

11 September 2020

Mr Jim Betts
Secretary
Department of Planning, Industry and Environment
Locked Bag 5022
PARRAMATTA NSW 2124

Dear Mr Betts

**Request for Secretary's Environmental Assessment Requirements - John Hunter Health and Innovation Precinct
Proposed Concept Development Application: Concept Proposal and Stage 1 Development Application**

Health Infrastructure NSW (HI) is the applicant for the proposed construction and operation of a new Acute Services Building (ASB) and associated refurbishment of existing hospital facilities at the John Hunter Hospital in Newcastle Local Government Area (LGA).

The proposal is State Significant Development (SSD) for the purposes of the *Environmental Planning and Assessment Act 1979* (EPA Act) and Schedule 1, clause 14(a) of the *State Environmental Planning Policy (State and Regional Development) 2011* (SEPP SRD) as it involves development for the purposes of a health services facility with a capital investment value in excess of \$30 million.

The purpose of this letter is to request the Secretary's Environmental Assessment Requirements (SEARs) in accordance with section 5.15 of the EPA Act and Schedule 2/clause 3 of the *Environmental Planning and Assessment Regulation 2000* (EPA Regulation) for the preparation of an Environmental Impact Statement (EIS).

The development application pathway for the Project will consist of a staged SSD Application pursuant to section 4.22 of the EPA Act, which will consist of:

- Concept proposal for a new ASB and associated refurbishment works of selected existing hospital facilities; and
- Stage 1 development application (DA) for site establishment and clearing works.

Indicative concept plans have been prepared by BVN (**Attachment A**).

The detailed design, construction and operation of the ASB and refurbishment works will be lodged as part of a subsequent Stage 2 DA. This SEARs request is supported by an overview of the proposed development, sets out the statutory context, and identifies the key likely environmental and planning issues associated with the proposal.

1.0 Subject Site

John Hunter Health Campus

The John Hunter Health Campus (JHHC) is located on Lookout Road, Lambton Heights within the City of Newcastle LGA, approximately 8km west of the Newcastle CBD. The hospital campus is located approximately 3.5km north of Kotara railway station. The locational context is shown at **Figure 1**.

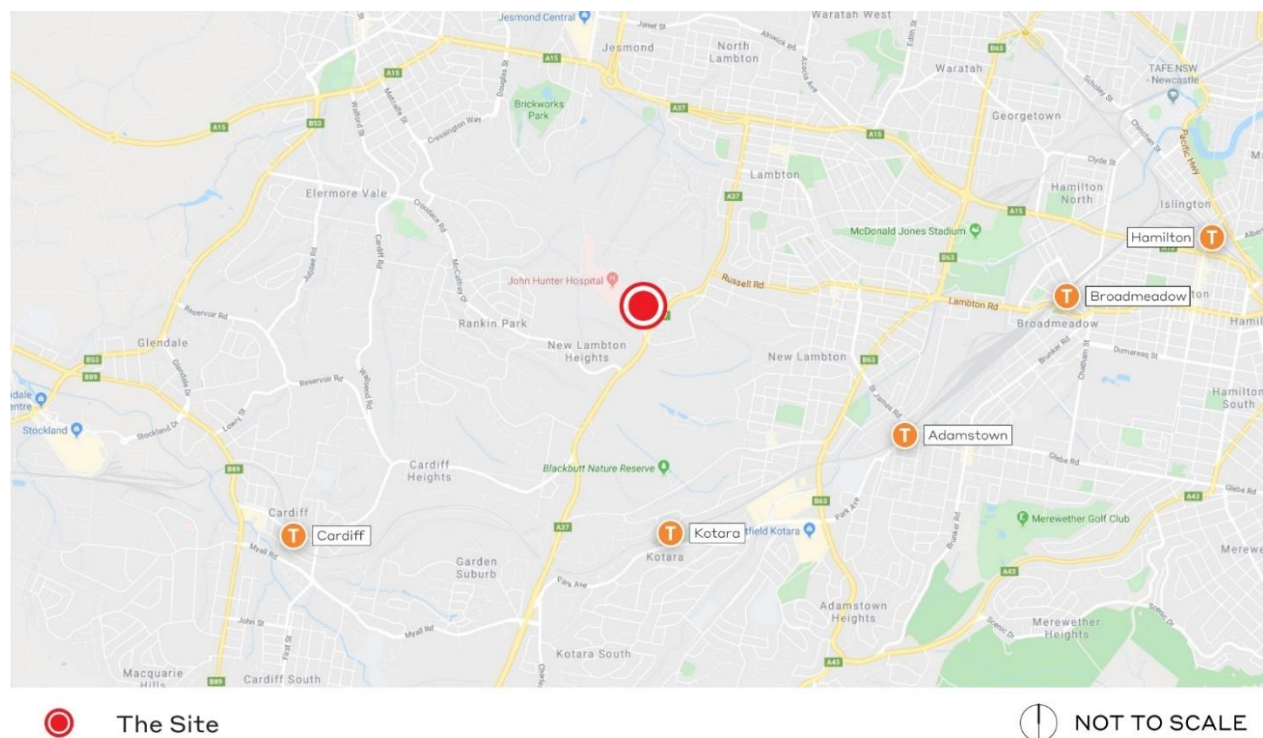


Figure 1 Locational Context

Source: Googlemaps

JHHC comprises the John Hunter Hospital (JHH), John Hunter Children's Hospital (JHCH), Royal Newcastle Centre (RNC), the Rankin Park Rehabilitation Unit and the Nexus Unit (Children and Adolescent Mental Health Unit) (see **Figure 2** below).

