



***MAJOR PROJECT ASSESSMENT:
Redevelopment of Manilla Hospital***

***Proposed by NSW Department of Health
MP 08_0231***

Director-General's Environmental Assessment
Report
Section 75I of the
Environmental Planning and Assessment Act 1979

November 2009



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CONTENTS

1	EXECUTIVE SUMMARY	4
2	BACKGROUND	5
	2.1 THE SITE AND SURROUNDINGS	5
	A site inspection was undertaken by Departmental Officers on the 17 August 2009.....	5
	2.1.1 Site location	5
	2.1.2 Existing development on Site.....	5
	2.1.3 Site Context	7
	2.1.4 Surrounding development.....	8
	2.1.5 Strategic context	8
3	PROPOSED DEVELOPMENT	9
	3.1 THE PROPOSED DEVELOPMENT	9
	3.2 DEVELOPMENT IN DETAIL.....	9
	3.3 DEVELOPMENT STAGING	12
	3.4 PREFERRED PROJECT REPORT.....	13
4	STATUTORY CONTEXT.....	14
	4.1 MAJOR PROJECT DECLARATION.....	14
	4.2 DELEGATION	14
	4.3 PERMISSIBILITY	14
	4.3 DIRECTOR GENERAL'S REQUIREMENTS (DGRS).....	14
	4.4 OBJECTS OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979	14
	4.5 ESD PRINCIPLES.....	15
	4.6 SECTION 75(2) OF THE ACT & CLAUSE 8B OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2000	16
	4.7 ENVIRONMENTAL PLANNING INSTRUMENTS (EPIS).....	17
	4.7.1 Application of EPI's to Part 3A projects	17
	4.7.2 State Environmental Planning Policy (Major Development) 2005	17
	4.7.3 State Environmental Planning Policy (Infrastructure) 2007	17
	4.7.4 State Environmental Planning Policy No. 55 – Contaminated Land	17
	4.7.5 Manilla Local Environmental Plan 1988.....	17
5	ASSESSMENT OF ENVIRONMENTAL IMPACTS.....	19
	5.1 KEY ISSUES	19
	5.7 STORMWATER AND DRAINAGE	22
	5.8 STATEMENT OF COMMITMENTS.....	22
	5.9 PUBLIC INTEREST	23
6	CONSULTATION AND ISSUES RAISED	24
	6.1 PUBLIC EXHIBITION DETAILS	24
	6.2 SUBMISSIONS RECEIVED ON ENVIRONMENTAL ASSESSMENT	24
	6.3 SUBMISSIONS FROM PUBLIC AUTHORITIES.....	24
7	CONCLUSION.....	26
8	RECOMMENDATION.....	27

1 EXECUTIVE SUMMARY

This is a report on a Project Application seeking approval for the staged demolition of the existing Manilla hospital and the construction of a new hospital building, pursuant to Part 3A of the *Environmental Planning and Assessment Act, 1979* ("the Act"). Manilla Hospital is located at Court Street, Manilla in the Tamworth local government area.

The NSW Department of Health (the proponent) is seeking approval for the following:

- Staged demolition of the existing hospital building;
- Staged construction (2 stages) of a new 32-bed single storey hospital building to provide approximately 3,492.7m² of gross floor area including community and primary health clusters, emergency ward and imaging cluster, acute and sub-acute cluster, residential aged care, mortuary, staff areas including accommodation, and service support area including storage; and
- on-site car parking area for 35 vehicles including two disabled parking spaces, 3 motor cycle parking spaces, 8 bicycle racks.

The estimated project cost of the development is \$16.6 million.

The proposal will create approximately 40 full time equivalent construction jobs and 28 full time equivalent jobs during operation.

The proposal was exhibited for a period of 30 days from 5 August 2009 to 4 September 2009. During the exhibition period, the Department received a total of 4 submissions from public authorities. No public submissions were received.

Public Authorities

Submissions were received from Tamworth Regional Council, RTA, and Ministry of Transport and the Department of Environment, Climate Change and Water (DECCW). Issues raised relate to heritage, traffic impacts, waste management, contamination, flora impacts and car parking. Specifically DECCW raised concerns regarding the proposed removal of 14 White Box trees on the site and have provided recommendations to conserve the species. This issue has been addressed by the proponent by way of increasing the number of trees to be replanted.

Tamworth Regional Council raised issues relating to heritage, waste disposal, lighting, contaminated land and local traffic impacts associated with demolition and construction. Where appropriate, the Department has included Council's recommendations via conditions of approval.

The RTA raised issues regarding the level of car parking and impacts of traffic noise on existing residents. This has been addressed via the proponent's construction management plan. The Ministry of Transport raised issues regarding the Traffic and Parking Report and recommended a broader analysis of public transport nodes.

The proponent has considered the issues raised in the submissions and responded via a Preferred Project Report.

Preferred Project Report

On 1 October 2009 the proponent submitted a Preferred Project Report (PPR) which responded to issues raised in submissions by public authorities and included additional information to clarify outstanding issues. The PPR does not involve any amendments to the project design, but includes additional information regarding the disposal of spoil and the treatment of contaminated land and asbestos material from the northern section of the site.

This has required amendments to the Remedial Action Plan and Waste Management Plan and an addendum to the Transport and Traffic report as part of the PPR. The PPR also included further assessment of heritage impacts, archaeological excavation assessment and an environmental site assessment.

Assessment

The Department has assessed the merits of the proposal and is satisfied that the impacts of the proposed development have been addressed via the proponent's Preferred Project Report and Statement of Commitments and the Department's recommended conditions of approval. Furthermore, the proposal adequately addresses the Director-General's Requirements for the project. Based on the reasons outlined in the body of this report, the Department is satisfied that the site is suitable for the proposed new building and the continued use as a hospital and that the project will provide environmental, social and economical benefits to the locality. On these grounds, it is recommended that the project be approved, subject to the recommended conditions.

2 BACKGROUND

2.1 THE SITE AND SURROUNDINGS

A site inspection was undertaken by Departmental Officers on the 17 August 2009.

2.1.1 Site location

The Manilla Hospital is located at Court Street Manilla and is located within the local government area of Tamworth. The hospital is owned by NSW Health and is situated in close proximity to the Manilla town centre. The existing hospital is located within Lot 14 in DP 814059 which has a site area of 16,281.56 m². The Project Application involves a boundary realignment which will increase the site area of Lot 14 in DP 814059 to 17,157.99 m². This is to retain the hospital within the site owned by NSW Health and to not straddle adjoining lots which are owned by Council. This is further detailed in Section 3.

