19 September 2017

Ms Carolyn Mc Nally
Secretary
Department of Planning and Environment
GPO Box 39
Sydney NSW 2001

Dear Ms Mc Nally

RE: Nepean Hospital and Integrated Ambulatory Services Redevelopment (Stage 1)
Request for Secretary’s Environmental Assessment Requirements

In accordance with Clause 3 of Schedule 2 of the Environmental Planning and Assessment Regulation 2000 (EP&A Regulation) and Schedule 1 of the State Environmental Planning Policy (State and Regional Development) 2011 (SRD SEPP), Health Infrastructure request the issue of Secretary’s Environmental Assessment Requirements (SEARs) for the State Significant Development (SSD) application for the proposed redevelopment of Nepean Hospital Campus (NHC) in Kingswood.

The project is a Hospital in accordance with Clause 14 of Schedule 1 of the SRD SEPP and has an estimated Capital Investment Value (CIV) of $213,712,899. On this basis, the proposal is classified as State Significant Development and SEARs are therefore sought.

The purpose of this letter is to provide a preliminary environmental assessment and other supporting documentation to allow for the SEARs to be issued for this application.

1 Background

Nepean Hospital is the principal referral hospital for the Nepean Blue Mountains Local Health District (NBMLHD) and is a teaching hospital of the University of Sydney. Nepean Hospital provides high-level inpatient and outpatient care. Inpatient services generally have the capacity to manage high complexity patients who require specialist care. Services provided include Emergency, Critical Care, Acute Medicine, Comprehensive Cancer Centre,
Cardiology, Respiratory Medicine, Renal Medicine, Neurosciences, Oncology, Gastroenterology, other Medical Subspecialties, Planned and Emergency Surgery, Ambulatory Procedures Centre, Endoscopy, Obstetrics and Gynaecology, Perinatal, Neonatal, Paediatric Medicine and minor surgery, Mental Health (gazetted), Aged Care, Rehabilitation services, Palliative Care, Drug and Alcohol and a broad range of specialist outpatient clinics and services including Pain Management. Nepean Hospital also has a role in the provision of Trauma services.

Nepean Hospital is a major referral centre for a range of sub-specialty medical, surgical, women’s, neonatal, drug and alcohol and mental health services. Research is also significant across medical and surgical specialties and subspecialties at Nepean Hospital. The Hospital provides telehealth services, with a focus on specialist Medical and Surgical care, to hospitals within the NBMLHD and beyond, particularly to western NSW.

The Hospital has undergone significant upgrading in recent years to enable the provision of services appropriate for a major tertiary referral hospital, including the establishment of an Ambulatory Procedures Centre and enhancement of Operating Theatres, Intensive Care Unit and Centralised Sterilising Services Department. Other enhancements include the expansion of the Medical Assessment Unit, In-centre Haemodialysis and acute Mental Health care.

However, as a whole, the campus is in need of comprehensive redevelopment. This is due to the combined impacts of asset condition and functionality of infrastructure deterioration which is impacting on service delivery. In addition to the lack of capacity to meet the projected needs of the growing and ageing population, to deliver contemporary models of care.

Given the scale of the campus and need to maintain services, a multi stage redevelopment process, aligning with the adopted Clinical Services Plan for the facility, has been identified as the most appropriate method for delivering the upgrades.

The proposed Nepean Hospital and Integrated Ambulatory Services Redevelopment (Stage 1) project is the initial stage in an overall campus redevelopment. The proposed New Stage 1 Building is located north of the existing East Block and over an existing on-grade carpark. The Stage 1 building compromises approximately 57,000m² of GFA development.

The following departments are proposed to be provided in the new Stage 1 Building:

- Emergency Department (including Psychiatric Emergency Care Centre);
- Operating suites, cardiac catheterisation labs, endoscopy suites and central sterilising service;
- Birthing, Neonatal Intensive Care Unit (NICU) and Special Care Nursery (SCN);
- Inpatient Units;
- Support Services; and
- Front of House areas.
The Stage 1 project will provide the capacity for the Health Service to:

- Accommodate changes in demand due to the upward shift in ageing demographic and the growing population;
- Configure services and facilities to respond to the needs of the broader community; and
- Address the immediate and future clinical needs and activity projections for the surgical and inpatient medical services.