JHHC is a Level 6 Principal Referral Hospital, providing the clinical hub for medical, surgical, child and maternity services within the Hunter New England Local Health District (HNELHD) and across northern NSW through established referral networks. Other services at the campus are the Hunter Medical Research Institute (HMRI), Newcastle Private Hospital and the HNELHD Headquarters.

The existing buildings that sit within the campus have largely been delivered over the past 30 years. The main JHH building opened in 1991 and has over the years undergone extensions and additions which defines the current profile of the campus.

The campus is within a leafy suburb and borders the Blackbutt Nature Reserve land to the north which is owned by the HNELHD and is leased to Newcastle City Council. Works will occur within the JHHC and on adjoining land that is owned by the Local Health District.

An aerial photograph of the JHHC is shown at **Figure 2**. A project description is provided at **Section 3.0**. The location of works is identified by BVN on the site plan at **Appendix A**.



Figure 2 Aerial photograph of the John Hunter Hospital Campus and surrounding land

Source: Nearmap

Table 1 below identifies the development lots where works are proposed and identifies the legal description and ownership of the land.

Table 1 Site Description and Ownership

Development Lot	Zone	Ownership
Lot 2 DP1228246	SP2 Health Services Facility	NSW Health Administration Corporation
Lot 1 DP1228246	SP2 Health Services Facility	NSW Health Administration Corporation - Leased to HMRI
Lot 202 DP1176551	E3 Environmental Management	HNELHD - Leased to Newcastle City Council
Lot 11 DP826092	E3 Environmental Management	The State of NSW

Newcastle Inner City Bypass

The NSW Government is constructing a 3.4km bypass between Rankin Park and Jesmond directly adjacent the JHHC site (see **Figure 3**). This section of the bypass is one of 5, first started in the 1980s to provide an orbital road linking Newcastle's radial road network, connecting the Pacific Highway at Bennetts Green and the Pacific Highway at Sandgate.

As part of the bypass, a new interchange access to the JHHC will be available in both directions, improving access to the north of the campus.

The proposed bypass aims to improve the performance of the existing travel route between Rankin Park and Jesmond with the objective to meet future traffic demand, reduce travel times and improve road safety. These traffic improvements will ensure connectivity to the JHHC. This final section of the bypass is due for completion prior to the delivery of ASB development.

The immediate benefits to the JHHC can be seen through the improved access to the campus, as well as a better connection to the University of Newcastle, further strengthening opportunities for the integration of research and innovation.

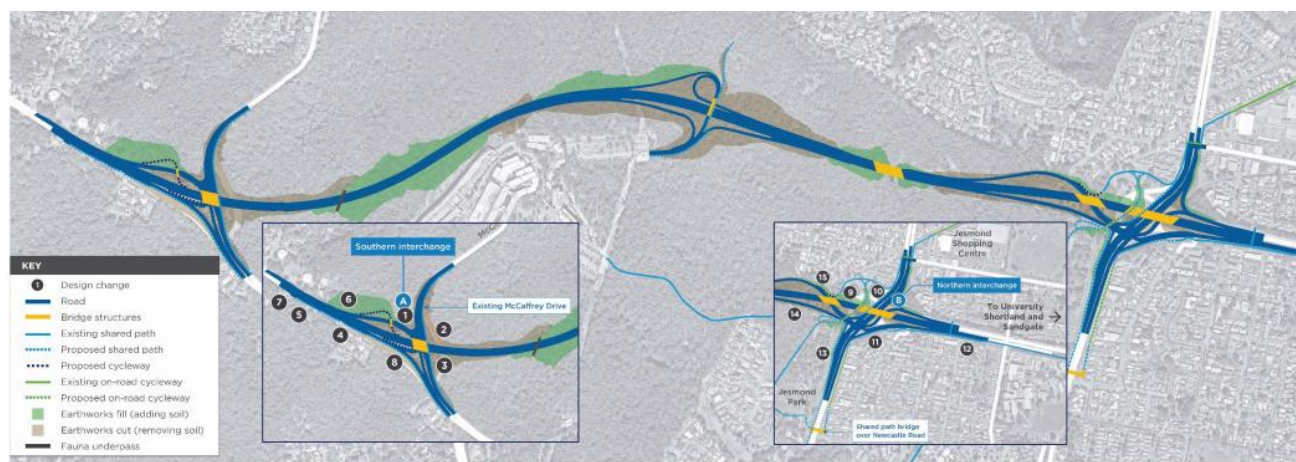


Figure 3 Newcastle Inner City Bypass (Rankin Park to Jesmond)

Source: TfNSW Newcastle Inner City Bypass – Project Update (July 2020)

Strategic Need for the Project

The HNELHD service planning for the JHH catchment identifies that a substantial increase in capacity is required to meet the growth in demand for health services. Expansion of the JHHC is one of the top priorities for the HNELHD in their strategic asset planning.

