

15 February, 2017

David Gibson  
NSW Department of Planning and Environment  
Team Leader - Social and Other Infrastructure Assessments  
GPO Box 39  
Sydney NSW 2001

Dear David,

**SSD 7588 – NORTHSIDE MENTAL HEALTH FACILITY**  
**Section 96(1A) of the EP&A Act**  
**C21 Green Star Certification (Construction) & E10 Green Star Certification**  
**(Operational)**

Ramsay Health Care continue to appreciate the support of the NSW Department of Planning and Environment in the statutory approval of the new Northside Clinic “**the Project**” relating to SD 7588. We are excited about the significance of this development. For your benefit we have provided information at **Appendix 1** relating to the importance of this investment to Sydney’s provision of mental health services. We highlight that the Project will likely be delayed if we are required to retrospectively comply with Greenstar certification at this stage in the design and procurement phase. Such a delay will further postpone the supply of increased mental health services to the lower North Shore and metropolitan Sydney.

RHC have high sustainability aspirations as evidenced by our Sustainability Strategy, documented by Coulstock Consulting and attached to the Section 96(1A) application prepared by JBA. The Project is set to achieve a high sustainability outcome, even with the functional constraints of operating as a mental health care facility. A statement of commitment to our sustainability aspirations from our Australian CEO is provided below:

*“Ramsay Health Care are proud of our high sustainability aspirations on the new Northside Clinic. We are committed and accountable to our independent customised certification process. The Project has been designed to respond to the very specific health care needs of its occupants. The benefits of natural light, access to ample outdoor space and good indoor air quality including the creation of spaces that promote wellness have been intrinsically designed into the building by specialist health architecture firm Silver Thomas Hanley. We look forward to working with Richard Crookes Constructions and the design consultants towards opening a building that in its as-built condition, meets and hopefully exceeds its designed objectives. We will ensure governance around the implementation of sustainable initiatives, to ensure the design is upheld and*

*delivered for the benefit of our future patients, their carers, our staff and ultimately the environment.”*

*Daniel Sims, CEO, RHC Australia*

Ramsay Health Care (RHC) recognises that protecting the environment is a critical issue and a key responsibility of the business and corporate community. The benefits of environmental protection for current and future generations are clear. In addition, RHC also acknowledges that reducing unnecessary waste and minimising consumption of scarce resources is consistent with ongoing financial sustainability in terms of meeting the expectations of our customers, reducing costs and minimising risks. Our company has been recognised in the 2012 Global 100 Most Sustainable Corporations and was winner of the prestigious ‘GS1 Healthcare Best Provider Implementation Case Study Award’ in the GS1 Healthcare Provider Advisory Council (HPAC) Awards (2016).

RHC invests significant resources into this area and is currently working on several important environmental initiatives that will lead to better outcomes for all. The following documents can be found at <http://www.ramsayhealth.com/Sustainability/Environment>

- Environment Management Statement
- Environmental Sustainability Policy
- Supplier Code of Conduct

We refer to our ‘*Ramsay Australia Environment Report 2016*’ available at the aforementioned link which highlights our major environmental incentives, that include lighting efficiency, power factor correction plans, energy efficient infrastructure, alternative energy sources, efficient IT, national energy data and performance reporting, waste management, environmentally conscious supply and development contracts. Please note RHC’s achievements in CY2016 were as follows:

- Ongoing inclusion in the FTSE4Good index scoring.
- 100% compliance with relevant environmental legislation.
- Reduction in total energy consumption on previous years.
- Enhancement of detailed energy reports and analysis for individual sites to support decision making and energy management.
- A number of hospitals in the Group have replaced building management systems and redesigned the operation of major plant to optimise efficiency.
- Managing peak currents and loads on the energy distribution network for improved community benefit.
- Enhancement of detailed energy reports and analysis for individual sites to support decision making and energy management.

The design of the Northside Clinic exhibits a wide range of sustainability initiatives that result in a ‘Best Practice’ outcome that strikes a balance between environmental gains and economic performance. We are proud of the building’s design and how it recognises our long term and genuine commitment to environmental initiatives. In early 2018, the opening of this facility will mark a substantial achievement for our company’s sustainability aspirations.

In the design of complex healthcare buildings, the decision to seek Greenstar certification, by the Green Building Council of Australia (GBCA) is one that is required to be initiated at inception of a project, when the project brief and concept designs are being developed. This timeframe would have been in 2014/2015 for this project. For a number of reasons RHC when designing the Northside Clinic with our consultants and in preparation to lodge the SSD application in early 2016, decided not to seek Greenstar certification. This was not a passive decision. The benefits that come from formal accreditation under Greenstar in the commercial sector, are not replicated in the health sector. The 'point of difference' which is often required to position assets well in a competitive market seeking commercial tenants, is not equivalent to occupants of health care buildings. The cost and imposed GBCA fees for certification to the commercial sector, can be arguably offset by increased marketability of the development, and returned to in multiples via increased rent returns. This is not the case for our project, or the construction health care sector generally. Therefore, after thoughtful review, a decision was made not to proceed with Greenstar certification and to take the capital involved in this process and channel these funds towards meaningful 'healthy building initiatives' which are inherent in our current facility design, as evidenced by the Coulstock Consulting report.