2 The Locality

2.1 Regional Context

The site is located in the suburb of Kingswood which is within the local government area (LGA) of Penrith. It is located approximately 30 kilometres west of the Parramatta Central Business District, 60 kilometres west of the Sydney Central Business District and 20km north of the proposed Western Sydney Airport. Figure 1 provides a regional context map of the NHC showing its location with regard to the Sydney CBD and nearby centres.

Figure 1: Context map of the NHC showing its location with regard to the Sydney CBD and nearby centres (Source: A Plan for Growing Sydney)
The site forms part of the NBMLHD which is one of nineteen Local Health Districts and Specialty Health Networks in NSW. The NBMLHD provides health care services and support to improve the health of approximately 350,000 people living in four LGAs of Western Sydney (Blue Mountains, Hawkesbury, Lithgow and Penrith). Healthcare is currently provided within the District through six public hospitals, ten community health centres, a range of smaller community facilities and partnerships with five Affiliated Health Organisations and twenty-five non-government organisations\(^1\). Figure 2 illustrates the locations of these facilities throughout the district.

\begin{figure}
\centering
\includegraphics[width=\textwidth]{nepean_blue_mountains_local_health_district.png}
\caption{Locations of health care facilities within the NBMLHD (Source: NBMLHD Strategic Plan 2012 to 2017)}
\end{figure}

2.2 Local Context

Nepean District Hospital Campus is located on land known as Nos. 35-65 Derby Street, Kingswood and is legally described as Lot 1 DP1114090. The site is characterised as follows:

- The site is under the ownership of Nepean Blue Mountains Local Health District.
- The site is approximately 13.92ha in area.
- The site is irregular in shape with a western boundary of over 280 metres, southern boundary of over 380 metres, eastern boundary of over 400 metres and combined northern boundary of over 500 metres.
- The site has a fall of approximately 4 metres towards the eastern boundary.
- Vehicular and pedestrian access is provided off Somerset Street, Barber Avenue, Derby Street and Parker Street.
- The site's internal road network provides access within the site and surrounding road network.
- The Nepean Private Hospital adjoins the north western corner of the site.

Figure 3 shows an aerial photograph of the site shaded in yellow and outlined in red.

Figure 3: Aerial photograph of the NHC site (Source: Six Maps).
The surrounding built form is undergoing significant change towards higher density medical mixed use development. Existing medical related surrounding land uses include general practitioners, physiotherapists and the like. The NHC provides for a wide range of medical uses, and development to the south west is also characterised predominantly by medical land uses. Development to the east and south-east, which are in closest proximity to the current development site are characterised by predominantly residential land uses of varying densities.

Figure 4 provides a site analysis prepared by BVN Architects which provides an overview of the site.

Figure 4: Site Analysis (source BVN Architects)
3. Relevant Planning History

The following development applications relating to the site have been approved or currently under assessment by Penrith City Council since 2010:

- DA10/1004: Approved on 01/11/2010 for alterations and additions to existing overnight accommodation facility, Hope Cottage
- DA10/1146: Approved on 01/03/2011 for the expansion of the Oral Health Facility and refurbishment of the existing building
- DA12/0175: Approved on 10/05/2012 for the construction of a multi-deck hospital car park
- DA17/0665: Lodged on 24/07/2017 for a six-storey split level hospital car park and helipad

4. Description of the Proposed Development

The NHC Stage 1 project is the first of a multi-stage, whole of campus redevelopment. This application is only seeking approval for the Stage 1 scope of works. Stage 1 includes the detailed design of a new building comprising approximately 57,000m² of GFA.

A preliminary drawing of the concept plan and indicative footprints is provided at Figure 5. The core services and strategic zonal principles of the redevelopment are indicated on the Master Plan Principles drawing in Figure 6.