The demand for acute, sub-acute and ambulatory health services has increased significantly over the past fifteen years. The challenge for the John Hunter and John Hunter Children's Hospitals has been how to best manage the increasing presentations and demand for emergency and elective admission within the current health facilities. The JHH has one of the busiest emergency departments in NSW, at present serving over 85,000 presentations per year.

Key capital investment is required to enable high quality and safe healthcare that is underpinned by new ways of working. This will enable contemporary models of health care suitable for the delivery of Level 6 tertiary services to a catchment that covers the northern zone of NSW. The existing JHHC infrastructure is limited in its ability to promote the integration of research and clinical service delivery and enhance collaboration with large clinical schools such as the University of Newcastle and the University of New England.

To meet and support these service needs, the JHHIP project will provide:

- A new and expanded emergency department;
- Expanded and enhanced Critical Care services;
- Increased interventional and imaging services;
- Additional patient accommodation that meets modern standards;
- Clinical and non-clinical support services; and
- Facilities that promote collaboration between staff and students and continue the development of partnerships with industry, higher education and precinct partners.

Precinct Vision

The JHHIP Master Plan has been developed to provide for the requirements of the campus whilst allowing for long term flexibility to adapt to the changing population and the ongoing evolution of the campus as an integrated health and research precinct. The Master Plan addresses specific issues such as the significant population pressure on the campus as one of the busiest hospitals in NSW, the unique sloping bushland site, changing access points as a result of the bypass, staging needs and car parking needs to ultimately create an inspiring environment for patients, visitors, researchers, staff and the community.

Acute services, including a relocation of the Emergency Department and increased critical care services have been identified as a priority for the JHHIP. In allowing for these functions, consideration is given primarily to access, clinical adjacency to the existing hospital as well as mass and impact on the existing Hospital. Integration and connection between the existing hospital and research facilities has informed the framework that underpins the Master Plan. The Master Plan supports a strategy that allows for the hospital to remain operational as a fully cohesive facility both during the construction and on completion.

The Master Plan recognises that the current road network allowing access to and through the precinct is at capacity and it is necessary to provide incremental improvements that capitalise on the existing infrastructure (including the proposed Newcastle Inner City Bypass), create greater clarity and separation of user journeys.

The principles of access and connection have driven the Master Plan. Specifically, in relation to the location of the ASB, enabling access to the precinct, providing a real connection to future precinct partners and catalysing the connection to country have been key to the decision making leading to the location of the ASB (see **Figure 4** below). Additionally, the consideration of the long-term future of the precinct has informed locating the ASB to allow for a footprint of commensurate size to its east in the future as potential expansion.

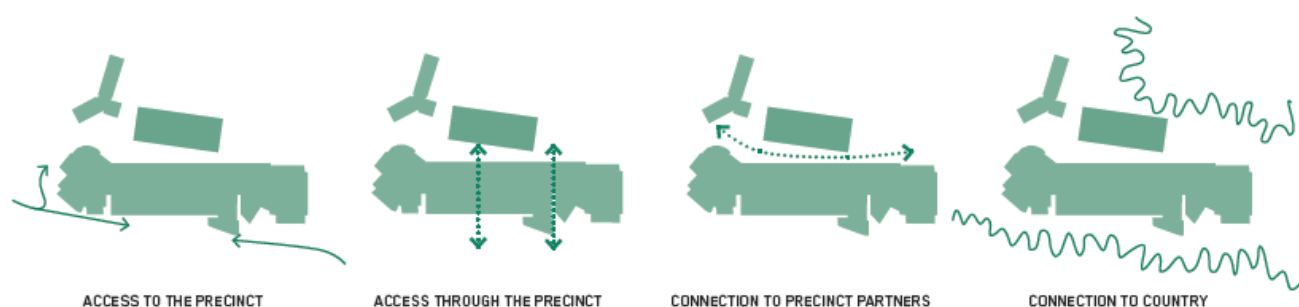


Figure 4 Masterplan Principles

Source: BVN

2.0 Description of Proposed Development

Development consent is sought for a concept proposal and concurrent Stage 1 DA for site establishment and clearing works, including:

- Concept proposal for a new ASB containing up to eight (8) levels, indicatively comprising approximately 60,000m² GFA with provision for basement car parking; and
- Stage 1 DA for physical site establishment and clearing works including:
 - site establishment;
 - site preparation including bulk earthworks, tree removal, environmental clearing, cut and fill;
 - mines grouting remediation works;
 - shoring and building foundations;
 - construction of internal roads network and construction access roads;
 - connection to the future Newcastle Inner City Bypass; and
 - inground building services works and utility adjustments.

