

**CABINET - SUBJECTS FOR CONSIDERATION, 03 NOVEMBER 2008 11:00 AM**

Not relevant

**1 New Initiatives/Policy Matters**

101      EHCS08/0026      Release of Reports on Proposed Marjorie Jackson-Nelson Hospital Site and the Site Currently Occupied by the Royal Adelaide Hospital (Jay Weatherill)  
**APPROVED**

Not relevant

101

## CABINET COVER SHEET

1. **TITLE:** RELEASE OF REPORTS ON PROPOSED MARJORIE JACKSON-NELSON HOSPITAL SITE AND THE SITE CURRENTLY OCCUPIED BY THE ROYAL ADELAIDE HOSPITAL
2. **MINISTER:** Hon Jay Weatherill MP  
Minister for Environment and Conservation
3. **PURPOSE:** To seek Cabinet approval for the release of two reports (Attachments 1 and 2) to both Houses of Parliament and Adelaide City Council on the land proposed for the development of the Marjorie Jackson-Nelson Hospital (MJNH) and the land currently occupied by the Royal Adelaide Hospital (RAH) as required under section 23 of the *Adelaide Park Lands Act 2005*.
4. **IDENTIFY THE RELEVANT GOVERNMENT POLICY AND/OR SA'S STRATEGIC PLAN TARGET:** The release of the reports does not contribute to any specific Strategic Plan target per se. Rather it is a statutory obligation which reiterates the Government's previous announcements on 6 June 2007 and 11 June 2007 and proposals in the released MJNH Master Plan on the 8 August 2008.
5. **ICT COMPONENT:** Does the submission have a material ICT Component? No
6. **RESOURCES REQUIRED FOR IMPLEMENTATION:** No new costs arise from the release of the reports. The costs for the MJNH are being managed within existing approved Department of Health project budgets. Costs associated with the redevelopment of the RAH site will be the subject of future submissions.  
  
Treasury and Finance agrees with the basis of the assessment of costs contained in this submission and advises that the submission is not required to be referred to ERBCC prior to consideration by Cabinet.
7. **COMMUNITY AND ENVIRONMENTAL IMPACT:** The release of the reports has no regulatory, regional, community or environmental impact.  
  
Does the submission have an impact on business? No

**8. RISKS:**

Risks are minimal as the reports only contain information that has previously been released to the public.

**9. CONSULTATION:**

The reports and this submission have been developed in consultation with the Department of Health (DoH).

Consultation has occurred with the following agencies in respect of impact statements:

- Department of Treasury and Finance – Agreed that there are no costs, no impact on net operating result or net lending position, and no impact on FTE numbers arising from the submission.
- Department of the Premier and Cabinet (Regulatory Impact) – Agreed that there are no regulatory impacts associated with the release of the reports.
- Department of Trade and Economic Development (business) – Agreed that the business impact statement is appropriate.
- Office of Regional Affairs – Agreed that the release of the reports has no regional impact.
- Department for Families and Communities – Agreed that the release of the reports has no direct impact on families and society.
- Department of Water, Land and Biodiversity Conservation and Zero Waste SA – Had no objection to environmental impact statement.
- Environment Protection Authority – Had no objection to environmental impact statement. However, in noting that the RAH report does not discuss site contamination issues in any detail and that such work will be undertaken post RAH decommissioning, the EPA advised that as new site contamination legislation becomes operational in early 2009 there will be new requirements to be met at this time. In response the DoH will be consulting with the EPA as part of the master planning exercise for the RAH.
- Sustainability and Climate Change Division, Department of the Premier and Cabinet – Had no objection to environmental impact statement.