The main hospital building (Stage 1) will be constructed in the central part of the site. The main hospital building will be a twelve (12) storeys and a maximum of 60 metres in height. The main hospital building will be well setback from the street edges, with drop-off spaces provided along the north face of the building, and landscaping proposed within the setback zone to the street.

A new six (6) split level multi-storey carpark and helipad is also proposed to the south east of the main hospital building. There will be direct pedestrian linkages between the carpark and hospital. The multi storey car park is subject of a DA currently with Penrith Council (DA17/0665).

Indicative sections prepared by BVN Architects accompanying this letter at Attachment A.

The proposal will provide a wide range of critical public hospital and other medical services, with an estimated employment generation of approximately 800 direct jobs upon completion.
Figure 5: 3D image of the proposed concept plan (Source: BVN Architects).
5 Capital Investment Value

The estimated construction cost for the proposed concept is $213,712,899. This figure will be confirmed in a detailed Quantity Surveyors Cost Report that will accompany the SSDA.

6 Strategic Planning Context

6.1 NSW State Plan

The NSW Premier has recently re-written the NSW State Plan to sharpen its focus on a dozen "Premier's priorities". The proposal is consistent with three (3) of these priorities as it will create jobs during construction and the ongoing operation of the hospital; will create new infrastructure; and will improve access to health-care for the western region of Sydney.

In terms of the previous iteration of the State Plan, a key component of the focus on health was to restore confidence in the public health system by rebuilding hospitals and health infrastructure. The building and expansion of Nepean Hospital will increase the capacity of the public health system in this region.
6.2 The State Infrastructure Strategy – “First Things First”

The State Infrastructure Strategy “First Things First” is an assessment of priority infrastructure problems and solutions for the next two decades for the NSW Government, the community, business and all who have an interest in the success of NSW.

The Strategy builds on the NSW Government’s existing public commitments and outlines a forward program of more than 70 urban and regional projects and reforms across a range of portfolios including health.

The report indicates the NSW health system faces growing demand from an ageing population, lifestyle diseases and new care technologies. This will require new models of care, and greater capacity overall. As noted above, the proposal will provide greater access to health care services in the western region of Sydney, and improve the public hospital system.

6.3 A Plan for Growing Sydney and Draft West District Plan

A Plan for Growing Sydney (2014) (the Plan) sets down the Government’s vision for Sydney as a strong global city and a great place to live. To achieve this vision, the Government has set down goals that Sydney will be:

- a competitive economy with world-class services and transport;
- a city of housing choice with homes that meet our needs and lifestyles;
- a great place to live with communities that are strong, healthy and well connected; and
- a sustainable and resilient city that protects the natural environment and has a balanced approach to the use of land and resources.

The proposal is consistent with Direction 1.10 and Action 1.10.3, which promote a focus on the expansion of health facilities to service Sydney’s growing population. Specifically, Action 1.10.3 plans for the expansion of health facilities to service Sydney’s growing population and states that:

Continued provision of world class health services will require an expansion of health facilities such as hospitals and community health facilities. It will also involve ensuring health care providers can respond to population growth and changes in the State’s demography such as more births and more older people. Lifestyles, the built environment and socio-economic factors will also have implications for future health services needs.

The Plan classifies the site within the West Subregion, which identifies the need to support health-related land uses and infrastructure around the University of Western Sydney.

The Plan also identifies that there is a need to investigate improved access to services and jobs, particularly within the Penrith LGA, and to support the rapid increase of residential
land release. The site is located within the Penrith Education and Health precinct as illustrated in the subregion map extract in Figure 7.

The delivery of the Stage 1 NHC redevelopment aligns with this action through expanding the capabilities and capacity of the campus whilst responding to demographic changes and socio-economic factors across the catchment serviced by the facility.