A subsequent Stage 2 DA will seek approval for the detailed design and construction of the ASB building (including connections to the existing Hospital), public domain improvements and refurbishment of certain existing hospital facilities.

An Indicative Concept Proposal has been prepared by BVN (see **Figure 5**, **Figure 6** and **Attachment A**).

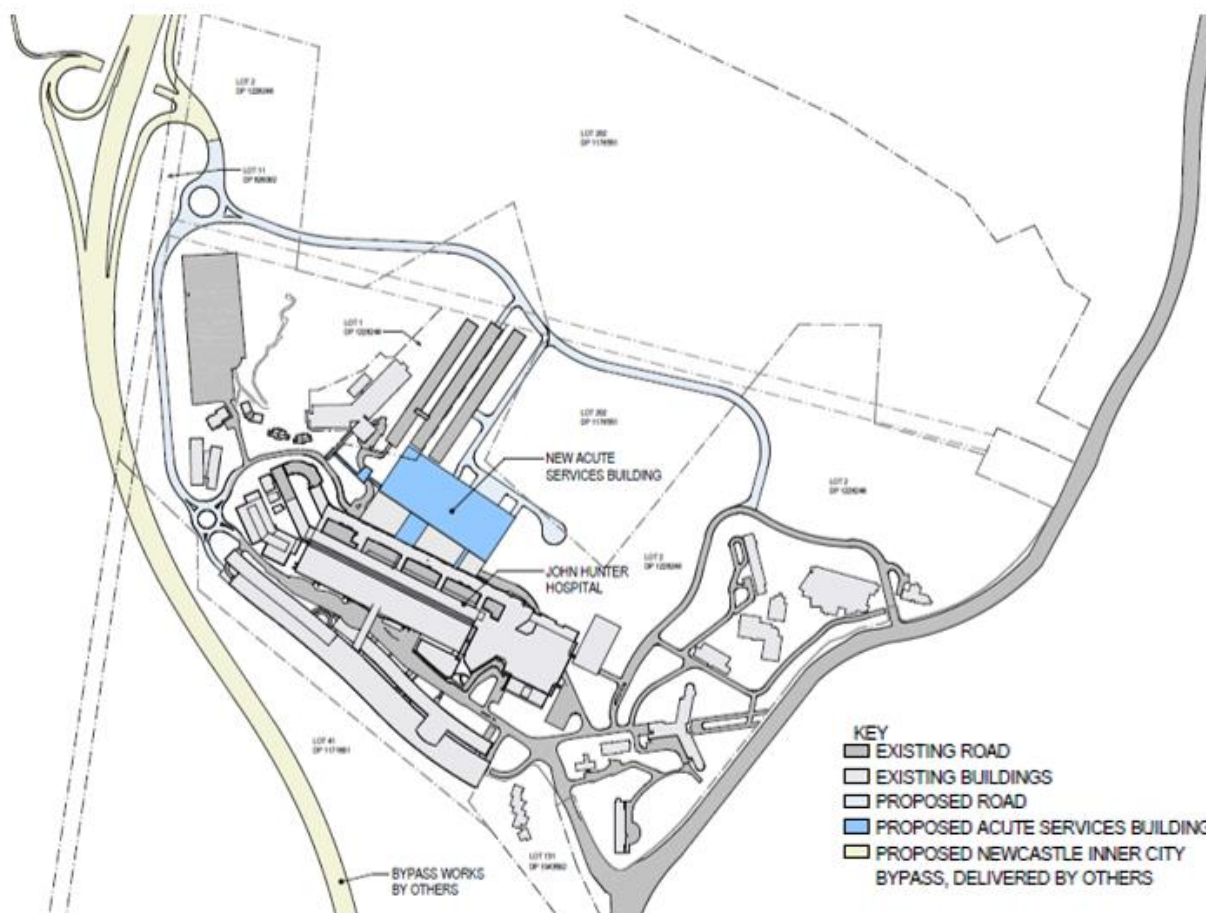


Figure 5 Site layout plan

Source: BVN

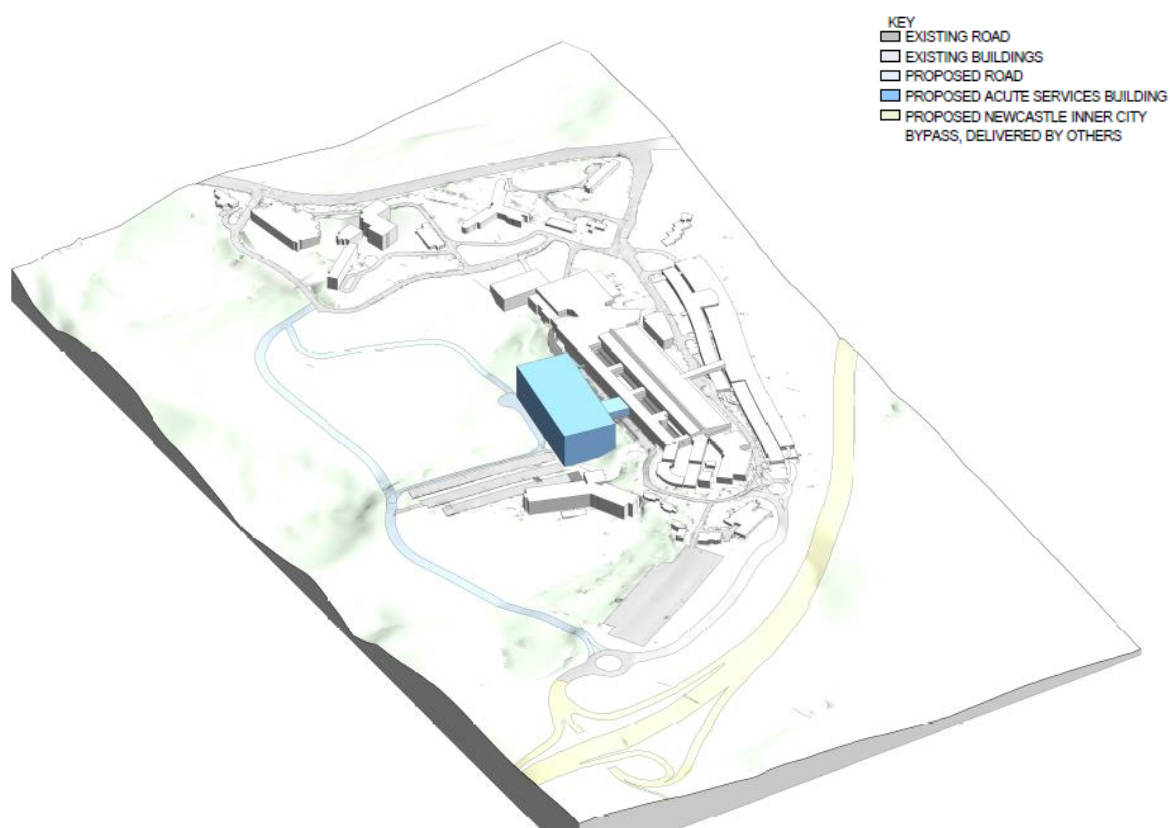


Figure 6 Indicative 3D diagram of new ASB Concept Proposal

Source: BVN

Capital Investment Value

The project will have a capital investment value in excess of \$30 million. In accordance with Schedule 1 of SEPP SRD, the proposal is SSD for the purposes of the EPA Act.

3.0 Planning Framework

Strategic Planning Context

Consistency with Strategic Plans

Strategic Plan	Comment
Infrastructure Australia Priority List	In February 2020, Infrastructure Australia identified the John Hunter Health and Innovation Precinct capacity as a priority initiative. At present it is the only health project in the priority projects for Infrastructure Australia.
NSW State and Premier's Priorities	<p>The proposal will deliver on key state priorities, including</p> <ul style="list-style-type: none"> • Building infrastructure; • Improving service levels in hospitals; • Cutting waiting time for planned surgeries; • Jobs closer to home; • Increased business investment in rural and regional NSW; and • Increased business investment. <p>The proposal will deliver health infrastructure that will reduce waiting times by improving capacity, allowing for greater integration of services, and creating greater efficiencies by incorporating state of the art facilities and equipment.</p> <p>The proposal will create job opportunities in manufacturing, construction and construction management during the project's construction phase of works, and job opportunities in health and administration at the project's completion.