

## **MEDIA RELEASE**

25 September 2019

## Public meeting for Cygnet Medical Centre sale

A public meeting will take place on 14 October 2019 at Huonville Town Hall, 40 Main Street at 6pm as requested by the community via a petition to Huon Valley Council. The petitioners requested that the Council holds a public meeting in Cygnet so that Huon Valley Residents and Rate-payers can fully understand the consequences for the community before any potential sale is progressed, resulting in private ownership of this public asset.

At its Ordinary Meeting held on Wednesday 18 September 2019, the Council received a report on a petition containing the signatures of 834 Huon Valley electors.

Huon Valley Council Mayor Bec Enders said Council decided that the public meeting should take place in Huonville instead of Cygnet to make it more open for people from all areas of the Huon Valley.

"This is an issue of interest for residents across the Huon Valley, and this way we will be meeting the petition's request for the meeting to be held for *Huon Valley Residents and Rate-payers* by making it easier for people from each of our townships to come along and have their questions answered," Cr Enders said.

Huon Valley Council does not operate the Cygnet Medical Centre as it has been privately operated since February 2017. As a commercial landlord only, Council is currently unable to control the stability of medical services being provided at the centre.

On 26 June 2019 Council decided to continue with its proposal to sell the Cygnet Medical Centre land upon selection of a suitable buyer. The purpose of this decision is to avoid risk of instability in the medical sector in Cygnet due to Council's ownership of the centre. The sale will only go ahead if a medical practice is able to purchase it, the Council approves the sale and the Commonwealth Government consents to the transfer.

The public meeting on 14 October will cover how the Huon Valley community will be affected should the centre be sold and also if it is not sold.

Some of the known consequences if the Council keeps the centre are:

 Council will have to continue ownership as a commercial landlord and lease the centre to medical practices.



- The property must remain a medical centre until 2032.
- Council will be responsible for paying any ownership costs not recovered by a lease.
- If Council cannot lease the centre it would need to run medical services at the centre in competition with other providers in the area.
- If Council could not continue providing medical services at the centre, it may have to close the centre and repay the balance of the funding money to the Commonwealth Government.

Some of the known consequences for selling the centre are:

- The Council would not own the centre.
- The Council would lose the opportunity to sell or re-purpose the centre in the future.
- The property must remain a medical centre until 2032.
- A medical practice can own the building and build the centre's services to keep up with the Huon Valley's growing population.
- The Council's obligation under the Commonwealth Funding Agreement to provide medical services would be transferred to a medical practice.
- The Council would receive the sale money for the centre and not have to pay back any funding money. This would result in surplus money for the Huon Valley community.

Further information regarding the Council's decision to sell the Cygnet Medical Centre is available on the Huon Valley Council website: <a href="https://www.huonvalley.tas.gov.au">www.huonvalley.tas.gov.au</a>

Details of the public meeting can be found in the news section on the Huon Valley Council website homepage, including instructions for making a submission to Council in relation to the decision to sell.

"We encourage all members of our community to voice any concerns or support in relation to the sale of the Cygnet Medical Centre," said Cr Enders. "This will help Council and residents of the Huon Valley to fully understand how the sale will affect our community."

People can contact Council on (03) 6264 0300 or by emailing hvc@huonvalley.tas.gov.au.

For more information: Mayor Bec Enders (03) 6264 0300