6.4 NBMLHD Healthcare Services Plan 2012 - 2022
The NBMLHD Healthcare Services Plan 2012-2022 identifies the following in relation to the capability of healthcare services in the region to meet demands:

*Given the considerable increase in health care demands on Nepean Hospital projected to 2021/22, significant capacity enhancements are required. There is some capacity within the current footprint of the Nepean Hospital to enhance or reconfigure some services. A range of strategies including new models of care, clinical redesign, and partnership initiatives will continue to be used in the management of demand and assist in turning the demand trajectory downward. Private sector opportunities are limited. However, the extent of the increase in demand for health care at Nepean Hospital is significant, with a requirement for more than 170 additional inpatient bed equivalents at Nepean Hospital by 2021. It will not be possible to deliver increased acute inpatient capacity and other identified priorities solely through non-asset strategies. The need for at least one new building on the Nepean Hospital campus to accommodate this increased demand is inevitable.*

The proposed development will address the projected increase in demand for health care services identified in the Western Sydney Region.
7 Statutory Planning Context

7.1 Environmental Planning & Assessment Act 1979
Part 4 Division 4.1 of the EP&A Act establishes the assessment framework for SSD. Under Section 89D the Minister is the consent authority for SSD and Section 78A(8) requires that a development application for SSD is to be accompanied by an Environmental Impact Statement (EIS) in the for prescribed by the EP&A Regulations.

7.2 State Environmental Planning Policy (State and Regional Development) 2011
The SRD SEPP identifies development which is declared to be State Significant. Clause 14 of Schedule 1 of the Policy provides that:
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 (CIV) in excess of $30 million, it is considered to be a SSD.

7.3 Other State 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. 33 – Hazardous and offensive development;
- State Environmental Planning Policy No. 55 – Remediation of Land (SEPP 55); and

7.4 Penrith Local Environmental Plan 2010
The Penrith Local Environmental Plan (PLEP) 2010 is the primary Environmental Planning Instrument (EPI) that applies to the site.

7.4.1 Land Use Zoning and Permissibility
As indicated in Figure 8, Nepean Hospital is zoned SP2 Infrastructure (Health Services Facility) under the Penrith Local Environmental Plan 2010 (PLEP). Permissible uses in the SP2 zone include the purpose shown on the Land Zoning Map, including any development that is ordinarily incidental or ancillary to development for that purpose.

Clause 57(1) of the State Environmental Planning Policy (Infrastructure) 2007 (ISEPP) allows a health services facility to be permissible in any of the prescribed zones listed in the ISEPP. A “hospital” is defined as a health facility under this division. SP2 is a Prescribed Zone in the ISEPP and therefore the proposal is permissible with consent.

Zone Objectives
The objectives of the SP2 zone are:

a) To provide for infrastructure and related uses, and
b) To prevent development that is not compatible with or that may detract from the provision of infrastructure

The proposed hospital redevelopment is capable of demonstrating consistency with these objectives.
7.4.2 Height of Buildings and Floor Space Ratio
The PLEP does not provide a maximum height or floor space ratio (FSR) for the site. Notwithstanding this, preliminary consideration has been provided to the objectives Clauses 4.3 (Height of buildings) and 4.4 (Floor space ratio) of the PLEP 2010 throughout the preliminary design phases. Responses to the relevant objectives are detailed in Tables 1 and 2. These matters will be addressed further as part of the EIS.
Table 1: Response of the proposal to the height objectives in Clause 4.3 of the PLEP 2010

<table>
<thead>
<tr>
<th>Height Objective</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>To ensure that buildings are compatible with the height, bulk and scale of the</td>
<td>The proposal provides for a bulk and scale that is compatible with the urban character, function of the site, and the current planning</td>
</tr>
<tr>
<td>existing and desired future character of the locality</td>
<td>for the Penrith Health and Education Precinct.</td>
</tr>
<tr>
<td>To minimise visual impact, disruption of views, loss of privacy and loss of</td>
<td>The development will cause minimal visual impact as the proposed height is appropriate within its surrounding context and does not disrupt views or cause loss of privacy or loss of solar access.</td>
</tr>
<tr>
<td>solar access to existing development and to public areas, including parks,</td>
<td></td>
</tr>
<tr>
<td>streets and lanes</td>
<td></td>
</tr>
<tr>
<td>To minimise the adverse impact of development on heritage items, heritage</td>
<td>The site is not identified as a heritage item or heritage conservation area nor is it a site of scenic or visual importance. A preliminary review of potential amenity impacts relating to neighbouring properties suggests that they will be minor. The visual bulk and scale of the proposal will be complimentary to the existing buildings within the site.</td>
</tr>
<tr>
<td>conservation areas and areas of scenic or visual importance</td>
<td></td>
</tr>
<tr>
<td>To nominate heights that will provide a high quality urban form for all buildings</td>
<td>Not applicable as no maximum height applies under the PLEP.</td>
</tr>
<tr>
<td>and a transition in built form and land use intensity.</td>
<td></td>
</tr>
</tbody>
</table>