</p> <p>The proposal will create jobs and apprenticeships for the construction sector through government infrastructure. It will generate up to 2,200 jobs over the construction phase and will facilitate the growth and support of a skilled health related workforce in the region. The proposal is estimated to deliver 400 full time equivalent (FTE) staff upon operation.</p>
Hunter Regional Plan 2036	<p>The proposal is consistent with the vision for the region, including:</p> <ul style="list-style-type: none"> • Development of a national Centre of Excellence for Health and Education where the world-class health, education and research services at the John Hunter Hospital campus help attract more well-paid knowledge-based jobs to the region; • Goal 1 - Growing strategic employment centres, including John Hunter Hospital to expand the regional economy and support more jobs close to where people live; • Infrastructure investment is the linchpin of economic development across the Hunter. It supports freight, health and education services, agribusiness and tourism, as well as building resilience to global economic cycles and climate change. <p>Specifically, the proposal is consistent with direction 23 of the Plan (Grow centres and renewal corridors) which identifies John Hunter as a strategic centre. Strategic centres will be the focus for population and/or economic growth over the next 20 years.</p>
Greater Newcastle Metropolitan Plan 2036	<p>John Hunter Hospital is a catalyst area of Greater Newcastle with the JHH to be a new economic and knowledge centre. The proposal supports the following actions of the Plan:</p> <ul style="list-style-type: none"> • Outcome 1: Create a workforce skilled and ready for the new economy; • Strategy 4: Grow health precincts and connect the health network; • Action 4.1: facilitate the development of allied health, education, training, hotels, aged care services and research facilities at the John Hunter health precinct; and • Contribution towards meeting the JHH Catalyst areas 1,700 job target to 2036.

