

# How to host a conversation about the intended sale of The Rex



# Welcome

Thank you for hosting a conversation about Council's intention to sell The Rex building located in Daylesford. Before making a final decision Council is keen to hear what the broader community thinks about this direction, as well as listening to any ideas you have about other viable uses of the building.

Last November Council decided not to proceed with the Hepburn Hub at The Rex project, which was to be located at The Rex. It was a difficult decision, but one considered in the interests of the Shire given a range of factors including the financial implications. However before implementing this intention to sell, Council is interested in the views of residents and groups across the Hepburn Shire. This is where you can help!

There are a few questions we'd like existing groups, like yours, to discuss. Hosting is very easy and it's probably something you do quite a lot. We think you'll need about 20 minutes to have a decent conversation and document your group's responses. If people in your groups would like to also provide responses individually they can complete a survey; in fact we'd be thrilled if they did.

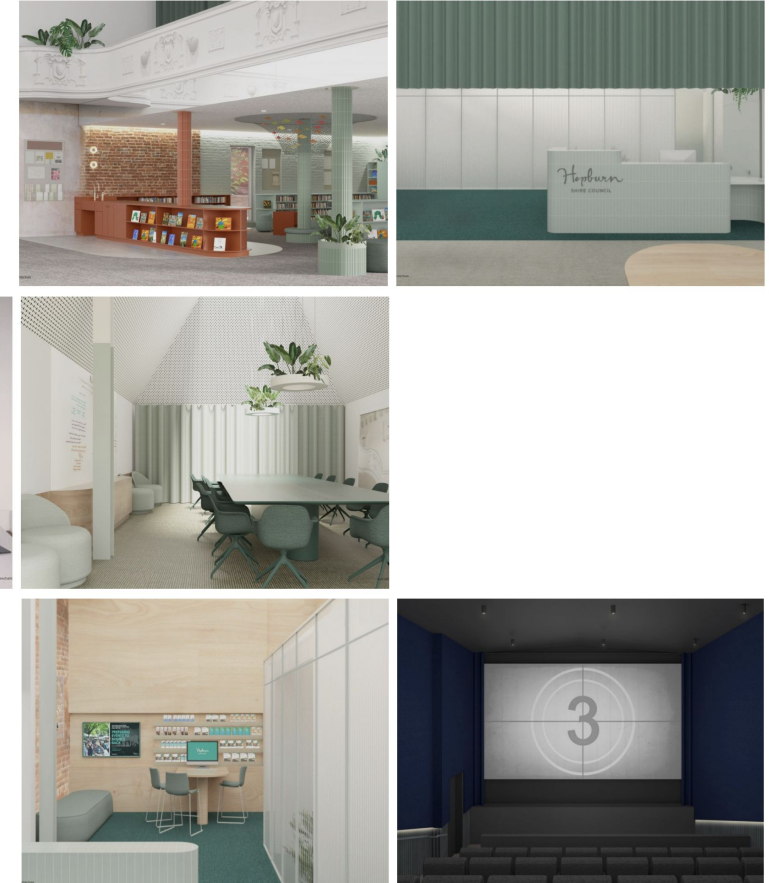
We believe this is a way of hearing the views of a cross section of the residents across the Hepburn Shire. We hope you find this guide helpful to hosting a conversation, and thanks in advance for being willing to consider this role.

# What was the Hepburn Hub at the Rex project about?

This project, located in central Daylesford, aimed to deliver both community and Council spaces.

The facilities were to include:

- a library,
- auditorium,
- digital co-working space,
- public toilets,
- Council customer service centre and offices.



# Why host this conversation?

We understand some may want Council to revisit the decision to end the Hepburn Hub at The Rex project, however this is outside the scope of this engagement process. If there is strong community support for Council retaining the building and using it for an alternate purpose that is financially feasible, Council is open to exploring those options.

The focus is on what you can influence at this point, so the questions relate to whether you believe it is appropriate to proceed with the sale of The Rex, and any ideas you have about how The Rex could be used in the future if the building is retained as a Council asset.

More detailed investigations would need to be undertaken to determine whether alternate uses would be financially viable.

# How will you collect our responses?

Responses will be collected through this 5 question conversation guide on Participate Hepburn:  
<https://participate.hepburn.vic.gov.au/>

You can either:

- Type notes directly into the conversation submission link on Participate Hepburn
- Type notes in the slides provided at the end of this document. Then copy and paste them into the Participate Hepburn conversation report <https://participate.hepburn.vic.gov.au/>.
- Email your responses in this document (slide deck) to [property@hepburn.vic.gov.au](mailto:property@hepburn.vic.gov.au)

## Individual survey

If you are unable to talk about this project as a group, there is an alternative option for your members to complete the online individual survey on the Participate Hepburn website. This should take no more than ten minutes. The online survey can be found at <https://participate.hepburn.vic.gov.au/>.