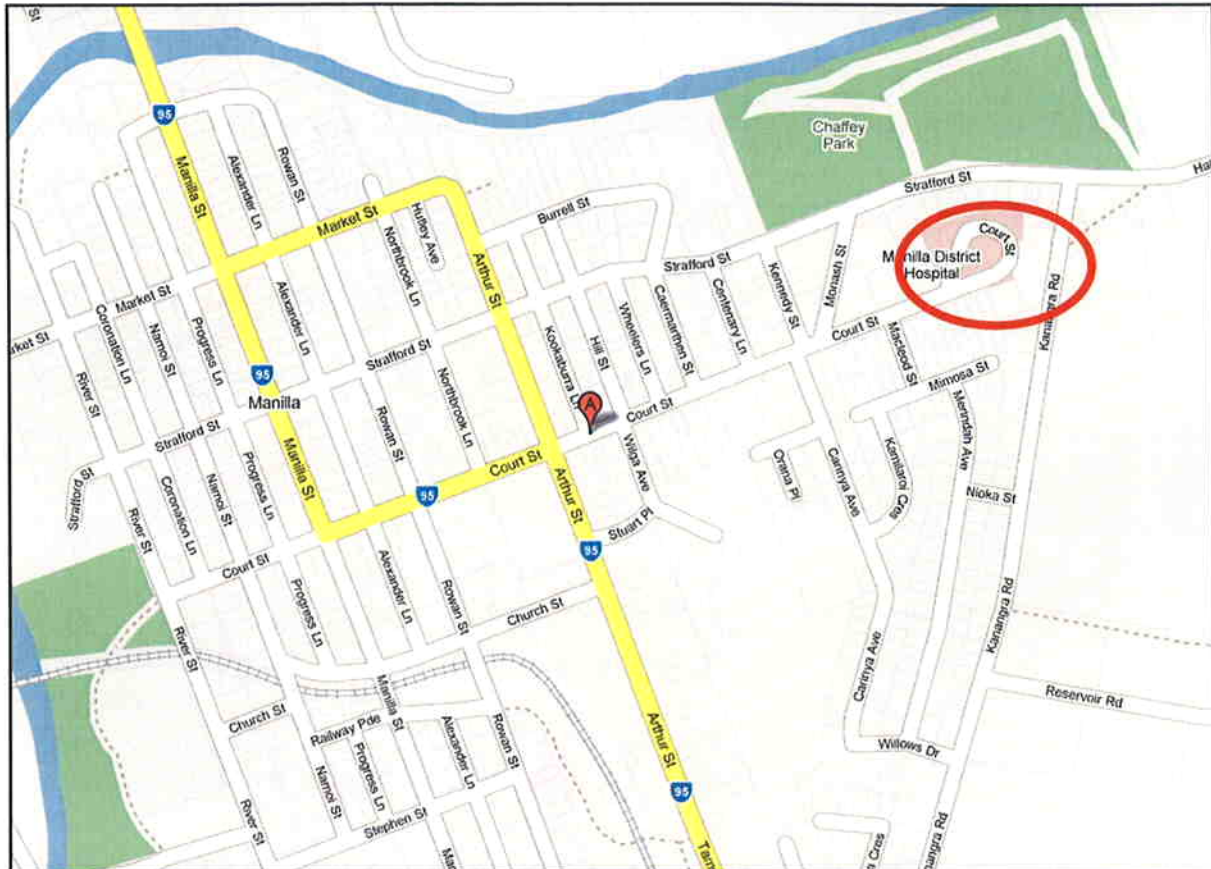


Figure 1: Site Location (red circle provides indicative location of the site)

2.1.2 Existing development on Site

The existing Manilla Hospital building was built in 1905 with periodic additions in 1917, 1935, 1956 and 1977 (original Hospital image in Figure 4). As such, the existing hospital is a combination of a number of smaller buildings joined together by these additions. The hospital is a single storey brick construction building with corrugated iron roof. The hospital and associated health services have a building footprint of approximately 1920m² which includes the main hospital building and emergency and community health facilities. The current hospital comprises 29 beds and provides various health and community services including medical, nursery, paediatric, long stay, respite care and outpatient facilities.

Manilla Hospital is located adjacent to Manellae Lodge which is an aged care provider and is located on the hospital site. The proposal does not involve any works to the lodge.

Manilla Hospital is listed as an item of heritage significance under the Manilla Local Environmental Plan (LEP) 1988. Heritage impacts are further discussed in Section 5 of this report. An image of the original hospital building is provided overleaf in Figure 4.



Figure 2: Main hospital building, as viewed from Court Street entry



Figure 3: Hospital building, as viewed across the road from Court Street



Figure 4: Original 1905 Manilla Hospital Building

2.1.3 Site Context

Manilla is located in the New England region of NSW (north-western region), approximately 460 km from the Sydney CBD and 45 kms north-west of the Tamworth town centre. Manilla has a population of approximately 2080 residents and is the commercial centre for the surrounding rural agricultural district, made up of wheat growing, wool and cattle production and mixed farming industries.



Figure 5: Aerial Photo of the hospital and surrounding development

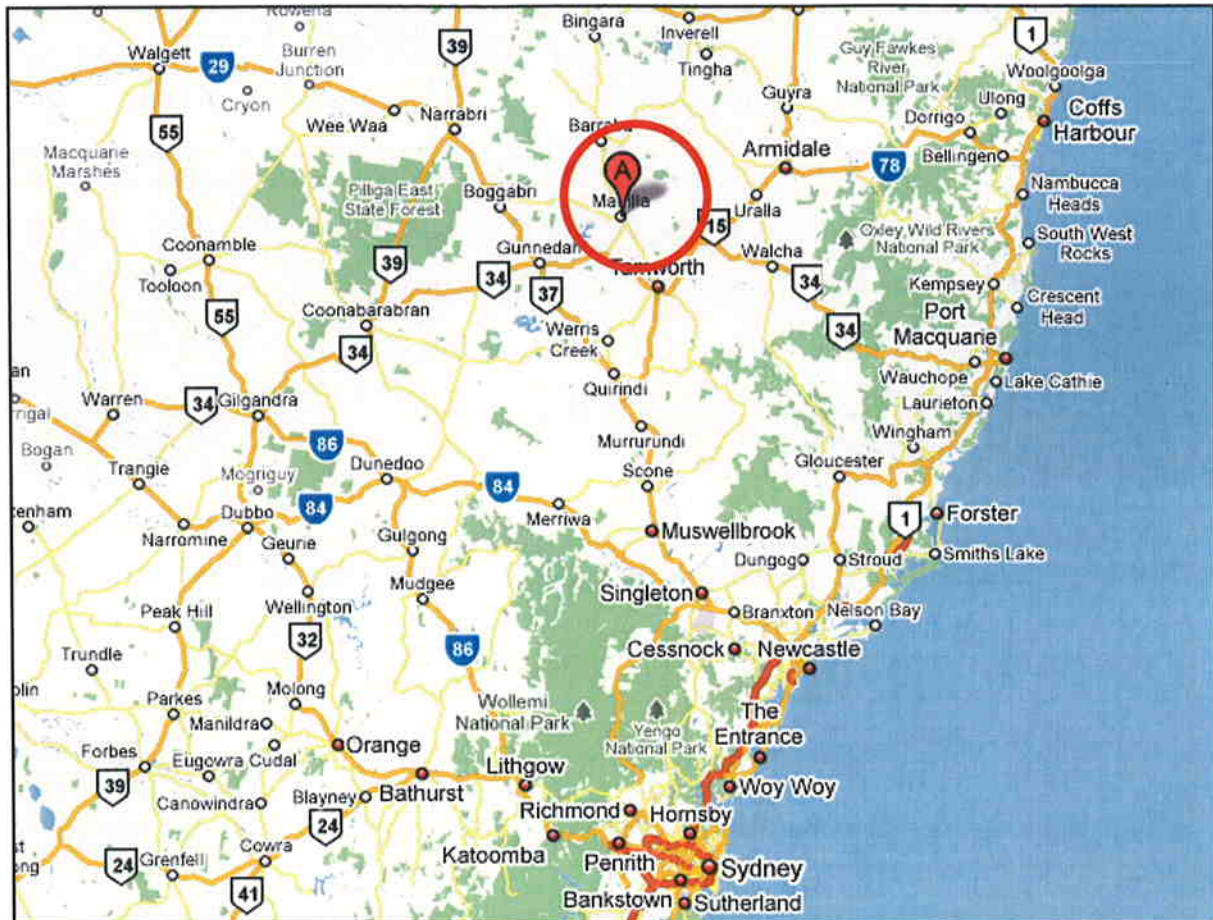


Figure 6: Context map (red circle provides indicative location of Manilla)

2.1.4 Surrounding development

Manilla Hospital is located at the end of Court Street which is a cul-de-sac. The immediate surrounding street network is largely a residential area with a rural streetscape made up mainly of single storey dwellings. To the north and east of the site is a moderately vegetated downward hill that provides views of the valley with some residential dwellings at the foot of the hill. To the south of the site is the Manellae Lodge, Manilla Senior Citizens Centre and associated car park and the Water Tower. To the west is the remainder of Court Street.

2.1.5 Strategic context

The proposed redevelopment of Manilla Hospital is consistent with the relevant objectives of the State Plan, including to "Improve and maintain access to quality healthcare in the face of increasing demand." The project aims to bring together GPs, community health workers, allied health and other medical professionals in a 'one stop shop'. The State Plan and the associated New England North West Local Action Plan specifically mention that key upgrades of health infrastructure and facilities include the expansion of multi-purpose facilities on the Manilla Hospital Site.

3 PROPOSED DEVELOPMENT

3.1 THE PROPOSED DEVELOPMENT

The proponent seeks approval for the staged demolition of the existing hospital building and construction of a new single storey architecturally designed hospital building with associated car parking and services. The proposal includes the following:

- Staged demolition of the existing hospital building;
- Staged construction of a 35 bed single storey building with a gross floor area of 3,492.7m²;
- Car park for 35 vehicles including two disabled parking spaces, short term drop off zone, community bus bay, 3 motor cycle parking spaces, 8 bicycle racks; and
- Associated infrastructure and landscaping.

