most recently built medical building in Cygnet, with no similar facility being available in Cygnet.

Refs- **Huon Valley Media release March 1st 2019** quote 'Even if the medical centre is sold, the medical services at that location will remain secured until 2032 and any potential purchaser will need to be approved by the Federal Government. This will ensure that the interest and wellbeing of the Cygnet community is prioritised.' Unquote.

Does this mean that after 2032 the interest and well being of the Cygnet community will no longer be a priority?

Medical services are an essential service. Selling the Cygnet Medical Centre to a private owner, after 2032 has the potential for the building to 1. To be repurposed or 2. Operated as a private clinic for private patients, removing equal access to medical services or 3. The private owner may entirely exclude the building from being part of the future development of the Old School Farm Site all of which can cause undue hardship to the community as a loss of amenity.

Referencing Huon Valley Council document the expressions of interest lease of building and car park – closing 30 November 2016

Expressions of interest are invited for the leasing of the building and car park located as part of a larger lot at 14 George Street, Cygnet Tasmania 7112. The building is a purpose built medical centre and is only suitable for this purpose. It is a condition of lease that the building be used on a full time and permanent basis as a medical centre offering primary health care services including the provision of allied health services as well as a training site for medical students and interns.

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Author: Subject:Note: Date:2/03/2019 2:31:32 PM

Depreciation affects the capital growth of the asset over time. Councilors have been provided with depreciation values and the working life expectancy of the building.

Author: Subject:Note: Date:2/03/2019 4:41:10 PM

Council needs to be objective in considering the needs of the community and any impact of interests of businessess. Retaining an asset for private business to benefit from in the future could place Council at a commercial disadvantage.

Author: Subject:Note: Date:2/03/2019 2:30:06 PM

This question is not relevant to the issue of objecting to the sale of public land and is taking the statement from the Media Release out of context.

Author: Subject:Note: Date:2/03/2019 4:41:27 PM

The medical centre is already being run by a private operator. In the future Council would not be in a position, unless there is full cost attribution (likely causing running of the centre at a significant loss) to run the medical centre as long as there are other providers in the area.

Author: Subject:Note: Date:2/03/2019 4:44:59 PM

This suggestion does not explain how the community would lose access to the amenity by reason of excluding the centre from development of the surrounding land. The medical centre will still be available for use based on this suggestion.

A lease is offered for an initial term of 5 years however this may be extended without the requirement of calling for expressions of interest in the future.

Note the building is described as 'purpose built medical centre' and is only used for this purpose, with the lease being provided for the building to be fulltime use on a 'permanent basis as a medical centre' offering 'primary health care services'.

The present tenants are only into year 3 of a 5 year lease, so calling for expressions of interest is unfair to the other local medical providers who also tendered interest in 2016 because they would have rightly assumed that the lease was not due to finish until 1922 or beyond. Presently working within the limits of their current premises and having made their business plan around these dates. The premature calling of expressions of interest and possible sale of the Cygnet Medical Centre is disadvantaging these health care providers, due to the limited timeframe of application and unexpected action of calling for expressions of interest during a lease term. The present tenants are the best advantaged to submit an EOI. It is not competitive neutrality on the part of the Huon Valley Council to have commenced this process and with such limited community consultation preceding it.

I believe that the Huon Valley Council should maintain ownership, and fulfill obligations agreed to with the Commonwealth Government of providing medical services, as part of the grant enabling the centre to be built. With steady population growth in Cygnet and surrounds, I doubt the situation would arise where the centre would not be able to rented. It is a loss of face by the Council to try and divert their agreed obligations. It would the current tenants give notice or request to break a lease then proper procedural would need to be followed and the centre advertised for rent. A commercial lease should have these safeguards to prevent financial loss to Council?

The potential sale and disposal of the Cygnet Medical Centre is akin to the idea of selling the Cygnet Town Hall, which has the words 'public building' inscribed into it façade. This building has serviced the community needs already for over a century. The Cygnet Medical Centre in its short operating life has seen the passing of two HVC general managers, and is now facing the decision of requesting EOI with the view to being sold. This decision was made unchallenged by an interim commissioner, who is not living in the community. The only way that the Huon Valley Council can ensure the long term health and well being of the community is to continue owning the building. Any potential buyer will work and eventually retire, with the building then changing hands over time. The only way the Huon Valley Council can ensure that medical services are always provided to the Cygnet community and surrounding areas is to maintain ownership of this public asset.

Author: Subject:Note Date:28/02/2019 3:20:19 PM
The business interests of "other local medical providers" cannot be considered without the consent of the business.
Basing a decision around the interests of a business is not objective and could place Council at a commercial disadvantage.

Author: Subject:Note Date:28/02/2019 3:24:23 PM
Council needs to obtain a commercial rent for the premises in accordance with the Lease Policy. Limited market demand for that type of commercial lease would affect the Council's ability to obtain commercial rent at valuation.

Author: Subject:Note Date:05/02/2019 2:46:48 PM
Council cannot ensure the long term health and wellbeing of the community, it can promote these things but to place an onus on Council to such a high standard as ensuring, is impossible as it is inconsistent with legal and government systems.

From: [Redacted]
Sent: Tuesday, 19 March 2019 3:20 PM
To: 'Huon Valley Council'
Subject: Objection Cygnet Medical Centre - Sale of Public Land and Expressions of Interest - Closing 22 March 2019

Dear Sir or Madam

I write as a Ratepayer in the Huon Valley to express my objection to the proposed EOI and potential sale of the Cygnet Medical Centre and adjoining land.

My objections are based on:

1. At the September 2018 HVC Meeting Commissioner Taylor advised "The Council engages an independent probity officer to conduct the expression of interest process and make recommendations to the Council for a decision in relation to the expression of interest". To my understanding this has not been undertaken. An employee of the HVC can in no way be considered "independent" 
2. At the October 2018 HVC meeting Mayor Enders advised the situation that occurred with the sale of the land in Dover "would not happen again". There has been no further consultation with the community about the sale of the Cygnet Medical Centre until the meeting on the 14th March 2019. This meeting was held 14 days after the EOI was already called. This is not proper consultation. 
3. The matter of the sale has not been included in any HVC agenda in the months since September 2018. This matter should first be raised with our sitting Councillors before this resolution is enacted on. If for no other reason than transparency. 
4. I would like to see a motion at the next Council meeting that asks the question should HVC be disposing of our Ratepayer assets, and in this case the Cygnet Medical Centre without full and proper community consultation. 
5. There appears to be no business case made for the sale. What is wrong with continuing the lease, and then extending until 2032. Is the centre costing Ratepayers money under the current arrangement, or is there a return on the investment? 
6. If the current lessee is paying market rate rental for the centre then there cannot be any concern about competitive neutrality. The tenant is occupying premises at no advantage to any other similar practice in Cygnet. 



Author: SubjectNote Date:26/03/2019 3:32:05 PM
 An independent probity officer has been appointed. The probity officer is not an employee of Council.
 Author: SubjectNote Date:26/03/2019 3:32:46 PM
 This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
 Author: SubjectNote Date:26/03/2019 3:32:05 PM
 This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
 Author: SubjectNote Date:26/03/2019 3:32:12 PM
 This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
 Author: SubjectNote Date:05/05/2019 4:45:10 PM
 This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold as there is no argument for or against the potential sale.
 Author: SubjectNote Date:05/05/2019 4:50:04 PM
 This does not make any argument for or against the potential sale.

Author: Subject:Note Date:8/05/2019 4:58:58 PM
Public interest involves considering responsibility over financial, economic and commercial matters. If Council is placed at a commercial disadvantage by revealing its commercial position to potential lessees, purchasers or competitors indirectly via community consultation, it cannot ensure that the community in receiving value for money in terms of asset management.

Author: Subject:Note Date:8/05/2019 5:00:18 PM
If there is sufficient population and demand for services, private operators are likely to invest in the community to provide services.

Author: Subject:Note Date:8/05/2019 5:09:59 PM
There is no requirement to repay the Federal Government if the Federal Government approves the purchaser.

Author: Subject:Note Date:28/03/2019 3:48:52 PM
Council cannot take into account the interests of a business when making a decision.

From: [Redacted]
Sent: Wednesday, 20 March 2019 2:15 PM
To: hvc@huonvalley.tas.gov.au
Subject: Objection to sale of Cygnet Medical Centre

General Manager

As a resident of Cygnet I am lodging an objection to the sale of the Cygnet Medical Centre under section 178 of the Local Govt Act

The reasons for my objection , being not in the public interest, are....