Strategic Plan	Comment
NSW State Infrastructure Strategy	<p>The proposal will deliver on the strategic objective for Health to plan and deliver world-class health infrastructure that supports a 21st century health system and improved health outcomes for the people of NSW.</p> <p>The strategy identifies the expansion of the JHH to provide health and research facilities of an international standard as a direction for regional NSW and Greater Newcastle.</p>
Future Transport Strategy 2056	A key outcome for the <i>Future Transport Strategy 2056</i> is to “support successful places” with a transport network across the State that better connects regional cities and centres and will increase access to regional jobs, services and education. The proposal will be better connected to transport and will support this outcome. Improved transport will broaden the catchment of the Greater Newcastle area and improve access to services such as the new ASB.

Statutory Planning

Legislation

Environment Protection and Biodiversity Conservation Act 1999

The Commonwealth *Environment Protection and Biodiversity Conservation Act 1999* (EPBC Act) legislates the provisions for the assessment of actions likely to have a significant impact on Matters of National Environmental Significance (MNES) listed under the Act. An ecological assessment will accompany the EIS for the SSD application.

Biodiversity Conservation Act 2016

Section 7.9 of the *Biodiversity Conservation Act 2016* (BC Act) requires that an EIS submitted with an SSD application be accompanied by a biodiversity development assessment report (BDAR) unless the Planning Agency Head and the Environment Agency Head determine that the proposed development is not likely to have any significant impact on biodiversity values. A BDAR will be provided with the EIS and biodiversity impacts will be addressed in the EIS. The project team has undertaken early consultation with the relevant agencies, which will continue as the SSD is progressed.

The applicant has engaged with the Energy, Environment and Science Group (EESG) within DPIE to confirm Arborist reporting requirements. An Arboricultural Impact Assessment report will be prepared that will address the impact on trees in the area around the ASB.

Environmental Planning and Assessment Act 1979

The EPA Act establishes the assessment framework for SSD. Under section 4.38 of the EPA Act the Minister for Planning is the consent authority for SSD. Section 4.12(8) of the EPA Act requires that a development application for SSD is to be accompanied by an EIS in the form prescribed by the EPA Regulation.

State Environmental Planning Policy (State and Regional Development) 2011

SEPP SRD identifies development which is declared to be State Significant. Clause 14 of Schedule 1 of SEPP SRD identifies specific development on specific land as State Significant Infrastructure, as follows:

14 Hospitals, medical centres and health research facilities

Development that has a capital investment value of more than \$30 million for any of the following purposes—

- (a) hospitals,*
- (b) medical centres,*

(c) health, medical or related research facilities (which may also be associated with the facilities or research activities of a NSW local health district board, a University or an independent medical research institute).

As the proposal is for the purposes of a hospital that has an estimated Capital Investment Value greater than \$30 million, it is categorised as SSD.

Other Planning Policies

In addition to the above, the following policies apply to the site and will need to be considered as part of the SSD application:

- *State Environmental Planning Policy No. 55 – Remediation of Land (SEPP 55).*
- *State Environmental Planning Policy (Infrastructure) 2007 (ISEPP).*
- *State Environmental Planning Policy (Koala Habitat Protection) 2019 (SEPP KHP).*
- *State Environmental Planning Policy No 33 - Hazardous and Offensive Development (SEPP 33).*

Local Environmental Plan

The proposal is located on land which is subject to *Newcastle Local Environmental Plan 2012 (NLEP)*. The site is zoned part SP2 Infrastructure (Health Services Facility) and part E3 Environmental Management. Development for the purpose shown on the SP2 Infrastructure Land Zoning Map (i.e. health services facility – which includes hospitals) including any development that is ancillary or ordinarily incidental to development for that purpose is permitted with consent under NLEP.

Some road works are proposed on land that is located within the E3 Environmental Management zone. The development of roads is permitted with consent in the E3 zone. The key planning controls for the site are identified at **Table 2**.