Development Data

The proposal involves a minor boundary realignment which increases the site area of the hospital to 17,157.99 m², which results in reducing the size of the adjoining Council owned land and Lot 13 DP 814059 which is owned by NSW Health. The proposed hospital has a Gross Floor Area (GFA) of 3,492.7 m² which represents an FSR of 0.20:1. The table below compares the existing and proposed hospital details.

	Existing	Proposed
Site Area	16,281.56 m ²	17,157.99 m ²
No. Beds	29	35
GFA	1,869.64 m ²	3,492.7 m ²
FSR	0.11:1	0.20:1
Height	Single storey	Single storey
Car Parking Spaces	23	35 plus on-street parking

Table 1: Development data table

3.2 DEVELOPMENT IN DETAIL

The hospital development intends to provide health services for the immediate community as well as the regional surrounding area.

The hospital will include community and primary health clusters, emergency ward and imaging cluster, acute and sub-acute cluster, residential aged care, mortuary, staff areas including accommodation, service support area including storage, laundry, kitchen areas, associated infrastructure and car parking areas.

The hospital has been designed to conform to NSW Health Facility Guidelines and BCA performance requirements as well as relevant Australian Standards. The hospital responds to the needs of modern day health service providing an integrated health facility, which includes hospital care as well as community health facilities. In order to provide continued hospital care during construction, the project has been designed to be a two staged construction process to allow for a portion of the site to remain in operation whilst demolition and construction works are underway.

The redevelopment of Manilla Hospital is consistent with the NSW Health's Hunter New England Strategic Direction policy (2006 -2010) and addresses the strategic direction for NSW Health at a local level.

The hospital has an estimated design life of 40 to 50 years and will incorporate programmed maintenance to prolong its life span. The main hospital building will be constructed on the existing hospital site being Lot 14 DP 814059, as well as a minor portion being constructed on the northern portion of Lot 13 DP 814059 which is owned NSW Health. This will involve a minor boundary realignment to allow for the new hospital to be contained on the one lot. This is included as part of the subject project application.

Boundary realignment

The proposal involves a boundary realignment between Lot 14 in DP 814059 and Lot 13 in DP 814059 to allow for the new hospital to be located within one lot only (Lot 14 in DP 814059). This is aimed at ensuring that all buildings and associated facilities owned by Tamworth Council and NSW Health are contained within their respective lots and that buildings do not straddle any adjoining lots. The realignments will be completed during construction of the project.

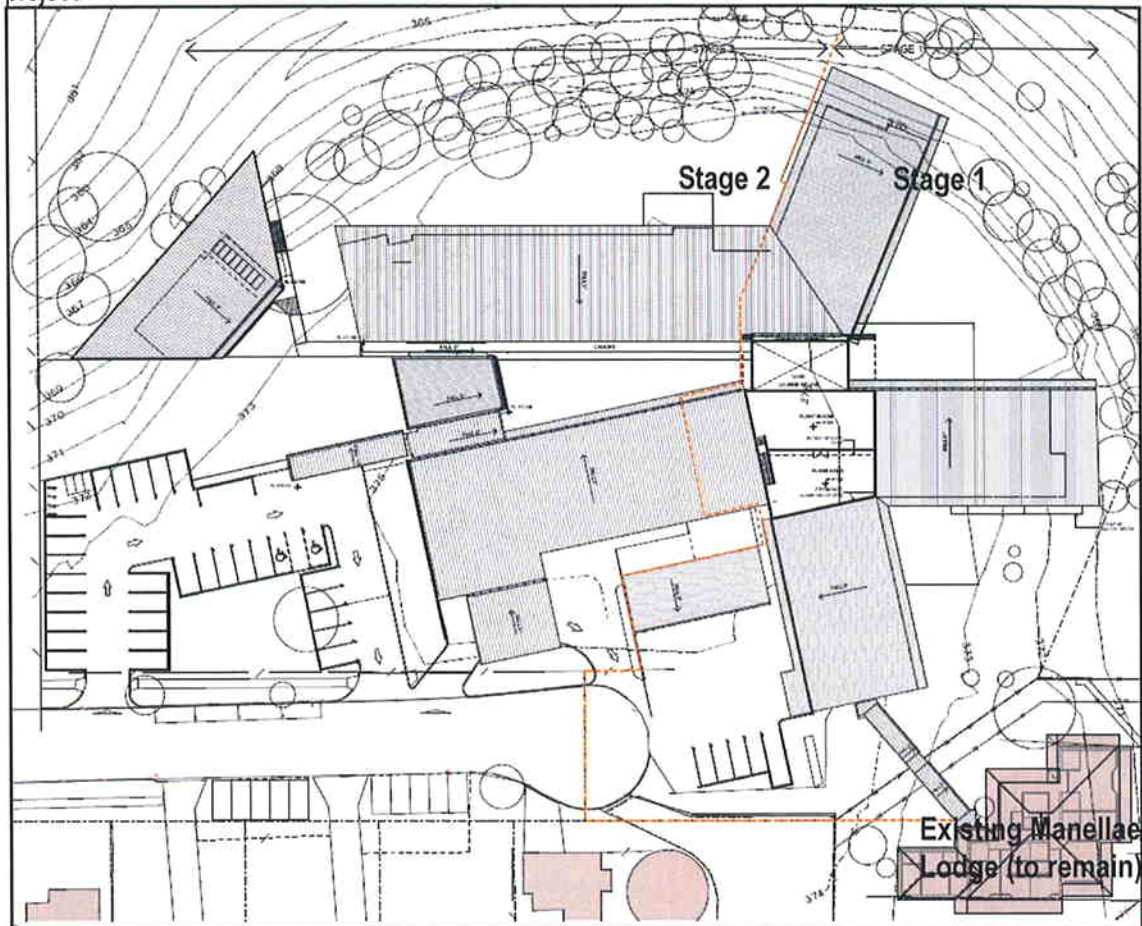


Figure 7: Site plan of the proposed medical hospital building



Figure 8: Aerial view north west

Landscape

The proposal provides for the enhancement of the existing rural backdrop of the site and retention of some existing mature trees. The proposed landscaped area covers 2,430m² in area and consists of low shrubs, groundcovers and native grasses as well as 28 White Box Trees to compensate for the proposed removal of 14 existing White Box Trees. The White Box trees (*Eucalyptus Albens*) are a remnant of the White Box-Yellow Box-Blakely's Red Gum Woodland which is an endangered ecological community (EEC) under the *Threatened Species Conservation Act 1995*. An assessment of this is provided in Section 5 of the report.