1..The community of Cygnet was never consulted, or indeed even made aware , that the HVC was intending to sell Cygnet Medical Centre until after a proposal for sale , including the preferred buyer, was lodged at the sept 2018 council meeting. I assert that it is not in the public interest for a lessee of a HVC facility to approach HVC to purchase that facility without any public consultation. The Cygnet Medical Centre is held by the HVC for and on behalf of the residents of Cygnet and no attempt was made to gauge the publics views concerning this sale.
Even now in March 2019 the HVC is pursuing with the sale irregardless of what Cygnet residents want.

2.. The Cygnet Medical Centre is a first rate medical centre far surpassing anything else in the private sector in Cygnet. To sell this to one provider seriously dampens competition now, and into the future, as no new interested medical provider could hope to commercially compete with this centre. It will have the effect of stifling competition by monopolising medical services which is not in the public interest. Open competition is in the public interest.

3.. The HVC earns an income from this medical centre which it uses to supplement council works. A proportion of any money from a sale will have to be shared with the Federal Govt being the source of the original grant.The sale will forgo all this income into the future which would be clear profit to the HVC. This is not in the best interests of the residents.

4.. The proposal to sell makes the point that a sale would remove the HVC from the prospect of having to themselves supply medical services if the current lessee was to somehow not be able to continue with their lease. They make the point that this is in the public interest. I ask if this sale goes through and the successful buyer was to go bankrupt and was then unable to trade as a medical centre what would become of our medical centre? Being unable to trade ,all services would cease immediately. What would become of our centre? Either we would loose it completely or the HVC would have to step in and rescue it, which is counter to the reason for selling in the first place. Or a new provider could possibly be found , and if so, why does the HVC proclaim this to be a possible problem.To put it more simply..if it is possible to arrange for a new provider to take over then it defeats the main reason for selling the centre in the first place. I assert that it is in the public interest to retain ownership of this wonderful resource so HVC can be proactive to any events in the future , not reactive.

5.. The Cygnet Medical Centre ,by far, surpasses any other medical facility in Cygnet . For the HVC to remain as the landlord it helps to keep competing medical providers on a more equal footing. If one provider was to acquire this centre it would seriously put other medical providers at a great disadvantage. It would be instrumental in helping monopolising services in the new owners favour. This is definitely not in the public interest. The public interested is best observed by the HVC being a neutral observer in the provision of medical services, not favouring one over the other.

Kind regards

This page contains no comments

From: [REDACTED]
Sent: Wednesday, 20 March 2019 2:47 PM
To: hvc@huonvalley.tas.gov.au
Subject: Cygnet Medical Centre Att: General Manager

Hi

Objection to potential sale of HVC-owned Cygnet Medical Centre

I wish to register my objection to any action by Huon Valley Council that might end up resulting in the sale of the Cygnet Medical Centre (CMC), owned by HVC — and, therefore, the people of the Huon Valley — to private interests.

The CMC was paid for by federal money (I think \$1.01 million) on the condition that it would be run as a medical centre until 2032.

Therefore, sale of the CMC to private interests (as HVC apparently intends) would no longer guarantee that the assurance council gave the Federal Government to maintain it as a medical centre until 2032 could be fulfilled.

There are many reasons the CMC should not be sold, including:

- The guarantee to maintain it as a medical centre until 2032, if sold into private hands, could not be honoured. [REDACTED]
- The CMC is leased from council until 2022 at a market rental and at no cost to council (by the GM's admission at the public meeting at Cygnet on Thursday, March 14, 2019). [REDACTED] Therefore, council has a steady source of revenue while retaining ownership of the structure and the land it stands upon.
- Because council is charging a market rental, and, therefore, because it is not actually running the medical centre, the question of "competitive neutrality" does not arise. [REDACTED]

Author: SubjectNote Date:28/03/2019 3:51:53 PM
This is incorrect and correct information has previously been provided. The Federal Government will not allow a transfer unless the conditions are maintained.
Author: SubjectNote Date:28/03/2019 3:56:27 PM
The GM advised at the session that details of the rental were not available but confirmed that commercial rent is reserved. Details of depreciation and costs to Council have been provided to Councilors.
Author: SubjectNote Date:28/03/2019 4:00:03 PM
The risk identified is if no providers are willing to operate out of the centre and the Council has to resume services which would likely be impacted by competitive neutrality.

- The steps taken by council management are based on a motion passed at the September 2018 council meeting by the then State Government-appointed commissioner. This is, therefore, a matter that should be put back on council's agenda now that it has a fully elected council — and it certainly should not be proceeded with without further reference to council at an open council session.
- The medical centre is on a large piece of land (not yet subdivided to my knowledge) owned by council (therefore the community), the future of which has not yet been settled. Selling off the centre and that piece of land on which it stands could, therefore, prove unwise should it later be seen that it would have been an advantage for council to still own the structure, either as a medical centre, or, after 2032, for some other purpose, such as, a structure like the West Winds Centre at Woodbridge.
- Should council somewhere down the track find itself requiring land in the heart of Cygnet, it would have to pay much more for that land than it would get today for the Cygnet Medical Centre and the land upon on which it stands.

Yours faithfully



22 MAR 2019

File No: 19/76 7530242

SPR ID: 1

March 13th

To the Huon Valley Council
Dear Councillors,

I am very disappointed to find the new council displaying such limited vision in regard to the proposed sale of the medical centre site in George St. What a wasted opportunity. Given the current joint struggles statewide to provide adequate health care and low cost accommodation, the reasoning behind the proposal says little for an ability to fully comprehend current and future needs of this growing community. If the Council is unable financially to take action on the land it holds adjacent to the medical centre for communal benefit, then at least retain ownership with a view to supporting development that meets a variety of needs that support the well being of the Cignéet community. 

That is what being a responsible governing body is all about.

Yours Sincerely

21/3/19

HUON VALLEY COUNCIL
Action Officer Legal

HUON VALLEY COUNCIL

22 MAR 2019

19/76 7830242 21 MAR 2019

THE GENERAL MANAGER
HUON VALLEY COUNCIL

RE: PROPOSED SALE OF CYGNIFT MEDICAL CENTRE
GEORGE STREET CYGNET.

I OBJECT STRONGLY TO THE PROPOSED SALE OF THE CYGNET MEDICAL CENTRE (CMC). THIS PROPERTY IS PUBLIC PROPERTY SERVING THE PEOPLE OF CYGNET; IT IS A VALUABLE ASSET OF COUNCIL WITH LONG TERM FINANCIAL BENEFIT TO THE COMMUNITY. 

THE HUON VALLEY COUNCIL (HVC) FACT SHEET SAYS THAT THE CMC IS "OWNED BY COUNCIL BUT IS NOT OPERATED BY COUNCIL." THEREFORE, IN MY OPINION, IT IS DISINGEREROUS OF HVC TO SAY IT DOES NOT WANT TO INTERFERE "IN THE PROVISION OF SERVICES BY LOCAL BUSINESSES." MAINLY, THERE IS NO INTERFERENCE AT ALL AS THE HVC ACTS SOLELY AS A LANDLORD BY PROVIDING PREMISES FOR AN INDEPENDENT PRIVATE COMMERCIAL BUSINESS TO CARRY ON ITS BUSINESS IN COMPETITION WITH OTHER LOCAL PROVIDERS. HVC OWNS THE BRICKS AND MORTAR, IT DOES NOT OWN OR OPERATE THE BUSINESS FROM THOSE PREMISES, THEREFORE, HVC IS NOT BREACHING ANY COMPETITIVE NEUTRALITY PROVISIONS.

IF COUNCIL HAD VOTED NOT TO SELL IN SEPTEMBER 2018 THEN HVC WOULD CONTINUE TO OWN THIS ASSET WITH VERY LITTLE

②

RISK OF ANY DEFAULT OF ITS COMMONWEALTH OBLIGATIONS. THE CURRENT LESSEES HAVE DEMONSTRATED A STRONG AND ON-GOING COMMITMENT TO THE VALLEY EG NOT ONLY MEDICAL SERVICES AT THE CMC BUT ANCILLARY SERVICES AT A MUCH SMALLER LOCATION IN CYGNET, AND MORE, THEIR RECENT EXTENSION INTO SERVICES AT HUNTON REGIONAL CARE (ELDERCARE). SERVICES AT CMC ARE ~~IN~~ LITTLE OR NO RISK OF ENDING.