Table 2 Summary of Planning Controls

Newcastle LEP 2012	
Zoning	SP2 Health Services Facility and E3 Environmental Management.
Permissibility	Hospitals are permitted with consent in the SP2 zone. Roads are permitted with consent in the E3 zone.
Height	No height limit
FSR	No floor space control
Heritage	<p>The JHHC contains the following items of local heritage significance which are located in the eastern part of the campus and are not in proximity of the proposed works. A map identifying their location is shown below.</p> <ul style="list-style-type: none"> • I356 – Rankin Park Hospital – Local • I357 – Remnant garden – Croudace House – Local • I358 – Croudace House - Local
Acid Sulphate Soils	Class 5

Figure 7 below identifies the location of local heritage items at JHHC.

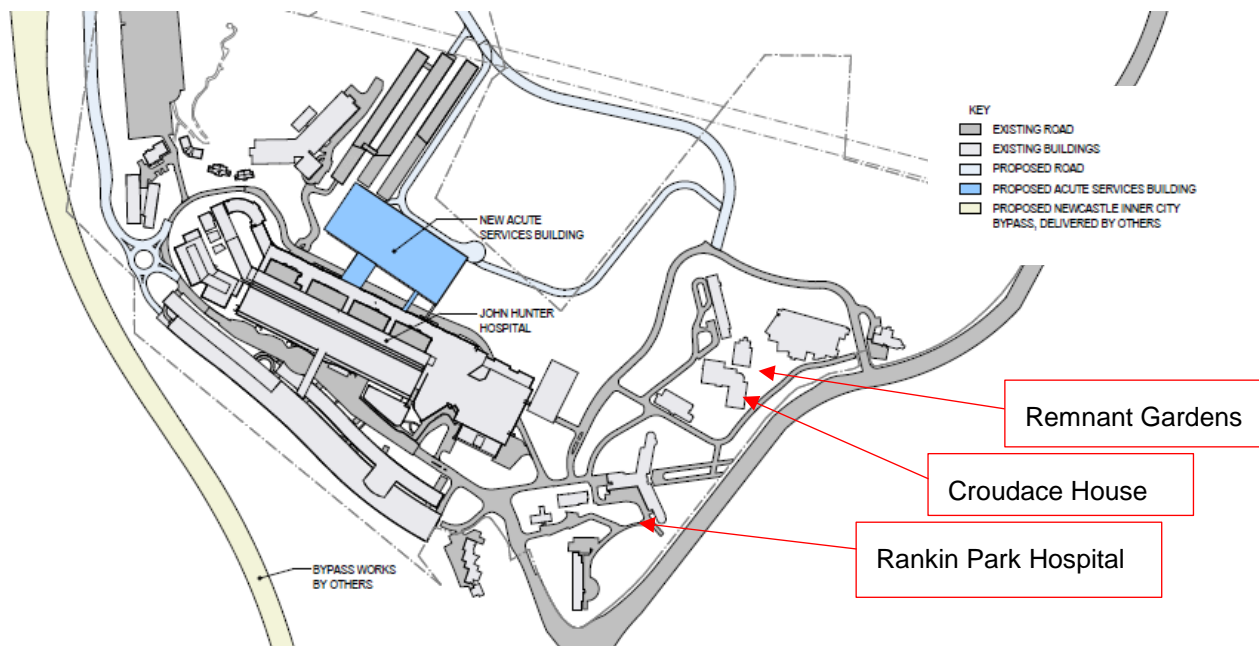


Figure 7 Location of Heritage Items

Source: BVN and Ethos Urban

4.0 Overview of Likely Environmental and Planning Issues

Based on our preliminary environmental assessment, the following are the key environmental assessment issues that will need to be considered as part of the future SSD application.

Environmental Amenity

Whilst the site has no maximum height or FSR control, the concept proposal will be the subject of a merit assessment having regard to the siting, height and massing of the proposed development in the context of the surrounding development and landscape.

Traffic and Parking

Preliminary studies have been undertaken with the aim to improve traffic access and performance in the JHHC and to respond to the proposed development. Traffic analysis will be finalised to determine the appropriate access arrangements for the site in addition to analysis of parking demand and provision and will be provided with the EIS.

The assessment will also consider access arrangements and measures to mitigate any associated traffic impacts. A sustainable transport option could include a Green Travel Plan which encourages sharing of private motor vehicle use and the promotion of walking/cycling and public transport as a preferred means of transport.

Landscape and Visual Amenity

The concept proposal offers the potential for a landscaped setting with good opportunity for high quality visual amenity and softening of the built form. Impacts to visual amenity and the broader landscape would be addressed as part of the ongoing design process and clinical services planning for the hospital.

Built Form and Urban Design

The concept proposal promotes good urban design by facilitating connectivity with a convenient/unambiguous sense of address together with the enhancement of cultural links to the site. The proposed concept scheme will be subject

to an assessment with regard to the siting, height and massing of the proposed built form in the context of the existing built form and the surrounding landscape. Consultation with GANSW has commenced in accordance with the State Design Review Panel (SDRP) process.

Drainage and Stormwater

Construction and development in flood prone land will be avoided. A stormwater management plan will be prepared to appropriately limit post development flows and manage downstream water quality as part of the Stage 1 DA for site establishment and clearing works.