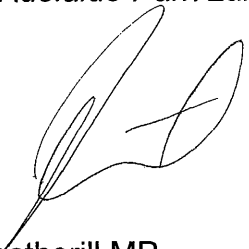
3.16. Executive Council

3.16.1 This proposal does not require the approval of His Excellency the Governor in Executive Council.

4. RECOMMENDATIONS

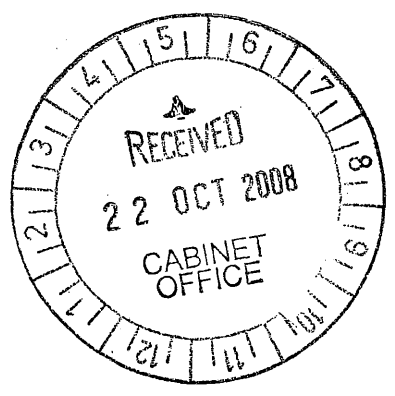
It is recommended that Cabinet:

- 4.1. Approve the release of two reports (Attachments 1 and 2) to both Houses of Parliament and Adelaide City Council on the land proposed for the development of the Marjorie Jackson-Nelson Hospital and the land currently occupied by the Royal Adelaide Hospital as required under section 23 of the Adelaide Park Lands Act 2005.



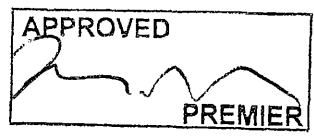
Hon Jay Weatherill MP  
**MINISTER FOR ENVIRONMENT AND CONSERVATION**

20.10.2008



***In Cabinet***

- 3 NOV 2008



TO: THE PREMIER FOR CABINET

RE: RELEASE OF REPORTS ON PROPOSED MARJORIE JACKSON-NELSON HOSPITAL SITE AND THE SITE CURRENTLY OCCUPIED BY THE ROYAL ADELAIDE HOSPITAL

## 1. PROPOSAL

- 1.1. To seek Cabinet approval for the release of two reports (Attachments 1 and 2) to both Houses of Parliament and Adelaide City Council (the Council) on the land proposed for the development of the Marjorie Jackson-Nelson Hospital and the land currently occupied by the Royal Adelaide Hospital as required under section 23 of the *Adelaide Park Lands Act 2005* (the Act).

## 2. BACKGROUND

- 2.1. Section 23 of the Act sets out a requirement for the Minister responsible for the Act to prepare a report when any land within the Adelaide Park Lands, occupied by the Crown or a State authority, is no longer required for any of its existing uses. The report must be provided to the Council and be laid before both Houses of Parliament.
- 2.2. Pursuant to the *Adelaide Park Lands Regulations 2006*, the report must be prepared within 18 months of any decision (i.e. announced proposal).
- 2.3. The report must include information on the condition of the land and any action required to make the land suitable for public use as parklands. The Act also states that, either during or after completion of the report, the Minister must enter into discussions with the Council about whether the land should be placed under the care, control and management of the Council.
- 2.4. On 6 June 2007, the South Australian Government announced an unprecedented commitment to invest \$1.7 billion over the next decade to build Australia's most advanced hospital, the Marjorie Jackson-Nelson (MJNH). The proposed hospital replaces the ageing Royal Adelaide Hospital (RAH), and will take over some of the more complex services from the Queen Elizabeth Hospital. It is planned to locate the new hospital on part of the existing rail-yard west of the Adelaide Railway Station.
- 2.5. This development will transform a city eyesore into a stunning new addition to North Terrace. Further, it will make an enormous contribution to the rejuvenation of the West End, and once complete will provide additional public open space and linkages between the West Parklands and the River Torrens Linear Park. A final Master Plan for the site was released 8 August 2008.
- 2.6. Following the completion of the MJNH and once many services have decanted into the new hospital post 2016, an opportunity exists to create a new and exciting environment at the RAH site.

- 2.7. On 11 June 2007 the South Australian Government announced that it was investigating the return of up to 3.5 ha of the RAH site to the Adelaide Botanic Garden.
- 2.8. A master planning exercise is currently underway by the Department of Health (DoH) to determine the best use of the RAH site. It involves identifying infrastructure and utility constraints, assessing the heritage merit of existing buildings and assessing the extent of the health and medical services, research facilities and education facilities that are to remain on the site. The master planning will also focus on the commitment the Government has made to return part of the site to open space, and will determine the best use of the remaining space and infrastructure.