If you discuss the questions as a group, participants in your group conversation can also respond to the individual survey.

# Preparing and hosting your conversation

## Preparing

1. Have a read of this guide to understand the context of this project. The media release and FAQs should give you all the information you need.
2. Schedule the conversation with your group.
  - It should take about 20 minutes.
  - You can either add this discussion into your regular meeting agenda or schedule a specific meeting.

Advise those that can't attend the meeting to submit an individual survey response.

## Hosting

3. Present the information, reinforcing that the Hepburn Hub at The Rex project will *not* go ahead due to financial implications for Council, and of course, the community.
  - Info: Context, key points from media release, any relevant FAQs
  - Timing: 5 minutes
4. Discuss the four questions taking into account all opinions
  - Timing: 15 minutes
  - Submit notes via the conversation report link via <https://participate.hepburn.vic.gov.au/> or email to [property@hepburn.vic.gov.au](mailto:property@hepburn.vic.gov.au) before 20 May 2022.

# Council starts the process to sell The Rex

23 November 2021

## Project history

- Building bought in 2016 for \$6.345 million (all inclusive)
- Building works undertaken in 2020
- Contractor engaged in 2020 for construction, mutually parted ways with Council in July 2021
- June 2021 - Council endorsed budget of \$8.755 million

Hepburn Hub at The Rex - Project Costs	
Item	Cost
Purchase Price (all inclusive)	\$6.345 million
Forecast costs of development	\$9.658 million
Restoration of facade and other works	\$unknown
Total	\$16.003 million +

## Late 2021 events

- Tender process forecast costs at \$9.658 million
- Officers recommended award of contract to finalise the project, noting additional budget allocation was required
- Council motion passed that, in part, Council:
  1. Does not award a contract for building works and determines not to proceed with the Hepburn Hub at The Rex project; and ...
  4. Request that the Chief Executive Officer undertakes a process to sell, through a public process, The Rex building.



# Reasons the Hepburn Hub at The Rex project was cancelled

Council's reasons were varied but included:

- uncertainty of the final cost
- previous construction issues
- Council's financial position and unknown financial impacts of COVID, storm recovery and operating in a rate capping environment
- concerns the project would not deliver expected outcomes
- perceived lack of Shire-wide value

“While we recognise the value in creating a community hub and consolidation of our council offices, we ultimately decided that the best choice for the community is to discontinue the project, which now provides a clear direction for The Rex site.”

- **Mayor, Cr Tim Drylie**



# Next steps

Next steps are to:

- consider community feedback
- determine whether or not to proceed with the sale of The Rex building
- undertake a planning project to review possible solutions of staffing accommodation and community facilities, e.g. town halls

The Local Government Inspectorate is currently investigating matters relating to the project, with full cooperation from Council. This report will be released by the Inspectorate; the process to sell The Rex can proceed without the report being finalised.

“We fully understand the disappointment that many in the community will be feeling, including those who were looking forward to having a community auditorium, our passionate library patrons, and Council office staff who were to be consolidated into one building.”

- **Mayor, Cr Tim Drylie**

# Council motion

The motion passed by Council was, that Council:

1. Does not award a contract for the building works and determines not to proceed with the Hepburn Hub at The Rex project;
2. Acknowledge the significant work undertaken by officers and contractors during the project, and within the current tender process;
3. Write to all tenderers acknowledging their work and that Council will not proceed with the Hepburn Hub at The Rex project;
4. Request that the Chief Executive Officer undertakes a process to sell, through a public process, The Rex building.
5. Work with the Daylesford Cinema group on potential temporary and permanent solutions for the community cinema;
6. Request the Chief Executive Officer prepare a scope to undertake a planning project that will review possible solutions of staffing accommodation and community facilities that were to be included in the Hepburn Hub; and
7. Request the Chief Executive Officer to review the financial loan drawn in June 2021 for this project with a view to immediately paying down the debt.

# Frequently Asked Questions

**What was the Hepburn Hub at The Rex project all about?**

This project, located in central Daylesford, aimed to deliver both community and Council spaces. The community facilities were to include a library, auditorium, digital co-working space, public toilets, Council customer service centre and offices.

**Why are we not being asked for our views on the Hepburn Hub at The Rex project?**

Council has determined to not proceed with the project given a number of factors. This decision was made in November 2021. We do not want to ask the community about something which can no longer be influenced.

**What was the main reason Council decided not to proceed with the Hepburn Hub at The Rex project?**

Council recognised benefits the Hepburn Hub at The Rex project would have offered, however the uncertainty of the final cost, previous construction issues, the financial impacts of COVID, storm recovery and operating in a rate capping environment meant Councillors determined the project would not proceed.