Table 2: Response of the proposal to the FSR objectives in Clause 4.4 of the PLEP 2010

<table>
<thead>
<tr>
<th>FSR Objectives</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>To ensure that buildings are compatible with the bulk and scale of the existing</td>
<td>As noted in Table 1, the visual bulk and scale of the proposal will be complimentary to the existing buildings, contextually appropriate, and in alignment with the current planning for the Penrith Health and Education Precinct.</td>
</tr>
<tr>
<td>and desired future character of the locality</td>
<td></td>
</tr>
<tr>
<td>To minimise the adverse impact of development on heritage conservation areas</td>
<td>The site is not identified as a heritage item or heritage conservation area or within the vicinity of a heritage item. There will be no adverse impact of development on heritage conservation areas and heritage items.</td>
</tr>
<tr>
<td>and heritage items</td>
<td></td>
</tr>
<tr>
<td>To regulate density of development and generation of vehicular and pedestrian</td>
<td>No maximum FSR applies under the PLEP. Nevertheless, the proposal is appropriate to the capacity of the local roads.</td>
</tr>
<tr>
<td>traffic</td>
<td></td>
</tr>
<tr>
<td>To provide sufficient floor space for high quality development</td>
<td>The proposed floor space is appropriate to the needs of the community.</td>
</tr>
</tbody>
</table>

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7.4.3 Infrastructure development and the use of existing buildings of the Crown

Clause 5.12 of the PLEP 2010 relates to "Infrastructure development and use of existing buildings of the Crown". Clause 5.12 of the PLEP 2010 states:

1) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the carrying out of any development, by or on behalf of a public authority, that is permitted to be carried out with or without development consent, or that is exempt development, under State Environmental Planning Policy (Infrastructure) 2007.

2) This Plan does not restrict or prohibit, or enable the restriction or prohibition of, the use of existing buildings of the Crown by the Crown.

Clause 5.12 extracted above is applicable to the concept proposal at the NHC.

7.4.4 Heritage

The site is not listed as a heritage item, in a conservation area or within the vicinity of a heritage item. The provisions and objectives of Clause 5.10 are currently not applicable to this proposal. A heritage assessment will be undertaken as part of the EIS submission.

8 Preliminary Site Investigations Carried Out to Date

Based on preliminary site investigations, the potential impacts associated with the proposal are summarised below and will be addressed in detail by the future SSD Application.

8.1 Visual Impact

The proposed Concept Plan includes building envelope of 12 storeys including helipad. The concept design is approximately 60m. The existing GFA at the site is approximately 138,229m², with the proposed demolition of approximately 5,000m² of GFA, the total proposed increase within the proposed concept plan is approximately 52,000m². The Stage 1 building will comprise a total of twelve (12) storeys and approximately 57,000m² GFA.

The visual impact of the development will be largely mitigated by the location of the buildings and materials used. In this respect, the following matters are noted:

- The position of the building setbacks substantially minimises the size when viewed from the street frontages;
- The proposed materials will reduce the overall bulk and scale by being well integrated within the development and soften the architectural features throughout;
- The site has a generally flat topography with the boundary lined with trees which reduces the bulk and scale of the buildings when viewed from the street; and,
- The building will central to the greater strategic plan for the Penrith Health and Education Precinct.
Based on the matters noted above, the preliminary site investigation indicates that the
development will not have any major or unreasonable visual or amenity impacts on the
surrounding locality. These matters will be investigated in detail as part of the EIS
submission.