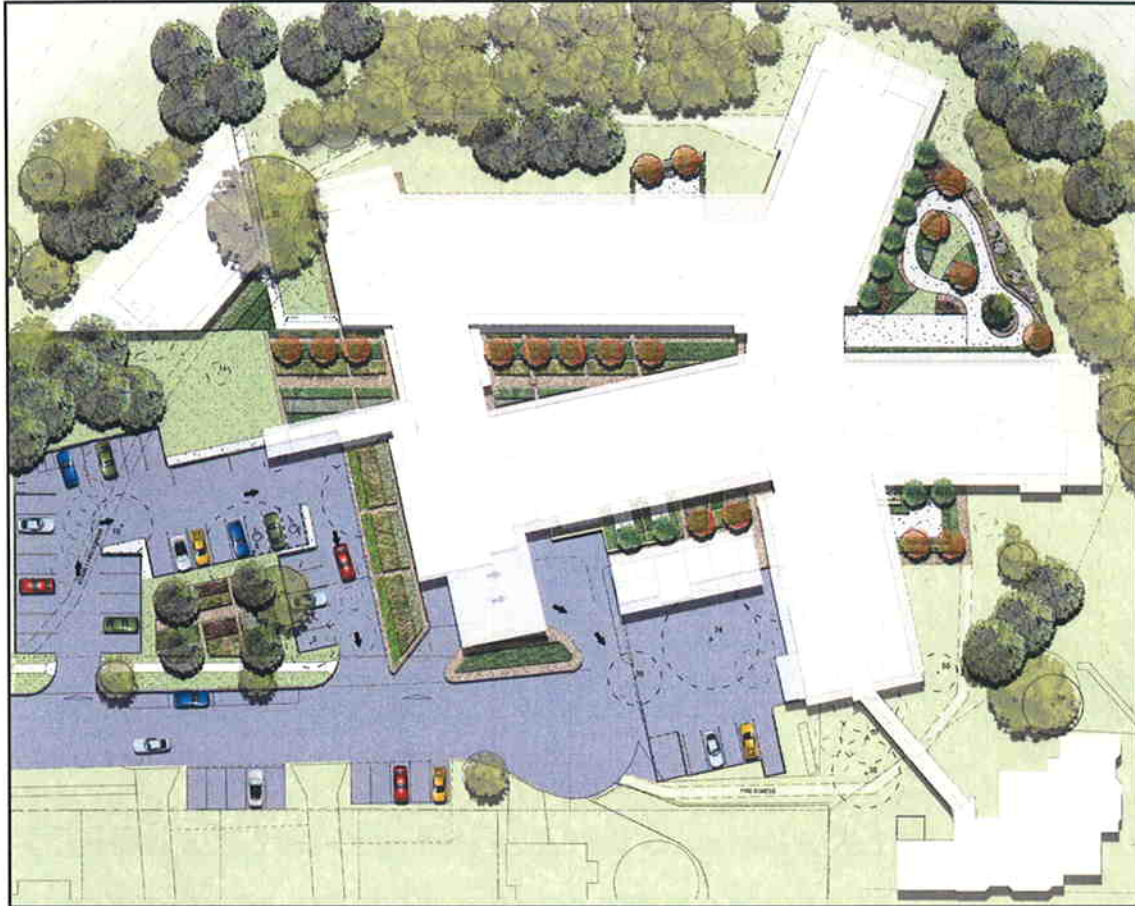


Figure 9: Proposed landscape design



Figure 10: View from north west

3.3 DEVELOPMENT STAGING

The project has been designed to allow for the uninterrupted continuation of the hospital during the staged construction of the new hospital. Staged construction is proposed to commence in early 2010 and is estimated to be complete in early 2012. Construction will be undertaken in the following two stage process as detailed overleaf:

Stage One (Figure 11)

- Partial demolition of the eastern portion of the existing hospital;
- Construction of aged care and support and part acute/sub-acute wings with a new building containing 24 beds and associated facilities, new entry points, a new loading and services compound, new kitchen;
- Construction of support services and a new covered pedestrian link to the Manellae Lodge aged care facility.

Construction of Stage One is illustrated in yellow in figure below.

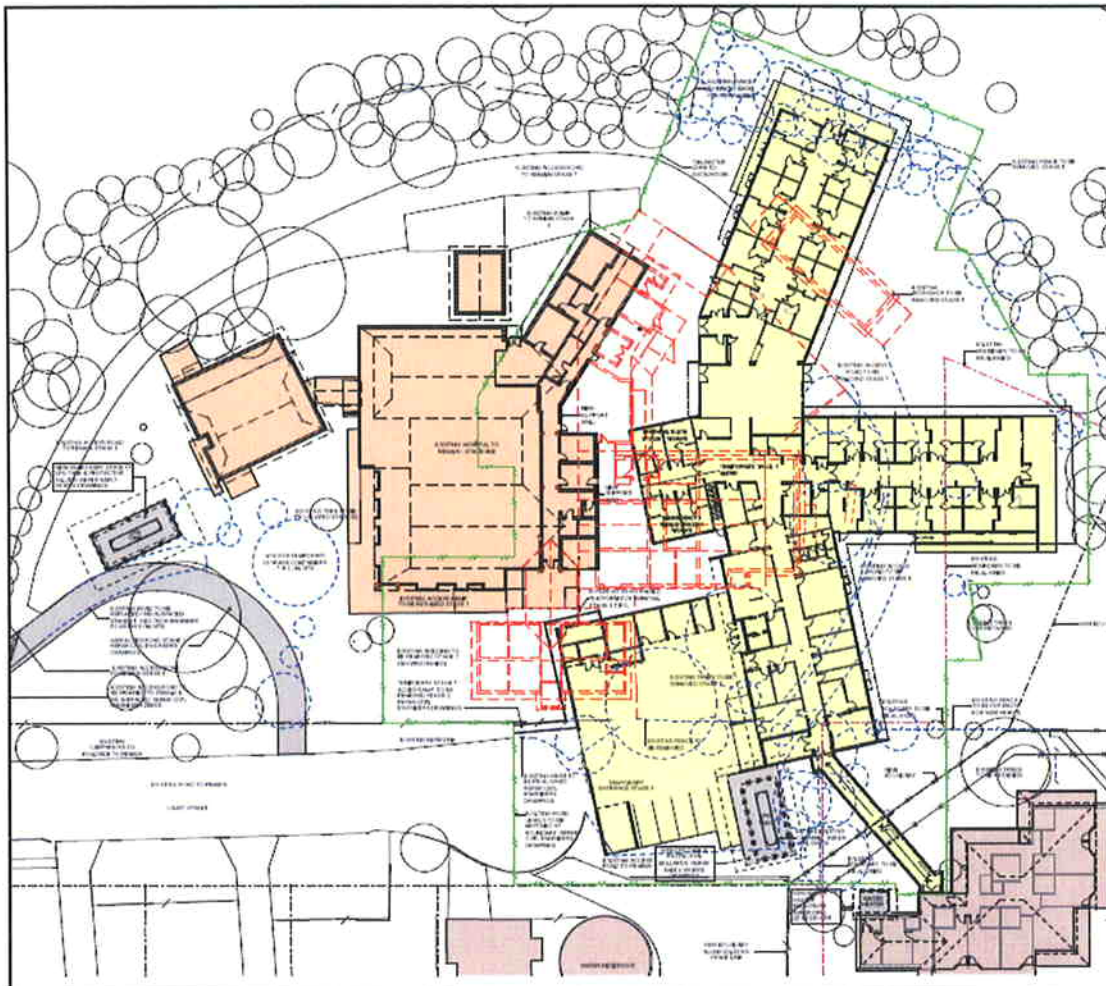


Figure 11: Stage One

Stage Two (Figure 12)

- Construction of primary health, emergency department and staff accommodation components including a new building containing 8 beds (including a birthing suite), 9 consulting rooms and associated facilities,
- Construction of a new building containing 4 beds for staff accommodation, new entry points, new car parking area, new permanent internal road and landscaping.

Construction of Stage Two is illustrated in peach in figure below.