IF A RISK EXISTS, IT COULD OCCUR AFTER A SALE WHEREBY THE NEW OWNER DEFAULTS, OR SIMPLY BUYS OUT ~~ITS~~ OBLIGATIONS AND IS THEN ABLE TO SELL ON THE OPEN MARKET FOR WHATEVER USE.

CMC IN ITS CURRENT FORM OR POSSIBLE RE-DESIGN WILL BE A VALUABLE ADJUNCT TO ANY FUTURE HVC DEVELOPMENT ON THE ADJOINING LAND. SHORT TERM GAIN MUST NOT DISADVANTAGE THE COMMUNITY IN THE LONG TERM.

PACAPACASING AMERICAN HISTORIAN BARBARA W. TUCHMAN, THE HVC REFUSES TO DRAW THE RIGHT CONCLUSIONS FROM THE EVIDENCE (MUCH COMMUNITY DISQUIET/OPPOSITION TO THE SALE OF PUBLIC PROPERTY AT DOVER) AND SEEMS TO BE ADDICTED TO COUNTER-PRODUCTIVE ACTIONS BY THIS CURRENT PROPOSAL  WITHOUT PUBLIC CONSULTATION.

SADLY, COMMENTS BY THE GENERAL MANAGER AT THE FIRST COUNCIL MEETING ~~WAS~~ ^{OF} BY THE NEW COUNCIL HAVE NOT BORN FRUIT. AT THAT MEETING THE GM SAID THAT THE HVC HAD LEANT ITS LESSON IN THE

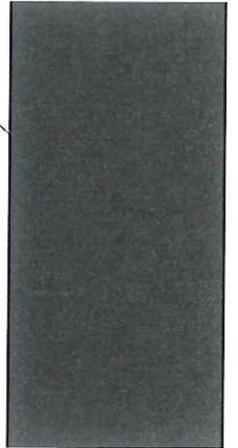
③

DOVER AFFAIR (RELYING ON OLD RESOLUTIONS AND NOT UTILISING A FRESH APPROACH). HISTORY DEFINITELY REPEATS ITSELF. TO RELY ON A DECISION OF THE OUT-GOING ADMINISTRATOR AND NOT TO RE-INTRODUCE IT WITH THE NEW COUNCIL WAS LESS THAN OPEN AND TRANSPARENT ACTION.

WHY HAS HVC NOT PUBLISHED ITS ANNUAL LEASE INCOME. SURPRISINGLY, THE GM DID NOT ADVISE THE PUBLIC MEETING AT CYGNEY LAST WEEK, ~~APPE~~ EXCEPT TO SAY IT WAS AT COMMERCIAL RATES. THIS INFORMATION WILL EVENTUALLY COME TO LIGHT AND THE PUBLIC WILL SEE WHAT A VALUABLE YEARLY INCOME IS TO BE FORFEITED FOR SHORT TERM GAIN.

I STRONGLY URGE COUNCILLORS WHO MAY READ THIS SUBMISSION TO RECALL THE RESOLUTION TO SECC BY EOI AND TO KEEP THIS PROPERTY IN HVC HANDS. FOR THIS AFFAIR TO HAPPEN SO SOON AFTER DOVER (NO LESSONS LEARNT / SAID IT WOULD NOT HAPPEN AGAIN) IS SHEER FOOLY ON THE PART OF HVC.

Yours sincerely,



To the General Manager,
Huon Valley Council,
40 Main St
Huonville

Dear General Manager,

Re Proposed sale of Public Land at 14 George Street Cygnet

Objection to the sale of public land at 14 George Street Cygnet

I strongly object to the sale of public land at 14 George Street Cygnet.

The proposed sale of public land should not be considered unless there is demonstrated strong support from the local community and quantitative evaluation of the proposal, not simply based on a recommendation from council staff. Details of all financial and social consequences of the proposed sale must be made available to the public so that they have full knowledge on which to respond to the sale proposal.

Introduction

Land is not an asset that can be replaced. Public land, especially in such a strategic position, is a unique asset and should be kept in public ownership. The site on which the Cygnet medical centre was built is integral to Cygnet's future development. It is adjacent to the Cygnet Children's Centre, situated between the two schools and with easy walking distance of the centre of the township. The potential development of the adjacent Old School Farm site to provide inclusive housing, recreation and support for a healthy community should allow for full integration of the medical centre into the development during the planning and construction phases. An example might be the construction, close to proposed independent living units on the Old School Farm site, of a respite centre and/or a small palliative care unit and/or a hydrotherapy pool as an extension of the existing medical centre complex. These facilities would complement the excellent emergency room that is already part of the facility. Such initiatives should not be left to the discretion of private enterprise or constrained by land ownership.

Background

The application for funding to build the medical centre was prepared by Huon Valley Council staff and the grant received from the Commonwealth government was more than \$1 million. There was inadequate consultation with medical practitioners in Cygnet at the time. The medical centre was initially run by council staff who did not appear to have the necessary experience to manage such a facility. It appeared that the pay structure for medical staff was not conducive to doctors staying there, and the high turnover of doctors resulted in confusion and distrust among patients. Despite the problems the Cygnet medical centre was run by the council on a "break-even" cost basis (see HVC Annual Report 2016-2017). It was a valid decision by the council to lease the premises to a private medical practice in February 2017

Author: Subject:Note, Date:8/05/2019 5:04:37 PM
Insight on the impact on social aspects are to be gleaned from the objection process. Unfortunately the objections have not raised that evidence. Financial details have been provided to Councillors on a confidential basis to make a decision.
Author: Subject:Note, Date:2/07/2019 4:13:48 PM
The Medical Centre has been developed with the support of the community. There is no intended future development of the Medical Centre.
Author: Subject:Note, Date:2/07/2019 4:15:37 PM
The ownership of the medical centre will not impact or hinder such proposals.
Author: Subject:Note, Date:8/05/2019 5:06:40 PM
There was adequate consultation with medical practitioners. Council cannot control decisions made by practitioners which shows how vulnerable Council is when responsible for operating the centre.

for five years so that it could be run efficiently for the benefit of the Cygnet community. However, the fact that the current lessee is successfully running the facility does not mean that the council should sell the medical centre.

In the HVC Q&As sheet there is a statement that "the centre is not just a council asset, it is also an asset of the Federal Government in the sense that they have the final say over whether it can be sold". If the Medical Centre were sold, would the funding provided by the Federal Government be returned to it?

On February 27th the council endorsed eight principles for good governance – see list at end of this submission.

Reference to council's **Strategic Plan 2015 – 2025** also supports the role of council in planning for the future and providing benefits for the community.

Huon Valley Strategic Plan 2015 – 2025 – Characteristic 1 – Population

Characteristic and Trend Measures include *rate of increase of the population and demographic profile diversity*

Have these trend measures been assessed for the Cygnet population before consideration of the sale of the Cygnet medical centre? Such an analysis is an essential prerequisite to important decisions that will affect the long term health and wellbeing of the community. 

Huon Valley Strategic Plan – Characteristic 8 – Health and Safety Services: Council's strategic stance is to intervene and as necessary facilitate services on a break-even cost basis.

In 2011 council determined that medical facilities in Cygnet were inadequate and intervened to seek Commonwealth Government funding for the Cygnet medical centre. The funding application was successful in obtaining a grant of more than \$1 million and the purpose-built medical centre that was constructed is far superior to any other premises available to a medical practice in Cygnet.

If this facility were to be lost to the community in 2032 (ie in 13 years) due to its sale to a private business in 2019, how would the council then intervene and/or facilitate medical services for the Cygnet community after having received the funding from the  Commonwealth government in 2011?

It is important that a strategy for future development of Cygnet be developed so that subdivisions do not take over valuable agricultural land and cause "urban sprawl". Housing that is appropriate to a variety of the Cygnet community's needs, that is well-designed, energy efficient and attractive has been proposed through a consultation process that was conducted by the Cygnet Association in 2018. Integration of the medical centre with any future sustainable development on the Old School Farm site could not be assured if the land is transferred to private ownership. For example, respite care, a small palliative care unit and/or ancillary services including a hydrotherapy pool could be included on the publicly owned site, and integrated with services available from all Cygnet's health service providers.

Author: Subject: Note: Date: 28/02/2019 4:22:37 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument that the decision to sell would affect the long term health and wellbeing of the community.

Author: Subject: Note: Date: 28/02/2019 4:23:16 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument that there would be any need for the Council to intervene.

Author: Subject: Note: Date: 28/02/2019 4:24:18 PM

This is an irrelevant point as the land is not agricultural land, nor is it adjoining agricultural land.