RHC acknowledge the benefit of a healthy building on occupants and also acknowledge our responsibility to the environment to create sustainable buildings that reduce impact on the environment for the building's useful use. An extensive process of testing and evaluating initiatives has been adopted in the submission of this Section 96 (1A).

This has informed the building's architectural design and services designs. The focus has been on incorporating initiatives that achieve their environmental objectives without contributing the complexity and operational costs of the operational building, and are most importantly safe to the very specific needs of mental health patients.

The following summarises the key sustainability achievements:

- 40 Green Star equivalent sustainable incentives are targeted;
- Excellent passive building design – avoiding excessive glazed areas, and optimised for maximum effectiveness, high performance glazing, good levels of insulation, courtyards for good natural lighting;
- Very high efficiency central plant;
- Metering to allow for energy management and building tuning;
- High efficiency water fixtures;
- Materials selected on the basis of sustainability credentials;
- End of trip facilities; and
- High efficiency lighting.

The Sustainability Report by Coulstock Consulting details how the ESD principle has been incorporated into the facility's design in accordance with Section 6 of the Secretary's Environmental Assessment Requirements issued on 5 May 2016 and Clause 7(4) of Schedule 2 of the EP&A Regulation 2000. A summary of the sustainability strategy can be found at figure 1, highlighting 40 incentives are being targeted. A full Sustainability Strategy can be found in Appendix A of Coulstock Consulting report.

Category	Targeted Points within the Current Design	Additional Points to be Targeted
Management	8	1
IEQ	8	3
Energy	1	0
Transport	2	0
Water	3	0
Materials	5	1
Land Use & Ecology	2	0
Emissions	2	0
Innovation	2	2
<b>Sub Total Target</b>	<b>33</b>	<b>7</b>
<b>TOTAL TARGET</b>	<b>40</b>	

**Figure 1 – Sustainability Initiatives summary**

There are very few health care buildings that have followed a formal Green Star certification pathway for their buildings and entered into an agreement with the GBCA. Particularly, the certification process can add increased costs to projects that typically are severely budget restrained. Capital that could be spent on initiatives that improve the wellbeing of the patients within the buildings, or in the case of mental health harm minimisation design incentives. Moreover, the buildings that are registered or have achieved a Green Star rating would have followed this pathway from feasibility stage of the design to ensure the initiatives can be designed into the facility from the start, rather than retrospectively.

Sadly self-harm by patients in mental health facilities can occur. RHC are focused on providing our patients with safe, quality care. Mental health facilities have special design needs that prevent a number of sustainability initiatives from being achieved, especially to the strict requirements of credits within the Green Star certification process. With this in mind RHC are intent on demonstrating high levels of sustainability through our proposed independent customised certification process. A process that will incorporate sustainability initiatives and ensure governance is upheld, at a reduced cost of certification, to ensure the capital is allocated to initiatives rather than a formal GBCA certification process.

It is our commitment for this project to adapt the Green Star framework and to demonstrate compliance (functionality constraints considered) via our independent sustainability professional review process. Verification of the targeted initiatives will be achieved through a two-step process via an independent suitable qualified professional. The process will incorporate a review of design and sign off that the initiatives are included; followed by a subsequent review of the final documentation at Practical Completion, to ensure the initiatives have been embedded in the building.

We look forward to the NSW Department of Planning and Environment's favourable response in relation to this Application prepared on our behalf by JBA.

Should you have any queries please do not hesitate to contact me via email at [belcastroa@ramsayhealth.com.au](mailto:belcastroa@ramsayhealth.com.au) or via phone on 0467 362 898.

Yours Sincerely,

A handwritten signature in blue ink, appearing to read "Alex Belcastro".

**Alex Belcastro**  
National Business Development Manager  
Ramsay Health Care, Australia

## **Appendix 1 – Northside Clinic Detailed Information**

Northside Clinic is an 88 bed premier mental health facility that has successfully operated from Greenwich Road in St Leonards since 1973 but has outgrown its current site with increasing demand for quality mental health services in the LGA and outside of its catchment.

The new multistorey Northside Clinic will have increased beds, services and consulting suites and will be a purpose-built facility catering for patients with a range of mental health issues. The Clinic will also include large outdoor therapy spaces; wellness areas; massage rooms and a gymnasium. Targeting holistic and sustainable models of care that incorporate the ongoing life skills in our patients that they need for long term recovery.

The new building under SSD 7588 will ensure quality mental health services are more accessible to people with a mental illness. All over Australia, we are experiencing a growing demand for mental health services and the NSW Government. Northside Clinic, which has been a premier mental health clinic in Sydney for over 40 years, is treating over 10,000 patients each year and waiting lists for many of our services are growing.

This new Clinic provides a number critical and unique mental health services for the community which were not readily otherwise available for people suffering with certain conditions.

Northside Clinic is the largest provider of inpatient and day patient treatment for people with eating disorders or drug and alcohol dependency in Sydney. With waiting lists for these services growing significantly, it is vital that we expand to support those in need.

The Clinic, a teaching hospital of the University of Sydney, currently offers a number of specialised treatment units including mood disorders; drug and alcohol detoxification and rehabilitation; eating disorders; and post-traumatic stress disorder (PTSD), as well as a comprehensive range of day programs.