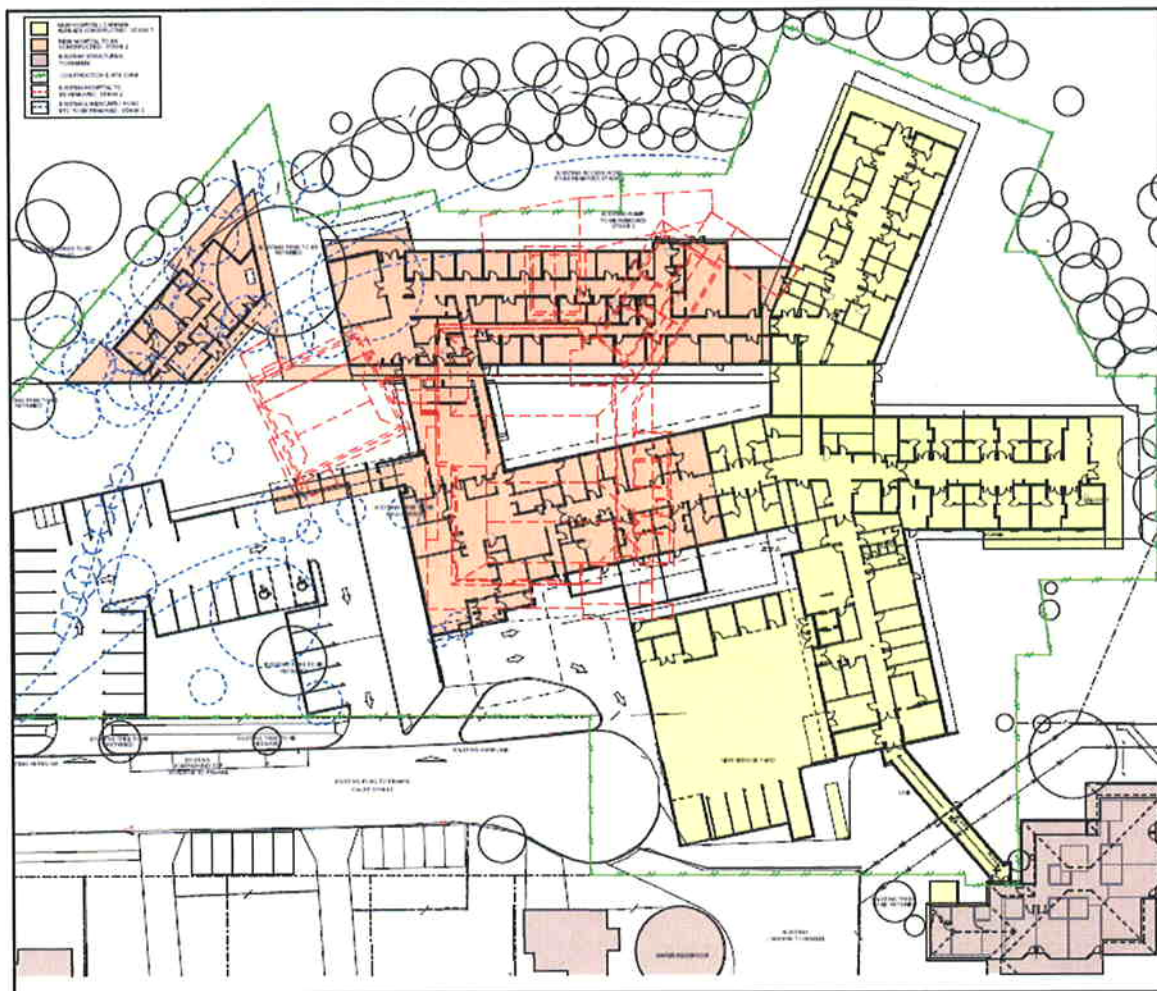


Figure 12: Stage Two

3.4 PREFERRED PROJECT REPORT

The proponent submitted a Preferred Project Report (PPR) on 1 October 2009, which included a response to the issues raised in submissions and additional information to clarify outstanding issues.

The PPR does not involve any amendments to the project design, however the proponent has submitted additional information regarding the disposal of spoil and the treatment of contaminated land and asbestos material from the northern section of the site. In response to issues raised by Tamworth Council, the proponent has carried out an additional civil engineering assessment which has determined that there will be approximately 4000m³ of excess clean material spoil to be disposed off-site at the Tamworth landfill. This will increase the level of truck usage on local roads and the main M63 (main highway between Manilla and Tamworth) from an initial estimation in the EA of 300 truck trips to a total of 696 truck trips (348 inbound/348 outbound), which equates to a total of approximately 10 truck trips per day (5 inbound/5 outbound). The demolition and excavation period is estimated to take approximately 6 months. This is discussed further in Section 5 of the report.

This has required amendments to the Remedial Action Plan and Waste Management Plan and an addendum to the Transport and Traffic report as part of the PPR. The PPR also included further assessment of heritage impacts, archaeological excavation assessment and an environmental site assessment.

4 STATUTORY CONTEXT

4.1 MAJOR PROJECT DECLARATION

State Environmental Planning Policy (Major Development) 2005 (Major Development SEPP) outlines the types of development declared a major project for the purposes of Part 3A of the EP&A Act. For the purposes of the SEPP certain forms of development may be considered a Major Project if the Minister (or delegate) forms the opinion that the development meets criteria within the SEPP.

Schedule 1, Clause 18 of the Major Development SEPP provides that a project for a hospital with a Capital Investment Value (CIV) of more than \$15 million is a Part 3A project. The Capital Investment Value for the proposal is estimated at \$16.6 million.

On 20 November 2008 the Director General, as delegate for the Minister for Planning formed the opinion that Part 3A of the Act applied to the proposed development. In doing so the Director-General declared the proposal to be a Part 3A project.

4.2 DELEGATION

On 4 March 2009 the Minister for Planning delegated her function to determine an application for a project under s75J of the Act, where there are less than 25 public submissions and the CIV of the project is less than \$50 million, to the Director General. The subject application has received 4 submissions and the CIV is less than \$50 million. Accordingly, the Director General can determine the application.

4.3 PERMISSIBILITY

The subject site is zoned '2(v) Residential Village or Urban Zone' under the Manilla Local Environmental Plan 1988 and a hospital is permissible in the zone with consent.

4.3 DIRECTOR GENERAL'S REQUIREMENTS (DGRS)

On 10 December 2008, the Director General issued environmental assessment requirements (DGRs) pursuant to Section 75F of the EP & A Act. The key issues to be addressed in the DGRs issued related to:

- Urban form and design;
- Amenity impacts on neighbouring properties;
- Transport, traffic and access;
- Impacts on Built Heritage and Cultural Heritage;
- Geotechnical and contamination impacts;
- Construction and operational impacts;
- ESD measures;
- Staging; and
- Infrastructure and services.

The Department considers that the proponent has adequately addressed the DGRs, which are provided in **Appendix C**.

4.4 OBJECTS OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT ACT 1979

The Minister's consideration and determination of a project application under Part 3A must be informed by the relevant provisions of the EP & A Act, including the objects of the Act.

The objects of the Act in section 5 are as follows:

(a) to encourage:

- (i) the proper management, development and conservation of natural and artificial resources, including agricultural land, natural areas, forests, minerals, water, cities, towns and villages for the purpose of promoting the social and economic welfare of the community and a better environment,
- (ii) the promotion and co-ordination of the orderly and economic use and development of land,
- (iii) the protection, provision and co-ordination of communication and utility services,
- (iv) the provision of land for public purposes,
- (v) the provision and co-ordination of community services and facilities, and

- (vi) the protection of the environment, including the protection and conservation of native animals and plants, including threatened species, populations and ecological communities, and their habitats, and
- (vii) ecologically sustainable development, and
- (viii) the provision and maintenance of affordable housing, and
- (b) to promote the sharing of the responsibility for environmental planning between the different levels of government in the State, and
- (c) to provide increased opportunity for public involvement and participation in environmental planning and assessment.

Of particular relevance to the assessment of the subject application is consideration of the Objects under section 5(a). Relevantly, the Objects stipulated under section 5(a) (i), (ii), (iv), (v) and (vi) are significant factors in forming the determination of the application and the project is considered to comply with these objects of the Act. Further the project does not raise significant issues with regards to (iii), (vi) and (viii).

4.5 ESD PRINCIPLES

The *Protection of the Environment Administration Act 1991* provides five accepted ESD principles:

- (a) decision-making processes should effectively integrate both long-term and short-term economic, environmental, social and equitable considerations (**the integration principle**);
- (b) if there are threats of serious or irreversible environmental damage, lack of full scientific certainty should not be used as a reason for postponing measures to prevent environmental degradation (**the precautionary principle**);
- (c) the principle of inter-generational equity - that the present generation should ensure that the health, diversity and productivity of the environment is maintained or enhanced for the benefit of future generations (**the inter-generational principle**);
- (d) the conservation of biological diversity and ecological integrity should be a fundamental consideration in decision-making (**the biodiversity principle**); and
- (e) improved valuation, pricing and incentive mechanisms should be promoted (**the valuation principle**).

The Department has considered the proposal in relation to the ESD principles and has made the following conclusions:

- **Integration Principle** – The proposed development facilitates the construction of a hospital building providing improved health services for the public. The development will provide for the short-term and long-term economic and social development of the area.
- **Precautionary Principle** – The site is identified as having a low level of environmental sensitivity. Conditions of approval have been recommended to mitigate any potential impact on the environment arising from the development.
- **Inter-Generational Principle** – The redevelopment of the hospital will provide improved health services and facilities to the community and is considered to meet this principle. Through the implementation of the enabling works programs and staged construction, environmental and management practices currently employed on the site will be enhanced or introduced to ensure the environment is protected for future generations.
- **Biodiversity Principle** – There is a moderate level of natural vegetation surrounding the site. This includes a small area of remnant White Box (*Eucalyptus albens*) which is an example of White Box-Yellow Box-Blakely's Red Gum Woodland being an endangered ecological community under the *Threatened Species Conservation Act 1995*. The area where the White Box occurs is smaller than 0.1 hectare and therefore does not qualify as an endangered ecological community (EEC) under the *Environment Protection and Biodiversity Conservation Act 1999*. The project application proposes to remove 14 White Box trees and had initially proposed to replant 28 White box trees in an alternate location. The Department has discussed the number of trees to be replanted and has determined that the proponent should plant a minimum of 42 trees. The increase in tree planting is considered a positive outcome that will assist in the ongoing protection of the species. The proponent has stated that existing White-Box trees are not hollow-bearing, however, has committed to providing artificial hollows in the new trees

It is acknowledged that a certain number of endangered trees must be removed in order to facilitate the development of the new hospital. On balancing the merits of developing a new hospital (and associated improved health services to a regional area) and retaining the small volume of endangered trees, it is

considered in the public interest that the trees be removed and that they be compensated with the planting of at least 42 new trees. Accordingly, it is considered that this action meets the biodiversity principle.