8.2 Infrastructure and Servicing

The site is adequately serviced with potable water, sewer, stormwater, electricity and
telecommunications services. Consultation will be undertaken with all relevant service
providers in relation to any required capacity augmentation of existing services to the site.

8.3 Site Contamination

Environmental Investigation Services (EIS) has prepared a Stage 1 Preliminary Environmental
Site Assessment for the site. The report concludes potential sources of contamination/AEC
outlined in the CSM included fill material, above-ground bulk fuel and chemical storage,
former/abandoned Underground Storage Tanks (USTs), historical agricultural use and
hazardous building materials. Based on the findings of the ESA, the potential for significant,
widespread soil contamination associated with each source/AEC is considered to be low (fill)
or low to moderate (remaining AEC). The report details that the site can be made suitable
for the proposed development via the completion of an additional investigation (Stage 2
investigation), and if required, remediation.

A Stage 2 Detailed Environmental Site Investigation and if required, a Remediation Action
Plan will accompany the future SSD Application. This will assess and characterise the soil and
groundwater conditions.

8.4 Transport, Traffic and Parking

A traffic and parking study will accompany the future SSD Application. This will assess the
parking requirements for the concept proposal, the feasibility and impacts of the proposed
circulation and parking changes on the surrounding road network, as well as nearby
intersections.

8.5 BCA/DDA

The Concept Design Report (CDR) by BVN Architects indicates that the following presents a
summary of the relevant building classification items of the Stage 1 building (Acute Services
Building):

- **BCA Classification:** Class 9a (Health-care Building) and Class 5 (professional
  consultation)
- **Rise in Storeys:** The building has a rise in storeys of twelve (12) including the helipad
- **Effective Height:** > 50m
- **Type of Construction:** Type A Construction
- **Climate Zone:** Energy Efficiency Zone 6
• Maximum Floor Area: Max 5,000m² compartments for Class 9a Health Care buildings.
• Note: 2,000m² compartmentation limitation applies to all Patient Care Areas within the building
• Maximum Volume: Max 30,000m³ compartments for Class 9a Health Care buildings

The new building including access to and within will be designed to comply with BCA Part D3 and the Access to Premises Standards 2010. This will ensure that the design in relation to access for a person with a disability satisfies the requirements of the DDA. A BCA/DDA report will be submitted with the SSD Application.

8.6 Structural and Civil

The CDR prepared by BVN Architects states:

On site (stormwater) detention will need to be provided within the new building or adjacent area in order to limit post-development flow to pre-development flow (to ensure that there is no increased risk of flooding as a result of the redevelopment). Water quality will be achieved through a combination of bio retention features in the landscaping and mechanical filtration systems.

Civil and stormwater design will be informed by the geotechnical investigation.

Structural and civil documentation will be submitted with the future SSD Application.

9. Consultation

Preliminary consultation with Penrith Council and the Local Health District (LHD) has been undertaken. The preliminary feedback from both Council and the LHD was very positive and encouraging of the provision of a new hospital on the site to serve the Western Sydney region.

10. Request for Secretary’s Environmental Assessment Requirements

On the basis that the proposal falls within the criteria identified in Schedule 1 of the SRD SEPP, including a CIV in excess of $30 million, NSW Health Infrastructure formally requests that the Department of Planning and Environment issue the Secretary’s Environmental Assessment Requirements (SEARs) to facilitate the preparation of the Environmental Impact Statement to accompany a SSD application for the Stage 1 Building for the redevelopment of the Nepean District Medical Campus in Kingswood.
If you require any additional information, please contact Rachel Mitchell on 0438 220 252. We would be pleased to meet with your Department to discuss the proposal at any time.

Yours sincerely

Sam Sangster
Chief Executive
Attachment 1 – Concept drawings and sections
CARPARK (Under DA)

NEW TOWER

FOH

PROJECT MANAGER: [ surname ]

CLIENT DATE: 04/08/17

DEPARTMENTAL PLAN - LEVEL 12 - OPTION 1C

AR-SK-00-L12-05

INTEGRATED NEPEAN HOSPITAL