Author: Subject: Note: Date: 05/02/2019 5:42:03 PM

These concepts would require funding and Council has limited resources. Integration of development or even development of those services by Council is not assured irrespective of whether Council owns the land.

September 2018 – Report to Council

In the report presented to the council by the Director of Legal and Governance Services in September 2018 it was stated that the third option (to run an EoI process for the purchase of the medical centre with the contingency that a purchaser must take over the obligations under the funding agreement on conclusion of the current lease in 2022) “cannot be undertaken until 2022”. Nevertheless the process is being undertaken now, in 2019.

- How can the EoI process be undertaken with three years of an existing lease still in place?

Questions

Cygnets’s population appears to have an increasingly older cohort as retirees move into the area. Has this changing demographic been documented by the council?

Why is there urgency for making the decision to sell the medical centre since the current lease runs until 2022?

This urgency is indicated by the concurrent advertising of the EoI before the council has made the decision to sell the land. This could result in considerable waste of time and resources by all organisations that prepare EoIs if the council, or the Resource Management and Planning Appeal Tribunal, then decides it is not in the best interests of the Cygnets and wider community to sell the public land.

Financial reporting on Cygnets medical centre

Very little information is available to the public regarding the Cygnets medical centre and this raises the following questions:

What was the total amount provided to the council through the grant from the Commonwealth Government in 2011-2012?

What was the total cost of providing and commissioning the medical centre in 2012?

There does not appear to be any record of the rent paid to council for the lease of the medical centre either in the 2018 - 2019 Budget or in the 2017 – 2018 Annual Report. The costs to council for property and public liability insurance, depreciation and all ongoing maintenance arising from wear and tear which includes medical equipment, as described in the HVC “Information Session Q&As” (p.2) also need to be made public. What are those costs?

- Why is there no reference to the financial status of the medical centre in either the Annual Report 2017 – 2018 or in the budget June 2018?
- What is the annual rent being paid for the five year lease of the medical centre? Is the amount being paid for the lease consistent with competitive neutrality principles?

Author: SubjectNote Date:28/03/2019 4:29:34 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnets should be sold.

Author: SubjectNote Date:28/03/2019 4:30:39 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnets should be sold. That is because it raises a question but does not provide any evidence or argument that the decision to sell would affect the changing demographic.

Author: SubjectNote Date:15/04/2019 12:49:04 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnets should be sold.

Author: SubjectNote Date:28/03/2019 4:32:26 PM

This information is publicly available, see attachment to report.

Author: SubjectNote Date:15/04/2019 12:49:55 PM

This information is publicly available, see report.

Author: SubjectNote Date:28/03/2019 4:34:15 PM

This information has been provided to Councillors on a confidential basis.

Author: SubjectNote Date:28/03/2019 4:35:01 PM

The Council is no longer operating the medical centre as a significant business activity.

- Was the proposed site valued at \$83,000 (not \$8,300 as in "Information Session Q&As") and why was the subdivision of the land on which the medical centre is situated not completed when the building was completed, or at any time since, especially as it was included in the HVC Land Strategy, if it was intended to sell the property? This indicates that the council had not developed a plan to sell the land. 
- What is the value of equipment donated to the medical centre (including the emergency room) because it is a publicly owned facility maintained by HVC? 
- How much could be borrowed over a ten year period using the rental income to finance infrastructure for other projects in Cygnet? 
- Has the council applied for other grants from Commonwealth or State governments for infrastructure in Cygnet since the 2010 Cygnet Township Plan was endorsed by the council? 
(Note that the carpark behind the Town Hall was financed by transfer of funds that had previously been allocated for underground power).
- Was the proposal discussed with the councillors who were elected after the decision was made in September 2018 by Commissioner Taylor before the advertising of the sale of the land and the EoI process, and was it brought to council's Health and Wellbeing committee? 

The report presented by the Director of Legal and Governance Services in September 2018 made constant reference to the potential financial risk to the council through leasing the medical centre, although there was no assessment of the risk to council through a risk matrix. There was no reference to community wellbeing or the best interests of the Cygnet community. 

Under the contractual agreement between the council and the Commonwealth Government, the council's obligation is to maintain medical services at the site for 13 years, until 2032 even if it site were sold to a private practice. However, it is critical to realise the risk that sale the Cygnet Medical Centre could result in loss of the facility to the public after 2032, resulting in undue hardship to the community because there is no similar purpose-built facility to provide medical services in Cygnet. 

Governance

My experience as an elected member of the Huon Valley Council from 2002 to 2016 was that, among staff at the council, a culture of secrecy and resistance to change persisted, resulting in poor standards of governance, with the majority of staff and councillors appearing to believe that this lack of accountability was acceptable, perhaps through ignorance of the higher standards now required of those providing services in local

- Author: Subject:Note: Date:29/03/2019 4:37:29 PM
The implementation of the land strategy was placed on hold by the newly elected Council. The estimated value was based on the land size compared to the rest of the 2,457 hectares on the same title. 
- Author: Subject:Note: Date:29/03/2019 4:38:36 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument. 
- Author: Subject:Note: Date:29/03/2019 4:39:27 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument. 
- Author: Subject:Note: Date:29/03/2019 4:39:57 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument. 
- Author: Subject:Note: Date:29/03/2019 4:54:36 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument. 
- Author: Subject:Note: Date:29/03/2019 4:44:31 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument that the decision to sell would affect the wellbeing of the best interests of the Huon Valley community. 
- Author: Subject:Note: Date:29/03/2019 4:42:35 PM
This statement is incorrect as the obligation is relieved if sold to a private practice. 
- Author: Subject:Note: Date:05/05/2019 5:17:39 PM
There is no evidence or argument in this objection of any hardship or undue hardship. 
- Author: Subject:Note: Date:29/03/2019 4:44:09 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. 

Author: Subject:Note Date:29/03/2019 4:44:46 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
Author: Subject:Note Date:29/03/2019 4:45:25 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
Author: Subject:Note Date:29/03/2019 4:46:10 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
Author: Subject:Note Date:15/04/2019 12:53:11 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.
Author: Subject:Note Date:29/03/2019 4:47:40 PM
This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold.

government through public funding and those elected to public office. This resulted in low levels of trust in the council by a large sector of the community.

The election of a progressive mayor, Peter Coad, in 2014 was a direct result of the poor opinion of the council held by the majority of residents.

Board of Inquiry

Following his election the new mayor found it impossible to work with a general manager who consistently withheld information that he required to do his job. Eventually, in 2015, the Minister for Local Government set up a Board of Inquiry. The resulting report dealt in some detail with the relationship between the mayor and the general manager but, in my view, not with the systemic problems of poor governance within the council.

Commissioner 2016 – 2018

The Minister for Local Government appointed a commissioner, Mrs Adriana Taylor, in October 2016 and the then general manager left the council in November 2016. There was hope that high levels of transparency and accountability in decision-making would result, and there would be a fresh start for the Huon Valley.

However, since early 2017 there have been three outstanding examples of poor governance regarding land acquisition and sales that have apparently been made either on the recommendation of staff or solely by staff, with inadequate community involvement, despite the council's endorsement of the Good Governance Guide. These have been:

- The purchase of a building in Main Street Huonville in April 2017 for a Visitor Information Centre without any options paper having been provided to a council meeting to justify the expenditure of more than \$1 million of council's reserves and to explore whether it would be more viable to rent premises in Huonville or buy a building, given the changing nature of the tourism industry and the visitor information centre available at Geeveston.
- The sale of five acres of land at Dover in October 2018 by private sale without any consultation with Dover residents. The land was reportedly sold for an amount lower than the valuation, despite a council resolution in 2005 that it be sold by public auction and for not less than valuation. The land had been rezoned by the council without contacting those who had successfully appealed to RMPAT against the rezoning in 2006.
- This proposed sale of the Cygnet medical centre without prior consultation with key stakeholders and residents in the Cygnet community and no inclusion of statements of the potential benefits or detriments to the community in the report to the council by staff in September 2018.

These are examples of poor governance, especially in relation to land, an asset that is of crucial importance to the community.

Conclusion

The role of the elected members is to act in the best interests of the community. Therefore it is important that the report to council in September 2018 be fully re-evaluated, taking into account all comments made by community members in response to the proposal to sell the Cygnet medical centre.

As outlined above the sale of the Cygnet medical centre into private ownership would not guarantee the availability of medical services at the site for more than 13 years. This could result in undue hardship due to the loss of access to, and the use of, public land beyond 2032. There is no other publicly-owned, modern, purpose-built medical facility in Cygnet that would be available to community members.