- **Valuation Principle** – The project application will provide improved health facilities for the Manilla region and will provide ongoing employment opportunities. The project will assist in the continued economic and social development of the precinct. The proposal has been designed to minimise adverse impacts on the environment by siting infrastructure at locations that have been disturbed by previous land uses and by implementing specific design measures to minimise the environmental impact on the area. This has resulted in increased costs associated with construction which indicates that environmental resources have been assigned a value and therefore have been considered during the concept design stage.

The proponent has committed to ESD principles as detailed in their Environmental Assessment report and Statement of Commitments and the project aims to achieve a 4 green star rating through the orientation of the building, natural ventilation, thermal insulation, minimisation of water usage and waste storing facilities.

4.6 SECTION 75I(2) OF THE ACT & CLAUSE 8B OF THE ENVIRONMENTAL PLANNING AND ASSESSMENT REGULATION 2000

Section 75I(2) of the Act and Clause 8B of the Environmental Planning and Assessment Regulation 2000 provides that the Director-General's report is to address a number of requirements. These matters and the Department's response are set out as follows:

Section 75I(2) criteria	Response
Copy of the proponent's environmental assessment and any preferred project report	The Proponent's EA and response to submissions are located on the assessment file and in a CD-Rom in Appendix D .
Any advice provided by public authorities on the project	All advice provided by public authorities on the project for the Minister's consideration is set out at Appendix F of this report.
Copy of any report of a panel constituted under Section 75G in respect of the project	No statutory independent hearing and assessment panel was undertaken in respect of this project.
Copy of or reference to the provisions of any State Environmental Planning Policy that substantially govern the carrying out of the project	Each relevant SEPP that substantially governs the carrying out of the project is identified and assessed in Section 4.7 .
Except in the case of a critical infrastructure project – a copy of or reference to the provisions of any environmental planning instrument that would (but for this Part) substantially govern the carrying out of the project and that have been taken into consideration in the environmental assessment of the project under this Division	An assessment of the development relative to all environmental planning instruments is provided in Section 4.7 .
Any environmental assessment undertaken by the Director General or other matter the Director General considers appropriate.	The environmental assessment of the project application is this report in its entirety.
A statement relating to compliance with the environmental assessment requirements under this Division with respect to the project.	The proponent's EA addressed the DGR requirements and is considered to have satisfied those requirements as addressed in this report. Refer to the Conclusion in Section 7 of this report for a statement relating to this requirement.
Clause 8B criteria	Response
An assessment of the environmental impact of the project	An assessment of the environmental impact of the proposal is discussed in Section 5 of this report.
Any aspect of the public interest that the Director General considers relevant to the project	The public interest is discussed in Section 5 of this report.
The suitability of the site for the project	The suitability of the site for the project is discussed in Section 5 of this report
Copies of submissions received by the Director-General in connection with public consultation under section 75H or a summary of the issues raised in those submissions.	A summary of the issues raised in the submissions is provided in Section 6 and Appendix G of this report.

4.7 ENVIRONMENTAL PLANNING INSTRUMENTS (EPIS)

4.7.1 Application of EPI's to Part 3A projects

To satisfy the requirements of section 75I(2)(d) and (e) of the Act, this report includes references to the provisions of the environmental planning instruments that govern the carrying out of the project and have been taken into consideration in the environmental assessment of the project application. An assessment of compliance with the relevant EPI's is provided immediately below which concludes that the proposal complies with these documents.

The primary controls guiding the assessment of the proposal are:

- State Environmental Planning Policy (Major Development) 2005;
- State Environmental Planning Policy (Infrastructure) 2007;
- State Environmental Planning Policy No. 55 - Remediation of Land;
- Manilla Local Environmental Plan 1988; and

The provisions, including development standards of local environmental plans, and development control plans are not required to be strictly applied in the assessment and determination of major projects under Section 75R(3) Part 3A of the Act. Notwithstanding this, these standards and provisions are relevant considerations for this application as the DGR's and Section 75I(2)(e) of the Environmental Planning and Assessment Act 1979 require the Proponent to address such standards and provisions and the Department to duly consider them.

The Department has considered the proposed Project Application against the objectives and aims of these instruments, and is satisfied that the proposed project, subject to the implementation of the recommended conditions of approval, is generally consistent with the provisions of these instruments. An assessment of each of these EPI's is outlined below:

4.7.2 State Environmental Planning Policy (Major Development) 2005

The project is a Major Project under *State Environmental Planning Policy (Major Development) 2005* being Schedule 1 clause 18 'Hospitals' to which Part 3A of the EP & A Act applies. Clause 18 of Schedule 1 identifies '*development for the purpose of hospitals with a capital investment value of more than \$15 million*' as development to which Part 3A applies. The Capital Investment Value for the project is estimated at \$16.6 million. The opinion that the proposal is a major project was formed by the Director-General, as delegate for the Minister for Planning on 18 November 2008.

4.7.3 State Environmental Planning Policy (Infrastructure) 2007

The objectives of the Infrastructure SEPP are to facilitate the effective delivery of infrastructure by improving regulatory certainty through consistent planning management for infrastructure and providing greater flexibility in the location of infrastructure and service facilities throughout the State.

Schedule 3 of the SEPP lists traffic generating development that is required to be referred to the Roads and Traffic Authority (RTA). The project application was referred to the Roads and Traffic Authority (RTA) on 3 August 2009 for comment. The RTA has since provided comments. The RTA's recommendations have been considered and where relevant have been included as conditions to the project application to ensure that the impacts of the construction and ongoing operation of the development are appropriately mitigated.

4.7.4 State Environmental Planning Policy No. 55 – Contaminated Land

The proponent has conducted a Geotechnical Assessment and Stage 1 and 2 Environmental Site Assessment that concludes there is potential contaminated land and soil which subject to the implementation of the Remedial Action Plan and the Waste Management Plan, can be appropriately managed and removed.

Therefore it is considered that the site can be made suitable for the proposed development and thus satisfactorily meet the requirements of SEPP 55.

4.7.5 Manilla Local Environmental Plan 1988

Under the Manilla LEP 1988 the site is zoned 2(v) Residential Village or Urban Zone. The objectives of the zone are:

- (a) to regulate the subdivision and use of land to permit a wide range of urban purposes, and
- (b) to recognise existing urban, commercial, industrial and open space areas within the zone and enable future development appropriate to their function.

Hospital development is permissible with consent in the zone and the proposal is consistent with the zone objectives. Accordingly the proposal is consistent with the zoning provisions of the Manilla LEP 1988.

5 ASSESSMENT OF ENVIRONMENTAL IMPACTS

5.1 KEY ISSUES

Key issues considered in the Department's assessment of the Environmental Assessment include:

- Flora impacts;
- Heritage & Archaeology;
- Traffic & Transport;
- Ecologically Sustainable Development;
- Operational Impacts;
- Statement of Commitments;
- Public interest.

5.2 FLORA IMPACTS

The site contains 600m² of White Box Eucalyptus (*Eucalyptus Albens*) trees which is a remnant of the endangered ecological community (EEC) Box-Gum Woodland from the site under the *Threatened Species Conservation Act 1995*. The proposal involves the removal of approximately 200 m² (14 trees) and as part of the EA the proponent had indicated they would replant 28 trees on the northern perimeter of the development site. A total of 89 trees are proposed to be removed. However, other than the 14 White Box trees, these are not significant in terms of ecological value.

The proponent submitted a Flora, Fauna and Tree Assessment Report to support the project. The report states there would be no net impact on threatened species or native vegetation as a result of the removal of the 14 White Box trees. The report stated that there are no threatened fauna species on the site, that the existing trees do not provide any hollows for fauna habitats, and that given the modified condition of the vegetation it is considered unlikely that any threatened flora species are present in the soil seed bank.

The application was referred to the Department of Environment Climate Change and Water (DECCW) which advised the following:

- The proposed replanting does not maintain or improve the outcome and takes no account of the loss of native understorey species;
- On site rehabilitation will not provide a suitable offset given the possibility of further development on the site in the future and its poor ecological connectivity;
- A more suitable offset would be for the proponent to enter into an agreement with a management authority to provide funding for the in perpetuity conservation management or rehabilitation of one hectare of a White Box grassy woodland community in an area of native vegetation on crown land in the region.

The proponent's response was that the requirements of DECCW are unreasonable given the size, location and condition of the remnant vegetation. The Flora and Fauna Report identified that the existing White Box is in a degraded condition containing limited native understorey and considerable weed invasion.