Waste

A Waste Management Plan (WMP) will accompany the SSD as part of the Stage 1 DA for site establishment and clearing works.

Socio-economic Impact

The social and economic impacts resulting from the proposal will be detailed in the EIS. Anticipated social and economic benefits include:

- significantly improved health facilities for the community;
- creation of construction and operational jobs;
- direct and indirect benefits to the local economy; and
- enhancement of the visual amenity of the hospital through development of well-designed, high quality buildings and associated facilities, along with significant landscaping.

Contamination, Mine Subsidence, Geotechnical and Hazardous Materials

A Preliminary Site Contamination Investigation indicates that the site has limited potential for contamination and is considered suitable for the proposed use.

A Geotechnical Mine Subsidence Assessment will be provided with the EIS as mining records indicate that the site lies over abandoned coal workings at depths below the surface of between about 50m to 120m (as is typical in the Newcastle region). Consultation with Subsidence Advisory NSW has commenced.

Preliminary geotechnical investigations of the site have been undertaken where the works are proposed. Recommendations for the substructure of the buildings and any requirements relating to ground conditions to ensure the site is suitable for the intended use will be provided with the EIS. A preliminary strategy has been developed for a remediation plan to ensure the site is made suitable for development.

Relevant investigations will be undertaken in accordance with SEPP 55 – Remediation of Land, Managing Land Contamination – Planning Guidelines, and SEPP 33 – Hazardous and Offensive Development. The assessment against the SEPPs will be submitted with the SSD Application.

Biodiversity

A BDAR will be provided with the EIS and biodiversity impacts will be addressed in the EIS. The project team has undertaken early consultation with the relevant agencies, which will continue as the SSD is progressed. In addition, the applicant has engaged with EESG within DPIE to confirm Arborist reporting requirements. An Arboricultural Impact Assessment report will be prepared that will address the impact on trees in the area around the ASB.

Bushfire Impact

The site is identified as being bushfire prone land by NLEP. A preliminary review of the concept design of the Hospital, including all asset protection zones and other bushfire protection measures has been undertaken. A

Bushfire Assessment will be provided with the EIS that will demonstrate satisfactory compliance with the relevant provisions of *Planning for Bushfire Protection 2019*.

Indigenous and Non-Indigenous Heritage

The concept proposal will be designed taking into consideration the heritage listed items on the site. The EIS will be accompanied by a detailed Heritage Impact Statement to assess the impact of the concept proposal on the heritage significance of the site, and any potential impacts associated with the proposed development (including visual impacts).

An assessment of Non-Indigenous Heritage will be undertaken and an Aboriginal Cultural Heritage Assessment Report (ACHAR) will also be submitted with the EIS.

Environmentally Sustainable Development

An assessment will be undertaken to demonstrate how the principles of ESD have been incorporated into the concept proposal and Stage 1 DA for site establishment and clearing works.

Noise and Vibration

A Noise and Vibration Assessment will be undertaken to assess the main noise and vibration generating sources during construction for the Stage 1 works and outline measures to minimise and mitigate the potential noise impacts on surrounding sensitive receivers such as the hospital itself and surrounding residential development.

An acoustic and vibration assessment will be submitted with the EIS.

An assessment of Stage 2, including main construction and operational noise would be undertaken as part of subsequent SSD applications.

Infrastructure and Servicing

Consultation will be undertaken with all relevant service providers in relation to any required capacity augmentation of existing services to the site.

Consultation

Consultation has commenced with a number of stakeholders and will continue as the application is progressed. In preparing the EIS, it is expected consultation with the following stakeholders will be required:

- NSW Government Architect (as part of the SDRP);
- City of Newcastle;
- Transport for NSW;
- NSW Rural Fire Service
- Subsidence Advisory NSW; and
- Surrounding landowners and the community.

Consultation with the Government Architect commenced on 5 February 2020 with the project team meeting with the SDRP to present the masterplan and for the initial briefing. A second review is scheduled for 23 September 2020.

A consultation strategy will be outlined in the EIS documentation to be submitted with the SSD.

5.0 Conclusion

In accordance with Schedule 2, clause 3 of the EPA Regulation and Schedule 1(14) of the SEPP SRD, HI requests the issue of SEARs for the preparation of an EIS for the Concept Proposal and Stage 1 DA site establishment and clearing works for a new ASB and the refurbishment of selected existing facilities at John Hunter Hospital. The proposed development will further support and strengthen the medical services provided in the growing lower Hunter region.

We trust that the information detailed in this letter is sufficient to enable the Secretary to issue the SEARs for the preparation of the EIS. Should you have any queries regarding the above, please do not hesitate to contact John McFadden, Senior Town Planning Advisor on 0422 379 612.

Yours sincerely



Rebecca Wark
Chief Executive

Attachment A – Concept Architectural Plans prepared by BVN Architects.