Eight statements of Good Governance

- (1) *Good governance is accountable – Accountability is a fundamental requirement of good governance. Local government has an obligation to report, to explain and be answerable for the consequences of decisions it has made on behalf of the community it represents and serves.*
- (2) *Good governance is transparent. People should be able to follow and understand the decision-making process. This means that they are able to clearly see how and why a decision was made - what information, advice and consultation a council considered, and which legislative requirements (where relevant) a council followed.*
- (3) *Good governance is law-abiding. Decisions must be consistent with relevant legislation or common law, and be within the powers of local government. In Tasmania the principal legislation for local government is the Local Government Act 1993 (the Act).*
- (4) *Good governance is responsive. Local government should always try to represent and serve the needs of the entire community while balancing competing interests in a timely, appropriate and responsive manner.*
- (5) *Good governance is equitable. A community's wellbeing depends on all of its members feeling that their interests have been considered by their council in the decision-making process. All groups, especially the most vulnerable, should have opportunities to participate in the decision-making process, and all groups should be treated equally by their council.*
- (6) *Good governance is participatory and inclusive. Anyone affected by or interested in, a decision should have the opportunity to participate in the process for making the decision. Participation can happen in several ways – community members may be provided with information, asked for their opinion, given the opportunity to make recommendations or, in some cases, be part of the actual decision-making process.*

Author: SubjectNote Date:05/01/19 5:20:44 PM
There is no evidence or argument in this objection of any hardship or undue hardship.

Author: SubjectNote Date:28/03/2019 4:52:21 PM
This is a consideration that should be factored in by Council and consideration of whether similar facilities of a similar value and quality should be made available to all townships in the Huon Valley.

This page contains no comments

(7) Good governance is effective and efficient. Local government should implement decisions and follow processes that make the best use of the available people, resources and time, to ensure the best possible results for their community.

(8) Good governance is consensus-oriented. Whenever possible good governance involves taking into account the different views and interests of the municipality to reach a majority position on what is in the best interests of the whole community, and how it can be achieved.

This page contains no comments

From: [REDACTED]
Sent: Friday, 22 March 2019 10:00 PM
To: hvc@huonvalley.tas.gov.au
Subject: Sale of Public Land 14 George St, Cygnet.

I wish to make an objection to the sale of the public land at 14 George Street, Cygnet, pursuant to section 178 of the Local Government Act 1993.

I am not at all convinced that it is in the public interest to sell off a very valuable public asset to a private buyer, especially as it is currently used by the community as a medical facility and once privatised costs would inevitably rise. Lease or rental income should be for the council/ ratepayers benefit. The council is not competing with private enterprise by owning the land the business is on, it is safeguarding the ratepayers and councils future income.

Yours sincerely,

[REDACTED]
Sent from my iPad

Author: Subject:None Date:15/04/2019 11:06:35 PM
That is not presently a specific requirement but a sale will be an opportunity to secure allied health services as part of the obligations with the Commonwealth.

From: [REDACTED]
Sent: Friday, 22 March 2019 11:04 PM
To: hvc@huonvalley.tas.gov.au
Subject: Proposed sale of Cygnet medical centre building

Re: Proposed sale of The Cygnet Medical Services building at 14 George Street, Cygnet

I am writing to state my objection to the rushed sale of this building and ask that the expression of interest process be halted pending comprehensive community consultation.

I am concerned that sale of the building will not be in the Cygnet Community's best interest.

It is my understanding that the building was built on council land with funding from a Federal Government Grant. The intention of the grant was to improve access to all aspects of primary health care in a rural and remote community. To meet this intention HVC has committed to various conditions as to how the building is used and the same conditions are passed on to any tenant. Following sale of the building how will use be guaranteed? What will happen if the purchasing Medical Practice wishes to cease trading of move out of Cygnet? Will they be committed to selling to another medical practice and if there is no interest from another medical practice does Cygnet loose a health facility. The current conditions of use include obligation to facilitate access to various allied health services, for example space for psychology, podiatry and physiotherapy. How will these same conditions be enforced following sale?

What is the incentive for HVC to sell? HVC has stated sale of the medical centre building is in the interest of ensuring fair competition between medical practices and infers that by maintaining ownership unfair advantage is given to the leasing medical practice. However, it would appear, that the same but now permanent advantage is given on sale of the building. In addition, an expression of interest process will determine the best price a medical practice is able and willing to pay but this may not reflect the real value of the state of the art and purpose, built facility.

Yours sincerely

[REDACTED]

RE: Objection to proposed sale of Cygnet Medical Centre/Expressions of Interest Process

I strongly object to the potential sale of the Cygnet Medical Centre, George St., Cygnet. I do not believe that Huon Valley Council are acting in the public interest for the following reasons (which I have related to the 4 reasons HVC give for this sale being in the public interest)

1. The community's use of and access to the facility would be secured to 2032 or beyond.

This building is a purpose built medical centre, a community asset, so selling it is privatisation of a community asset. There is an expectation within the community that the Cygnet Medical Centre will remain as a permanent fixture on the future development site at Old School Farm. It is part of this 'parcel' of public land.

There is already a caveat to provide medical services to 2032

The other medical service providers in Cygnet are housed in much older buildings it is important to ensure the most modern medical facility remains available for Cygnet into the future. It seems obvious to community members that the best way to ensure this is for our local council - HVC- to retain ownership of the Centre and ensure it is leased to the most able and appropriate provider. This is in the public interest.

2. There are several other medical services providers in the Cygnet community that provide those service

There is one other service provider with a surgery that provides a similar range of services, and one mobile Doctor. SETAC provides a limited service to a particular sector of the community - it is not usually open to everyone. This does not constitute 'several other medical service providers that provide these services.'

3. Council would not be competing with local businesses in the Cygnet community.

This point is lost on me. At present the HVC allow a private company to lease a council building as long as they provide medical services. There is no reason for this to change. Council should retain a valuable grant funded building and piece of community land while also benefiting from the lease income. Was Council competing with local businesses by leasing to The Huon Valley Health Centre? There is, as you say, another Doctors surgery, plus a couple of less accessible other providers. Were these other providers making complaints that HVC were competing with them?

4. Council could refocus resources to further the development of the Cygnet community.

There is a strong feeling within the Cygnet Community that the public land on which Cygnet Medical Centre is built must remain exactly that - public land. It is time for the Huon Valley Council to really listen to what the residents of Cygnet want - the people who live

Author: Subject:None Date:29/03/2019 4:58:08 PM

This is not relevant to the issue of whether the public land at 14 George Street Cygnet should be sold. That is because it raises a question but does not provide any evidence or argument.

here day to day. We do not want part of the Old School Farm land sold off to a private business, it belongs to our community and there is a great feeling that the community should have a significant say in what happens to that land. The whole process of asking for expressions of interest' part way through a 5 year lease understandably makes people feel something underhand is going on. Using this land to develop Cygnet? In what way and what say do we local people have in this in reality? 

And to conclude:

The present tenants are into year 3 of a 5 year lease, so calling for expressions of interest is unfair to the other local medical providers. (who also tendered interest in 2016,) because they would have rightly assumed that the lease was not due to finish until 2021 or beyond. They will have been working within the limits of their current premises, and making their business plans around much later lease dates. The premature calling of expressions of interest and possible sale of the Cygnet Medical Centre is disadvantaging other health care providers. Calling for expressions part way through the lease term and giving a very short timescale puts the other providers in an unenviable position. The present tenants are in a much better position to submit an EOI.

It is not competitive neutrality on the part of the Huon Valley Council to have commenced this process and with such limited community consultation preceding it.

This is **not** how the Huon Valley Council act in the public interest.

Huon Valley Council are ethically bound to maintain ownership, and fulfil their obligations, agreed to with the Commonwealth Government, to provide medical services, as part of the grant enabling the centre to be built.

With steady population growth in Cygnet and surrounds it is very unlikely the Centre would be difficult to lease in the long term.

Huon Valley Council are working **against** public interest (and wishes) with his present course of action.

The only way the Huon Valley Council can ensure that medical services are provided to the Cygnet community and surrounding areas into the future is to maintain ownership of this public asset, an obligation they agreed to to obtain government grants to build this Centre on public land. .