The Department acknowledges that a preferable outcome would be to minimise any removal of the White Box trees. However, in order to develop the site for a new hospital, it would be spatially impractical to retain the trees in their current location. Therefore, it is necessary that a certain number of trees be removed. Notwithstanding this, the proponent has committed to replacing the 14 trees with 28 45-litre trees. In addition to this, the proponent has committed to installing artificial hollows (nesting boxes) in the retained trees at a ratio of one nest box for each four trees removed in order to compensate for the potential loss of hollows in the trees.

DECCW believe that it would be more appropriate to provide funding for the conservation of one hectare of the species. The proponent argues that this is excessive and unreasonable given the condition of the existing White Box and the fact that they will be planting 28 new trees.

In considering the benefits of a new hospital for the Manilla region with that of retaining 14 trees or providing an in perpetuity financial commitment to the rehabilitation of an area of the species off site, the Department considers a compromise can be reached whereby the proponent is required to replant a minimum 42 trees to supplement the loss of 14 trees.

The proponent has since agreed to increase the number of White Box trees to be replanted from 28 trees to 42 trees, which represents three times the number of trees to be removed. This increase is a positive improvement and is considered an acceptable outcome that will assist in conserving the existing White Box Trees without compromising

the future development of the hospital. A condition of approval has been included to require a minimum of 42 new White Box Trees (45-litre capacity) be planted and that artificial hollows be provided. DECCW has advised that it accepts this outcome

5.3 DESIGN AND BUILT FORM

The building will have a gross floor area of 3,492.7 m² which represents an FSR of 0.20:1. The building is generally single storey with a maximum height of 4.95 m. In general the proposal remains consistent with the bulk and scale of surrounding development and has included adequate urban design treatments to provide visual interest to the building.

The proposal generates minimal overshadowing of adjoining properties with all residential receivers adjacent to the hospital retaining a minimum of 3 hours of sunlight access during the winter solstice. The proposed bulk and scale of the building is considered appropriate and will have no significant visual impacts on residents.

The proponent advises that the proposed lighting generally complies with the requirements of Clause 7.2 of Council's DCP No.9 regarding outdoor lighting. Tamworth Council raised lighting as an issue and requested that all lighting should avoid 'sky glow'. The proponent has advised that the proposed lighting will include LED lamps and 35W uplights which will reduce energy consumption and minimise lighting intensity, thereby minimising upward sky glow.

5.4 HERITAGE & ARCHAEOLOGY

Built Heritage

The original Manilla Hospital building is listed as an item of heritage in *Manilla Local Environmental Plan 1988*. The proponent has provided a Heritage Impact Assessment which states that the hospital is of high local heritage significance due to the role it has served in the Manilla Community for over one hundred years and its association with various local people. However the building fabric lacks in aesthetic heritage characteristics due to the various phases of extensions and alterations to the building over the years and there is minimal original heritage fabric evident on the building. The most significant heritage element is the original entry façade which retains its original cement render arch and the sandstone foundation stone.

The Heritage Report states that there is a higher level of heritage significance with the association of the site as a hospital rather than the building fabric. The report concludes that the buildings may be demolished on heritage grounds to permit the construction of a new hospital, therefore preserving and continuing the heritage association of the site with a hospital function.

The Department's internal heritage specialist has confirmed that although the item is of local heritage significance the hospital in its current form is not sufficiently intact to justify retaining it.

The proponent has committed to implementing the heritage measures detailed in the Heritage Report through their Statement of Commitments. These include:

- All plaques, opening and foundation stones will be carefully removed from the buildings, recorded and stored for re-use.
- A photographic record (digital colour only) will be undertaken by the contractor during the demolition works to record any hidden original building fabric.
- A second phase of archaeological works will be implemented during the demolition or construction phase of the project.
- The proposed new buildings will incorporate some of the distinctive character of the local red brick.
- The landscape design will incorporate the decorative brick chimney cap and shaft from the 1909 Nurses home in the gardens for display of early twentieth century cement rendering techniques.
- If European relics greater than 50 years old were unearthed during demolition and construction then work will cease in the immediate vicinity and the Heritage Branch of the Department of Planning will be contacted for advice and/or a permit to remove or destroy the item.

Accordingly, subject to the implementation of the proponent's statement pertaining to heritage, the proposed demolition of the hospital is considered acceptable, as the construction of the new hospital will preserve and continue the heritage association of the site as a hospital.

During exhibition, Tamworth Council requested that the new hospital incorporate an increase in the red brick character of the existing hospital. The proponent responded in their PPR that the proposal includes sufficient red brick to reflect the use of the material in the town whilst allowing for the construction of a modern hospital. This is supported by the Department of Public Works Heritage Architect. Therefore the proposed level of red brick is considered acceptable.

Aboriginal heritage and archaeology

The proponent has conducted a search of the NSW Department of Environment, Climate Change and Water's (DECCW) Aboriginal Heritage Information Management System which states that there are no records for Aboriginal objects or Aboriginal Places. The DECCW has recommended that an archaeologist skilled in recognising Aboriginal artefacts is to be engaged during any excavation works. This will be included as a condition of approval.

In addition the proponent has included the following Statement of Commitment:

- If any Aboriginal archaeological sites were found during demolition and construction then work will cease in the immediate vicinity and the NSW National Parks and Wildlife Service and Local Aboriginal Land Council will be contacted for further advice and action.

5.5 TRAFFIC AND TRANSPORT IMPACTS

Car park

The proposed off-street car park provides 35 car spaces plus on-site ambulance bay and parking for 3 motorcycles and 8 bicycles. The current car park provides 23 car spaces. The proposed car park exceeds the requirements as stipulated by the RTA, given Tamworth Council does not specify rates for hospital developments. The proposed level of car parking is considered adequate and the provision of other forms of parking such as bicycle parking will assist in encouraging alternate modes of transport.

Construction Impacts

The proponent has indicated that as a result of further engineering assessment, the project will result in approximately 4000m³ of excess clean material spoil to be disposed off-site at the Forest Road landfill in Tamworth, which is located 45 kilometres to the south of the site. Specifically all demolition and construction waste will be separated on-site for recyclables, and then waste will be transported to the Forest Road Landfill in accordance with Tamworth Council's recommendations.

The additional clean spoil will result in an increase in transport truck movements to and from the hospital site, utilising MR 63 (Main Road) and a limited length of local streets (Court Street/Bligh Street). Council is concerned about this increased traffic generation and in response the proponent has submitted additional truck movement analysis as part of an addendum to the Transport and Traffic Report with their PPR.

Traffic report estimates traffic movement to increase from approximately 300 trips (estimated in EA) to a total of 696 truck trips (348 inbound/348 outbound) during the 6 month demolition and excavation period, which equates to a total of 10 truck trips per day (5 inbound/5 outbound). The estimated worst case construction traffic generation would be up to 70 vehicles per day. For the rest of the 18 month construction phase, truck activities are estimated at between 2 to 10 movements per day.

In terms of impacts along local roads, the Traffic Report states that the anticipated increased daily traffic flow will not exceed the environmental capacity of Court Street (and surrounding local roads) as traffic volume will remain below the RTA's environmental limit of 200 vehicles per hour and a maximum limit of 300 vehicles per hour for a local street. With regards to impacts on MR 63, the estimated daily truck trips are expected to be 10 trips per day, which equates to one per hour which the Traffic Reports states can be accommodated on MR 63 with minimal impacts in terms of traffic flow, road safety and residential amenity.

Subject to the implementation of the Waste Management Plan and Environmental Management Plan, construction impacts can be adequately managed.

Operational Impacts

The nature of the hospital is that it will be regularly accessed by medical practitioners, staff, patients and visitors either by vehicle, pedestrian traffic or cycling. The hospital will also be accessed by ambulance vehicles. This may result in additional amenity impacts, however, these can be adequately controlled through the provision of a marked car park, landscaping and an operational management plan. The requirement for an operational management plan has been included as a condition of approval.

The existing capacity of the hospital results in minimal traffic generation and given the local road network adequately services the existing hospital and the new hospital will result in a minimal increase in patient beds (total of 6) it is considered that, despite the hospital increasing its general services, the road network will be able to adequately accommodate future traffic usage.