# Frequently Asked Questions

**If Council has stated their intention to sell, what is the point of filling in the survey or holding a group conversation?**

Council intends to sell The Rex, however wants to consider the views of Hepburn Shire residents before ultimately determining to proceed or not with the sale. At this point Council does not see a clear purpose for retaining The Rex given the lack of finances to undertake any works at the site. If there is strong community support for using The Rex for a worthwhile purpose, Council may be open to considering this. More detailed investigations would need to be undertaken to determine whether alternate proposals would be financially viable.

It would however be difficult for Council to consider options to redevelop the site to a similar extent as the Hepburn Hub at The Rex project. This is due to Council's current financial position and the costs required to bring the building to a basic standard in the current economic climate; current estimates indicate a cost of between \$5,000 - \$9,000 per square metre. The Rex is approx. 2,000m<sup>2</sup> meaning a financial outlay of between \$10 - \$18M.

**Why are we being asked to have a conversation about this?**

Conversations are helpful for groups to gain a shared understanding of an issue, consider various perspectives, apply critical thinking, and deliberate over important questions. Council is approaching various groups across the Shire also to ensure broader community input to Council about the future of The Rex.

# The Conversation Process

**How long will we need to have a group conversation and complete a report for Council?**

You can take as much time as you like, however as a guide, fifteen minutes should be sufficient. A very simple report taking no longer than 10 minutes is to be completed and emailed back to Council after your conversation is held or can be submitted via the Participate Hepburn website.

**Can we complete an individual survey as well as hosting a conversation?**

Yes. In addition to group conversations we are also inviting anyone in the community to complete an online survey.

**How long will the survey take to complete?**

It will depend on the length of your responses. We would estimate between 5 and 10 minutes

**When does the report from our group conversation need to be submitted?**

The conversation report and individual surveys need to be submitted by 5pm on Friday 20 May 2022.

**When will Council make a final decision about whether they will sell The Rex, or not?**

Council aims to make a decision at a Council Meeting in July 2022.

# Questions

## About your group

1. What is the name of your group?
2. In which area is your group primarily based?
3. What are the names of the people present for this discussion?
4. Please indicate the number of conversation participants in each age bracket.
5. Please indicate the number of participants who identify with each of the gender identities.

## Conversation Questions

6. Are you aware of Council's decision to discontinue with The Hepburn Hub at The Rex project and recommendation to sell The Rex building, and reasons for doing so?
7. a) Given that The Hepburn Hub at The Rex project will not proceed, how supportive are you (from *very unsupportive* to *very supportive*) of Council's decision to sell The Rex building?  
b) Please explain your reasons for giving the above level of support.
8. Do you have any ideas as to how The Rex Building could be used to benefit the broader community (given The Hepburn Hub at The Rex is not proceeding)?

*Note: Recommitting to the Hepburn Hub at The Rex project is beyond the scope of this engagement. In addition we are not looking for in-depth proposals at this stage – please only give brief outline of any ideas your group has and reasons for them.*

# Conversation notes

1. What is the name of your group?

2. In which area is your group primarily based?

3. What are the names of the people present for this discussion?



# Conversation notes

4. Please indicate the number of conversation participants in each of the following age brackets:

0-19	20-39	40-59	60-79	80+

5. Please indicate the number of participants who identify with one of the following gender identities:

Male	Female	Non-binary	Prefer not to say	Other

# Conversation notes

6. Prior to this meeting, were you aware of Council's decision to discontinue with The Hepburn Hub at The Rex project and recommendation to sell The Rex building, and reasons for doing so?

# Conversation notes

7a. Given that The Hepburn Hub at The Rex project will not proceed, how supportive overall is your group (from *very unsupportive* to *very supportive*) of Council's intention to sell The Rex building?

Type "1" for under the corresponding rating for each person's response.

Very unsupportive	Unsupportive	Neutral	Supportive	Very supportive

# Conversation notes

7b. Please explain your reasons for giving the above level of support.

# Conversation notes

8. Do you have any ideas as to how The Rex building could be used to benefit the broader community given the Hepburn Hub at The Rex is not proceeding?

*Note: Recommitting to the Hepburn Hub project is beyond the scope of this engagement. In addition we are not looking for in-depth proposals at this stage – please only give brief outline of any ideas your group has and reasons for them.*

Thanks again for taking the time to host this conversation.

Please remember to submit your group's responses via the conversation report link on Participate Hepburn  
<https://participate.hepburn.vic.gov.au/> or email your responses to [property@hepburn.vic.gov.au](mailto:property@hepburn.vic.gov.au)