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2018

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus/(Deficit)	Assets
CORPORATE SERVICES-GENERAL						
2017 - 2018		10,999	10,999	3,941	7,058	11,692
2016 - 2017	2	12,596	12,597	3,457	9,140	11,729
LEGAL & GOVERNANCE-GENERAL						
2017 - 2018	10	302	312	1,425	(1,114)	
2016 - 2017	70	298	368	1,889	(1,521)	
ENVIRONMENT & DEVELOPMENT-GENERAL						
2017 - 2018	5	1,104	1,109	2,182	(1,073)	
2016 - 2017		971	971	2,063	(1,093)	
REFUSE DISPOSAL						
2017 - 2018		1,739	1,739	1,814	(75)	1,775
2016 - 2017	50	1,588	1,638	1,523	114	1,780
COMMUNITY SERVICES:						
RESIDENTIAL AGED CARE SERVICES						
CHILDREN'S & YOUTH SERVICES						
2017 - 2018	105	1,875	1,980	2,640	(660)	
2016 - 2017	223	1,190	1,412	1,528	(116)	
RURAL HEALTH						
2017 - 2018		294	294	724	(430)	
2016 - 2017	194	168	362	667	(305)	
MEDICAL SERVICES						
2017 - 2018	455	997	1,452	1,507	(56)	
2016 - 2017	128	1,447	1,575	1,802	(227)	
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2017 - 2018		359	359	4,816	(4,457)	185,232
2016 - 2017	751	93	844	4,486	(3,642)	185,811
STORMWATER						
2017 - 2018		328	328	314	14	1,926
2016 - 2017		302	302	270	32	1,932
INFRASTRUCTURE GENERAL						
2017 - 2018	46	32	79	1,630	(1,551)	
2016 - 2017	96	473	569	1,650	(1,080)	
OTHER - NON ATTRIBUTABLE						
2017 - 2018	5,085	459	5,544	2,348	3,196	61,250
2016 - 2017	5,217	656	5,873	3,203	2,670	61,441
TOTAL						
2017 - 2018	5,707	18,488	24,195	23,342	853	261,875
2016 - 2017	6,730	19,782	26,512	22,539	3,973	262,693

NOTE 6 NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME

	2017/2018 \$'000	2016/2017 \$'000
Roads, Footpath, Kerb and Land	-	-
TOTAL NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME	-	-

NOTE 7 INTEREST

	2017/2018 \$'000	2016/2017 \$'000
Interest on cash and cash equivalents	248	265
TOTAL INTEREST	248	265

NOTE 8 OTHER INCOME

	2017/2018 \$'000	2016/2017 \$'000
Children's Services		
After School Care		
Vacation Care		
The Cottage		
Geeveston Child Care	4	2
Dover Childcare	4	2
Medical Practices		
Dover Medical Practice	6	17
Geeveston Medical Practice	2	18
Cygnnet Medical Services	11	3
Other	19	38
Other		
Legal Claim Settlement		60
Roads (Road Toll), Bridges and Parks Contributions		46
Diesel Fuel Rebate		9
Amortisation Residents Fees		7
SES Re-imburement	57	34
Public Open Space		77
Rentals	35	34
Visitor Information Centre	369	593
Private Works	412	372
Geeveston Town Hall	1,036	1,247
Miscellaneous Income	1,909	2,479
TOTAL OTHER INCOME	1,933	2,519

NOTES TO AND FORMING PART OF THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2017

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus(Deficit)	Assets
CORPORATE SERVICES-GENERAL						
2016 - 2017	1,500	12,596	12,597	3,457	9,140	11,729
2015 - 2016	-	4,410	4,410	2,837	1,573	11,555
EXECUTIVE SERVICES-GENERAL						
2016 - 2017	70	298	368	1,889	(1,521)	-
2015 - 2016	3	329	332	975	(643)	-
REGULATORY AND DEVELOPMENT SERVICES-GENERAL						
2016 - 2017	-	971	971	2,063	(1,093)	-
2015 - 2016	2	928	930	2,332	(1,402)	-
REFUSE DISPOSAL						
2016 - 2017	50	1,588	1,638	1,523	114	1,780
2015 - 2016	-	1,416	1,416	1,420	(5)	1,754
FAMILY SERVICES:						
RESIDENTIAL AGED CARE SERVICES						
CHILDREN'S & YOUTH SERVICES						
2016 - 2017	223	1,190	1,412	1,528	(116)	-
2015 - 2016	40	1,300	1,300	1,285	15	-
RURAL HEALTH						
2016 - 2017	194	168	362	667	(305)	-
2015 - 2016	395	568	568	808	(239)	-
MEDICAL SERVICES						
2016 - 2017	128	1,447	1,575	1,802	(227)	-
2015 - 2016	-	2,018	2,018	2,021	(3)	-
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2016 - 2017	751	93	844	4,486	(3,642)	185,811
2015 - 2016	1,605	667	2,272	6,274	(4,002)	183,064
STORMWATER						
2016 - 2017	-	302	302	270	32	1,932
2015 - 2016	-	299	299	272	28	1,904
INFRASTRUCTURE GENERAL						
2016 - 2017	96	473	569	1,650	(1,080)	-
2015 - 2016	-	431	431	2,881	(2,450)	-
OTHER - NON ATTRIBUTABLE						
2016 - 2017	5,217	656	5,873	3,203	2,670	61,441
2015 - 2016	1,844	7,650	9,493	483	9,010	60,533
TOTAL						
2016 - 2017	6,730	19,782	26,512	22,539	3,973	262,693
2015 - 2016	3,889	20,015	23,468	21,587	1,881	258,809

NOTE 6 NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME

	2016/2017	2015/2016
	\$'000	\$'000
Roads, Footpath, Kerb and Land	-	30
TOTAL NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME	<u>-</u>	<u>30</u>

NOTE 7 INTEREST

	2016/2017	2015/2016
	\$'000	\$'000
Interest on cash and cash equivalents	265	255
TOTAL INTEREST	<u>265</u>	<u>255</u>

NOTE 8 OTHER INCOME

	2016/2017	2015/2016
	\$'000	\$'000
Children's Services		
After School Care	68	58
Vacation Care	47	47
The Cottage	333	358
Geeveston Child Care	100	151
Dover Childcare	<u>92</u>	<u>122</u>
	639	735
Medical Practices		
Dover Medical Practice	497	608
Geeveston Medical Practice	650	736
Cygnnet Medical Services	317	642
Other	<u>-</u>	<u>9</u>
	1,464	1,995
Other		
Legal Claim Settlement	-	1,131
Roads (Road Toll), Bridges and Parks Contributions	60	59
Diesel Fuel Rebate	46	41
Area Promotion - Kingborough Council Contribution	-	57
Amortisation Residents Fees	9	11
SES Re-imburement	7	16
Public Open Space	34	29
Rentals	77	63
Visitor Information Centre	250	248
Private Works	593	632
Geeveston Town Hall	372	-
Miscellaneous Income	<u>1,247</u>	<u>378</u>
	2,695	2,667
TOTAL OTHER INCOME	<u>4,788</u>	<u>5,397</u>

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2016

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus/(Deficit)	Assets
CORPORATE SERVICES-GENERAL						
2015 - 2016	-	4,410	4,410	2,837	1,573	11,555
2014 - 2015	-	1,235	1,235	2,715	(1,481)	12,217
EXECUTIVE SERVICES-GENERAL						
2015 - 2016	3	329	332	975	(643)	-
2014 - 2015	36	24	59	943	(884)	-
REGULATORY AND DEVELOPMENT SERVICES-GENERAL						
2015 - 2016	2	928	930	2,332	(1,402)	-
2014 - 2015	-	1,312	1,312	2,288	(976)	-
REFUSE DISPOSAL						
2015 - 2016	-	1,416	1,416	1,420	(5)	1,754
2014 - 2015	-	1,296	1,296	1,371	(75)	1,854
FAMILY SERVICES:						
RESIDENTIAL AGED CARE SERVICES						
CHILDREN'S & YOUTH SERVICES						
2015 - 2016	40	1,300	1,300	1,285	15	-
2014 - 2015	191	1,268	1,459	1,381	78	-
RURAL HEALTH						
2015 - 2016	395	568	568	808	(239)	-
2014 - 2015	362	238	600	779	(178)	-
MEDICAL SERVICES						
2015 - 2016	-	2,018	2,018	2,021	(3)	-
2014 - 2015	-	1,937	1,937	1,826	110	-
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2015 - 2016	1,605	667	2,272	6,274	(4,002)	183,064
2014 - 2015	1,165	926	2,091	6,631	(4,540)	193,794
STORMWATER						
2015 - 2016	-	299	299	272	28	1,904
2014 - 2015	-	289	289	284	6	2,013
INFRASTRUCTURE GENERAL						
2015 - 2016	-	431	431	2,881	(2,450)	-
2014 - 2015	-	399	399	2,603	(2,204)	-
OTHER - NON ATTRIBUTABLE						
2015 - 2016	1,844	7,650	9,493	483	9,010	60,533
2014 - 2015	4,791	31,714	36,505	710	35,795	63,997
TOTAL						
2015 - 2016	3,889	20,015	23,468	21,587	1,881	258,809
2014 - 2015	6,545	40,638	47,183	21,531	25,650	273,875