5.6 CONTAMINATED LAND

As part of the PPR the proponent submitted a revised Remedial Action Plan and Site Environmental Assessment which indicates that there is potential contaminated land and soil which, subject to the implementation of the Remedial Action Plan and the Waste Management Plan, can be appropriately managed and removed. Specifically the proposal involves the excavation of approximately 1300 m³ to 1450 m³ of contaminated land and asbestos material from the northern section of the site. Initially, the EA indicated that this was to be disposed off-site at the landfill in Tamworth. However, through the development of civil design and a revised Remedial Action Plan, it has been determined that the contaminated material will be treated on-site. A condition of approval has been included requiring the works to be undertaken in accordance with the recommendations of the Remediation Action Plan.

The Remediation Action Plan also identifies that there may be some localised contamination associated with the existing unused underground storage tank. In response an allowance of 100m³ – 250m³ of contaminated material will be removed as identified in the Waste Management Plan. This allowance also includes some very minor contaminated material associated with the existing workshop as identified in the Remediation Action Plan.

In addition the proponent has also committed in their Statement of Commitments (C36 to C39) to provide an Environmental Management Plan prior to the commencement of works. Accordingly it is considered that the site can be made suitable for the proposed development.

5.7 ECOLOGICALLY SUSTAINABLE DEVELOPMENT

The proposed building has been designed to improve energy and water use efficiency and aims to achieve a 4 green star rating through the orientation of the building, natural ventilation, thermal insulation, minimisation of water usage and waste storing facilities.

The proponent has committed to ESD principles as detailed in their Environmental Assessment report and Statement of Commitments.

5.7 STORMWATER AND DRAINAGE

The proponent has submitted stormwater plans indicating new connection points and upgrades. The hydraulic system will be supplemented by a roof top solar hot water heating plant. An on-site detention basin has been provided to contain stormwater and protect the hospital from stormwater impacts.

The new system will be connected to a concrete rainwater harvesting tank with a capacity of 75m³. The tank will provide water for toilet flushing, urinals, and irrigation.

A condition of approval requires the proponent to submit a detailed stormwater plan to Council prior to the commencement of construction works.

5.8 STATEMENT OF COMMITMENTS

The Statement of Commitments that were submitted with the application are located at **Appendix B**. The key issues identified are:

- Demolition and Construction commitments;
- Construction hours;
- Traffic management and access;
- Waste management;
- Contamination;
- Erosion and sediment control;
- Landscaping;
- Community consultation;
- Heritage; and

- Operational commitments.

The Statement of Commitments are considered to be acceptable for the project application.

5.9 PUBLIC INTEREST

The project is in the public interest on the basis that the proposal will provide improved hospital and health services to the town of Manilla and its region and will meet the needs of the future population growth of the region. The project will deliver social and economic benefits to the locality and is considered to be in the public interest.

6 CONSULTATION AND ISSUES RAISED

6.1 PUBLIC EXHIBITION DETAILS

In accordance with Section 75H of the Act, a "Test of Adequacy" was undertaken by the Department which determined that the matters contained in the DGRs were adequately addressed in the Environmental Assessment prior to public exhibition.

The environmental assessment was publicly exhibited for a period of 31 days from 5 August 2009 to 4 September 2009 at the following locations:

- Department of Planning (Head Office) – Information Centre, 22 - 33 Bridge Street, Sydney
- Tamworth Regional Council – 437 Peel Street Tamworth
- Tamworth Regional Council, Manilla Office – 210 Court Street Manilla

The EA was placed on the Department's website during the course of the exhibition period.

Local residents surrounding the site were informed of the project application in writing and invited to make a written submission. Details of the application were also published in the public notices section of the Manilla Express, The Daily Telegraph and the Sydney Morning Herald. The advertisement provided details of the proposal, exhibition locations and dates and how interested parties could make a submission. Government agencies, Tamworth Regional Council and other public authorities were also consulted.

The proponent also conducted their own consultation with Government agencies during the design process. These stakeholders included Tamworth Regional Council, the Ministry of Transport, the RTA, Country Energy, NSW Fire Brigades and Telstra. The Department of Environment, Climate Change and Water (DECCW) was also consulted.

The proponent responded to submissions on the 1 October 2009.

6.2 SUBMISSIONS RECEIVED ON ENVIRONMENTAL ASSESSMENT

The Department received 3 submissions during exhibition from public authorities being Tamworth Regional Council, the RTA and the Ministry of Transport. No public submissions were received.

In addition, DECCW was consulted and has provided comments on the project.

6.3 SUBMISSIONS FROM PUBLIC AUTHORITIES

To fulfil the requirements of Section 75I Clause 2(b) this report includes advice provided by public authorities regarding the issues to be addressed by the proponent in the EA. These issues formed part of the key issues raised in the DGRs. The Department has reviewed the EA, submissions to the preparation of the EA by public authorities, the submissions received from public authorities during the EA exhibition period and additional information provided by the proponent. Unless noted to the contrary below, the Department is satisfied that the responses provided by the proponent in their EA and the additional response to issues raised in submissions are reasonable.

The issues raised in public authority submissions relate to heritage, flora impacts, traffic impacts, construction impacts, waste management, contamination and car parking.

Tamworth Regional Council: raised issues relating to heritage, waste disposal, lighting, contaminated land and local traffic impacts associated with demolition and construction. These issues have been addressed in Section 5 and the proponent has responded to these issues in the form of amended reports to support the proposal and additional Statement of Commitments.

Department of Environment Climate Change and Water: DECCW raised concerns regarding the proposed removal of the 14 White Box trees which are a remnant endangered flora species. Also DECCW was concerned that the replanting would be via seeds or saplings. Consequently DECCW recommended that the proponent investigate providing a financial commitment in perpetuity for ongoing rehabilitation and management of the species off site. The proponent responded that this requirement was unreasonable and that the 14 trees to be removed were in a degraded state and there would be 28 White Box trees planted on site, being double of what was proposed to be removed. The proponent has since agreed to have the number of trees to be planted to a minimum of 42 trees (being three times of what is proposed to be removed) and has also indicated to install hollow nests for native species in the trees to be retained. This has been included as a condition of approval. DECCW has further advised the Department that it accepts this outcome.

DECCW also recommended that an archaeologist skilled in recognising Aboriginal artefacts is to be engaged during any excavation works. This has been included as a condition of approval.

Roads and Traffic Authority: The RTA provided comments about the level of car parking and impacts of traffic noise on existing residents. This has been addressed in Section 5.

The Ministry of Transport: The Ministry raised issues regarding the Traffic and Parking Report and recommended a broader analysis of public transport nodes. Where relevant, this has been accommodated by the proponent in the form of parking for bicycles.

The above issues have been addressed in Section 5 of this report, the proponent's PPR and Statement of Commitments, and where relevant have been resolved by way of conditions of approval.

7 CONCLUSION

The Department has reviewed the environmental assessment and duly considered advice from public authorities as well as issues raised in public submissions in accordance with Section 75(2) of the Act. All the relevant environmental issues associated with the proposal have been extensively assessed.

The redevelopment of the hospital is significant for the future social and economic growth of the Manilla town. The redevelopment of Manilla Hospital will provide improved hospital and health services to the town of Manilla and surrounding rural towns and will meet the needs of the future growth of the region. The Department is of the view that the potential impacts are minor and that the proponent has satisfactorily mitigated any potential environmental impacts associated with the proposal. The recommended conditions (at **Appendix A**) and implementation of the measures detailed in the proponent's Environmental Assessment report and Statement of Commitments seek to maintain the amenity of the local area, and adequately mitigate the environmental impacts of the proposal.

On balance, therefore, the Department considers the site to be suitable for the proposed development and that the project application is in the public interest. Consequently, the Department recommends that the project be approved, subject to conditions.

8 RECOMMENDATION

It is recommended that the Director-General, as delegate for the Minister for Planning:

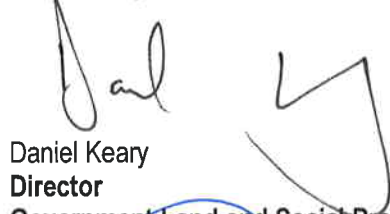
- (A) consider the findings and recommendations of this report;
- (B) approve the project application for the redevelopment of Manilla Hospital, under section 75J *Environmental Planning and Assessment Act, 1979*; subject to conditions; and sign the Determination of the Major Project (**Tag A**).

Prepared by:

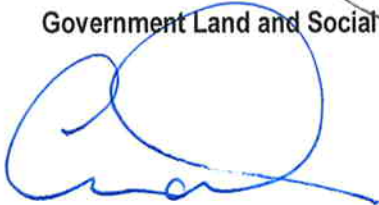


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6/12/09