NOTE 6 NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME

	2015/2016 \$'000	2014/2015 \$'000
Roads, Footpath, Kerb and Land	30	172
TOTAL NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME	30	172

NOTE 7 INTEREST

	2015/2016 \$'000	2014/2015 \$'000
Interest on cash and cash equivalents	255	223
TOTAL INTEREST	255	223

NOTE 8 OTHER INCOME

	2015/2016 \$'000	2014/2015 \$'000
Children's Services		
After School Care	58	64
Vacation Care	47	39
The Cottage	358	356
Geeveston Child Care	151	149
Dover Child Care	122	114
	<u>735</u>	<u>722</u>
Medical Practices		
Dover Medical Practice	608	597
Geeveston Medical Practice	736	693
Cygnnet Medical Services	642	615
Other	9	20
	<u>1,995</u>	<u>1,926</u>
Other		
Legal Claim Settlement	1,131	-
Roads (Road Toll), Bridges and Parks Contributions	59	107
Diesel Fuel Rebate	41	42
Area Promotion - Kingborough Council Contribution	57	57
Huon Trail Brochure	-	31
Amortisation Residents Fees	11	14
SES Re-imburement	16	12
Public Open Space	29	55
Education Department - Contribution Cygnnet Sports Centre	-	3
Rentals	63	69
Visitor Information Centre	248	268
Private Works	632	647
Health Contributions	-	37
Miscellaneous Income	378	284
	<u>2,667</u>	<u>1,626</u>
TOTAL OTHER INCOME	5,397	4,273

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2015

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus (Deficit)	Assets
CORPORATE SERVICES-GENERAL						
2014 - 2015	-	1,235	1,235	2,715	(1,481)	12,217
2013 - 2014	-	1,101	1,101	1,965	(864)	9,382
EXECUTIVE SERVICES-GENERAL						
2014 - 2015	36	24	59	943	(884)	-
2013 - 2014	21	425	445	1,312	(867)	9,451
REGULATORY AND DEVELOPMENT SERVICES-GENERAL						
2014 - 2015	-	1,312	1,312	2,288	(976)	-
2013 - 2014	14	1,108	1,123	2,361	(1,238)	-
REFUSE DISPOSAL						
2014 - 2015	-	1,296	1,296	1,371	(75)	1,854
2013 - 2014	7	1,280	1,287	1,303	(16)	1,408
FAMILY SERVICES:						
CHILDREN'S & YOUTH SERVICES						
2014 - 2015	191	1,268	1,459	1,381	78	-
2013 - 2014	108	1,228	1,335	1,383	(47)	-
RURAL HEALTH						
2014 - 2015	362	238	600	779	(178)	-
2013 - 2014	360	(62)	298	732	(434)	2,104
MEDICAL SERVICES						
2014 - 2015	-	1,937	1,937	1,826	110	-
2013 - 2014	-	1,534	1,534	1,590	(56)	-
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2014 - 2015	1,165	1,325	2,490	9,234	(6,745)	193,794
2013 - 2014	456	209	665	7,613	(6,947)	145,221
STORMWATER						
2014 - 2015	-	289	289	284	6	2,013
2013 - 2014	-	297	297	264	32	1,529
OTHER - NON ATTRIBUTABLE						
2014 - 2015	4,791	32,254	36,505	202	36,304	63,997
2013 - 2014	1,503	9,392	8,559	839	7,719	48,608
TOTAL						
2014 - 2015	6,545	41,178	47,182	21,023	26,159	273,875
2013 - 2014	2,469	16,511	16,644	19,362	(2,718)	217,703

NOTE 6 NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME

	2014/2015	2013/2014
	\$'000	\$'000
Roads, Footpath and Kerb	172	-
TOTAL NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME	172	-

NOTE 7 INTEREST

	2014/2015	2013/2014
	\$'000	\$'000
Interest on cash and cash equivalents	223	264
TOTAL INTEREST	223	264

NOTE 8 OTHER INCOME

	2014/2015	2013/2014
	\$'000	\$'000
Children's Services		
After School Care	64	60
Vacation Care	39	48
The Cottage	356	344
Geeveston Child Care	149	176
Dover Childcare	114	97
	722	725
Medical Practices		
Dover Medical Practice	597	547
Geeveston Medical Practice	693	651
Cygnnet Medical Services	615	336
Other	20	-
	1,925	1,534
Other		
Roads and Bridges Contributions	107	70
Diesel Fuel Rebate	42	37
Area Promotion - Kingborough Council Contribution	57	57
Huon Trail Brochure	31	34
Amortisation Residents Fees	14	14
SES Re-imburement	12	10
Public Open Space	55	58
Education Department - Contribution Cygnnet Sports Centre	3	9
Rentals	69	72
Visitor Information Centre	268	237
Private Works	647	43
Health Contributions	37	-
Miscellaneous Income	284	14
	1,626	655
TOTAL OTHER INCOME	4,273	2,914

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2014

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants	Other	Total Revenue	Total Expenditure	Surplus/(Deficit)	Assets
CORPORATE SERVICES-GENERAL						
2013 - 2014	-	1,101	1,101	1,965	(864)	9,382
2012 - 2013	-	1,310	1,310	2,141	(831)	9,819
EXECUTIVE SERVICES-GENERAL						
2013 - 2014	21	425	445	1,312	(867)	9,451
2012 - 2013	-	298	298	921	(622)	-
REGULATORY AND DEVELOPMENT SERVICES-GENERAL						
2013 - 2014	14	1,108	1,123	2,361	(1,238)	-
2012 - 2013	10	802	812	1,758	(946)	-
REFUSE DISPOSAL						
2013 - 2014	7	1,280	1,287	1,303	(16)	1,408
2012 - 2013	-	1,294	1,294	1,441	(147)	1,474
COMMUNITY SERVICES-GENERAL						
2013 - 2014	-	-	-	-	-	-
2012 - 2013	28	473	499	2,825	(2,326)	11,701
FAMILY SERVICES:						
RESIDENTIAL AGED CARE SERVICES						
2013 - 2014	-	-	-	-	-	-
2012 - 2013	1,282	941	2,223	2,143	80	2,201
CHILDREN'S & YOUTH SERVICES						
2013 - 2014	108	1,228	1,335	1,383	(47)	-
2012 - 2013	160	1,306	1,466	1,581	(115)	-
RURAL HEALTH						
2013 - 2014	360	(62)	298	732	(434)	2,104
2012 - 2013	123	1,042	1,165	618	547	-
MEDICAL SERVICES						
2013 - 2014	-	1,534	1,534	1,590	(56)	-
2012 - 2013	659	558	1,217	1,260	(42)	-
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2013 - 2014	456	209	665	7,613	(6,948)	145,221
2012 - 2013	583	173	756	5,593	(4,836)	151,981
STORMWATER						
2013 - 2014	-	297	297	264	32	1,529
2012 - 2013	-	292	292	302	(9,382)	1,600
OTHER - NON ATTRIBUTABLE						
2013 - 2014	1,503	9,392	8,559	839	7,719	48,608
2012 - 2013	2,770	9,305	12,074	817	11,420	50,871
TOTAL						
2013 - 2014	2,469	16,512	16,644	19,362	(2,719)	217,703
2012 - 2013	5,612	17,794	23,406	21,399	2,172	229,647

NOTE 6 NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME

	2013/2014	2012/2013
	\$'000	\$'000
NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME		
Roads, Footpath and Kerb	-	1,246
Stormwater	-	-
Parks, open spaces and streetscapes	-	8
Sporting Facilities	-	-
Other	-	-
TOTAL NON-MONETARY ASSETS RECOGNISED FOR THE FIRST TIME	-	1,254

NOTE 7 INTEREST

	2013/2014	2012/2013
	\$'000	\$'000
Interest on cash and cash equivalents	264	545
TOTAL	264	545

NOTE 8 OTHER INCOME

	2013/2014	2012/2013
	\$'000	\$'000
Esperance Multi Purpose Health Centre	-	778
As of the 1 July 2013 this asset was transferred to Huon Elder Care, with certain revisionary clauses applicable. This asset was transferred for no consideration refer to note 9.		1,555
Children's Services		
After School Care	60	(345)
Vacation Care	48	38
The Cottage	344	323
Geeveston Child Care	176	156
Dover Childcare	97	93
Family Day Care Contributions	-	100
Early Learning Childhood Educator	-	34
	725	399
Medical Practices		
Dover Medical Practice	547	455
Geeveston Medical Practice	651	644
Cygnnet Medical Services	336	138
Other	-	30
	1,534	1,267
Other		
Roads & Bridges Contributions	70	93
Diesel Fuel Rebate	37	44
Area Promotion - Kingborough Council Contribution	57	65
Huon Trial Brochure	34	34
Amortisation Residents Fees	14	36
Accommodation Charge	-	47
SES Re-imburement	10	13
Public Open Space	58	49
Education Department - Contribution Cygnnet Sports Centre	9	8
Rentals	72	81
Visitor Information Centre	237	209
Tasmanet Commission	-	7
Microchipping Program	-	10
Private Works	43	17
Training Subsidy	3	3
Miscellaneous Income	11	84
	655	800
TOTAL OTHER INCOME	2,914	3,244

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDED 30 JUNE 2013

NOTE 2 FUNCTIONS/ACTIVITIES OF THE COUNCIL

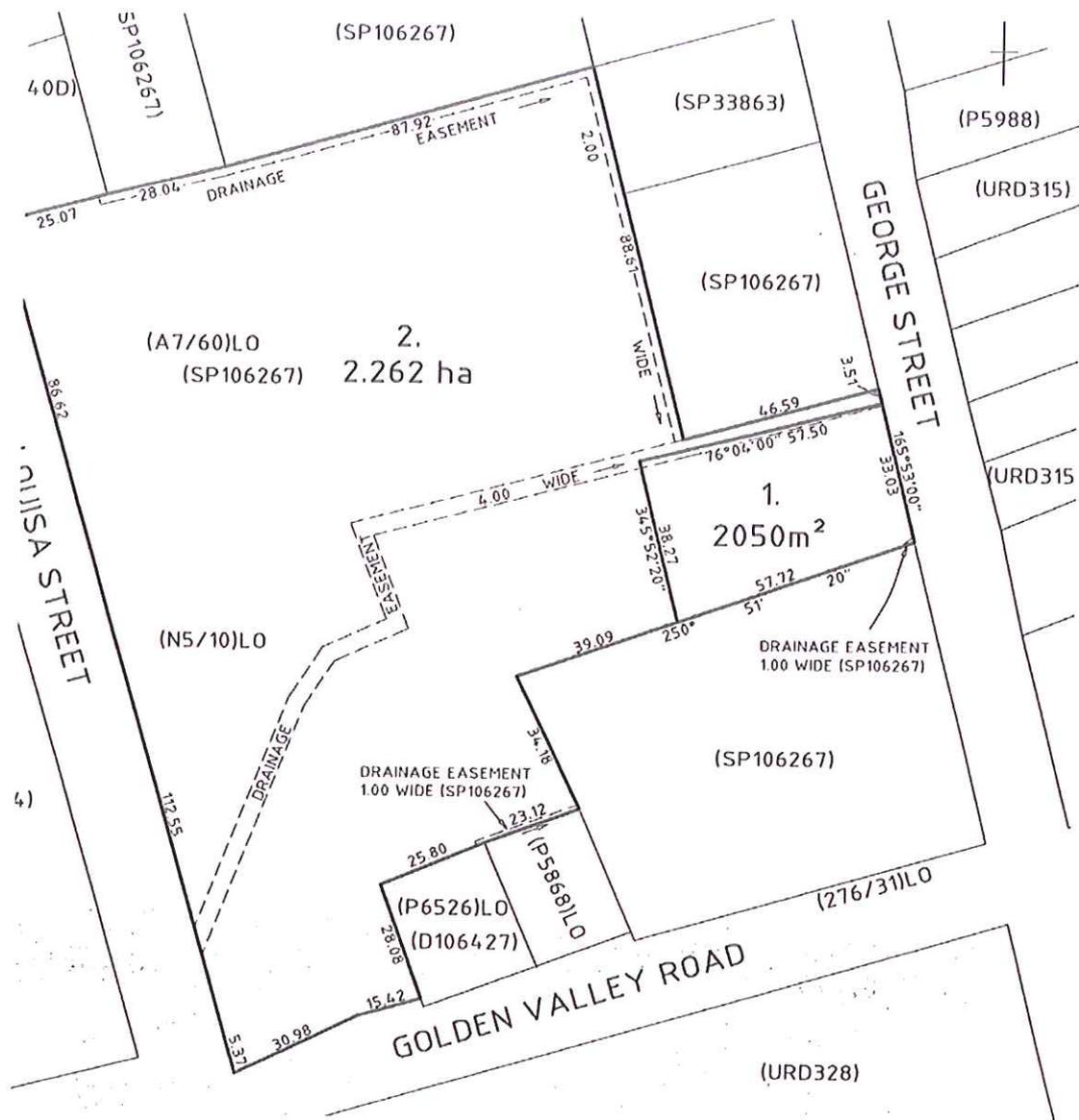
a) Revenue, expenditure and assets attributable to each function as categorised in (c) below:

	Grants '\$'000	Other '\$'000	Total Revenue '\$'000	Total Expenditure '\$'000	Surplus (Deficit) '\$'000	Assets '\$'000
CORPORATE SERVICES-GENERAL						
2012 - 2013	-	1,310	1,310	2,141	(831)	9,819
2011 - 2012	396	819	1,215	2,013	(798)	9,642
EXECUTIVE SERVICES-GENERAL						
2012 - 2013	-	298	298	921	(622)	-
2011 - 2012	-	280	280	916	(636)	-
PLANNING & LEGAL SERVICES-GENERAL						
2012 - 2013	10	802	812	1,758	(946)	-
2011 - 2012	80	777	857	1,781	(924)	-
COMMUNITY SERVICES-GENERAL						
2012 - 2013	26	473	499	2,824	(2,326)	11,701
2011 - 2012	54	419	473	2,663	(2,190)	11,490
FAMILY SERVICES:						
RESIDENTIAL AGED CARE SERVICES						
2012 - 2013	1,282	941	2,223	2,143	80	2,202
2011 - 2012	1,116	1,033	2,149	2,079	70	2,162
CHILDREN'S & YOUTH SERVICES						
2012 - 2013	160	1,306	1,466	1,581	(115)	-
2011 - 2012	131	1,407	1,538	1,652	(114)	-
RURAL HEALTH						
2012 - 2013	122	1,042	1,165	618	547	-
2011 - 2012	1,082	152	1,234	512	722	-
MEDICAL SERVICES						
2012 - 2013	659	558	1,217	1,260	(42)	-
2011 - 2012	166	975	1,141	964	177	-
INFRASTRUCTURE SERVICES						
ROADS & BRIDGES						
2012 - 2013	583	173	756	5,593	(4,837)	151,981
2011 - 2012	736	128	864	5,139	(4,275)	149,245
REFUSE DISPOSAL						
2012 - 2013	-	1,294	1,294	1,441	(147)	1,474
2011 - 2012	-	870	870	1,053	(183)	1,447
STORMWATER						
2012 - 2013	-	292	292	302	(9)	1,600
2011 - 2012	-	268	268	271	(3)	1,571
OTHER - NON ATTRIBUTABLE						
2012 - 2013	2,770	9,305	12,074	817	11,420	50,870
2011 - 2012	3,456	13,631	17,087	996	16,091	49,955
TOTAL						
2012 - 2013	5,612	17,794	23,406	21,399	2,172	229,647
2011 - 2012	7,217	20,759	27,976	20,039	7,937	225,512

ATTACHMENT E

CYGNET MEDICAL CENTRE LOCATION AND SUBDIVISION PLAN
14 GEORGE STREET, CYGNET





SP106267
40D)
25.07

(SP106267)

(SP33863)

(P5988)

(URD315)

(SP106267)

(A7/60)LO
(SP106267) 2.262 ha

GEORGE STREET

(URD315)

1.
2050m²

NIJISA STREET

(N5/10)LO

DRAINAGE EASEMENT
1.00 WIDE (SP106267)

DRAINAGE EASEMENT
1.00 WIDE (SP106267)

(P6526)LO
(D106427)

(P5868)LO

(SP106267)

(276/31)LO

GOLDEN VALLEY ROAD

(URD328)