### 3. DISCUSSION

#### 3.1. Purpose

The purpose of this submission is to seek approval for the release of a report for each site, as required under section 23 of the Act, with respect to the new MJNH and the existing RAH.

- 3.2. Pursuant to the Act, the reports must be finalised and presented to the Council and Parliament by 6 December 2008. This will probably be before a master plan report can be considered and released for the RAH site.
- 3.3. The intent of the section 23 reports is to provide a transparent and publicly accountable reporting process of the Government's proposals for previously alienated parkland, in particular to explain and justify whether or not any of the land is to be returned to parkland.
- 3.4. In identifying sites for the development of the MJNH, the known environmental issues of the Adelaide rail yards were taken into consideration. Comprehensive investigations have been completed to determine the nature and extent of contamination to the soil and underlying groundwater from the historical use of the site. These investigations have identified both localised and widespread contamination consistent with the historical use of the site that is comparable with impacts observed at other rail facilities where significant refuelling, rail car maintenance and other related rail activities have occurred, for example the former Mile End and Islington rail-yards.
- 3.5. Based on the nature and extent of the known contamination, DoH is confident that the development and implementation of a rehabilitation plan will successfully remediate the site for use as a public hospital and for some return to parklands.
- 3.6. A survey to assess the need for remediation works arising from the redevelopment of the RAH site will be undertaken following decommission of the hospital.

3.7. The attached reports set out the publicly available information and do not make any new or alternative announcements about the Government's intent in relation to each site.

**3.8. Economic, financial and budgetary implications**

**3.8.1. Required resources**

3.8.1.1. No new costs arise from the release of the reports. The costs for the MJNH are being managed within existing approved DoH project budgets. Costs associated with the redevelopment of the RAH site will be the subject of future submissions.

**3.8.2. Staffing Resources**

3.8.2.1. No additional staff resources are required in relation to the release of the reports.

**3.9. South Australia's Strategic Plan**

3.9.1. The release of the reports does not contribute to any specific Strategic Plan target. Rather it is a statutory obligation which reiterates the Government's previous announcements.

**3.10. Information and Communication Technology Requirements**

3.10.1. There are no material ICT requirements arising from the proposal.

**3.11. Impact on the community and the environment**

**3.11.1. Regulatory impact**

The release of the reports has no regulatory impact.

**3.11.2. Business impact**

The release of the reports has no direct impact on business. However, businesses will be able to tender for construction, decommissioning, remediation and landscape works for both sites.

**3.11.3. Impact on the environment**

The release of the reports has no direct impact on the environment. However, the proposed remediation of the MJNH site and the redevelopment of the RAH site provide positive environmental benefits in terms of:

- dealing with any historic site contamination issues; and
- returning portions of each site to publicly accessible urban spaces and/or parklands.

**3.11.4. Impact on families and society**

The release of the reports has no direct impact on families and society. However, the projects provide positive community benefits in terms of improved health facilities and opportunities for publicly accessible urban spaces and/or parklands to be created at both sites.

**3.11.5. Regional impact**

The release of the reports has no regional impact.

**3.12. Risk Management Strategy**

3.12.1. There is a risk that the reports will lead to further debate about the specific details of areas to be returned to parklands. This risk is minimal as the reports only contain information that has previously been released to the public.

3.12.2. Conversely, the Government may attract criticism if the reports are not released within the required 18 months.

**3.13. Consultation**

3.13.1. The reports and this submission have been developed in consultation with DoH.

3.13.2. In addition, the following agencies have been consulted in respect of the impact statements:

3.13.2.1. Department of Treasury and Finance – Agreed that there are no costs, no impact on net operating result or net lending position, and no impact on PTE numbers arising from the submission.

3.13.2.2. Department of the Premier and Cabinet (Regulatory Impact) – Agreed that there are no regulatory impacts associated with the release of the reports.

3.13.2.3. Department of Trade and Economic Development (business) – Agreed that the business impact statement is appropriate.

3.13.2.4. Office of Regional Affairs – Agreed that the release of the reports has no regional impact.

3.13.2.5. Department for Families and Communities – Agreed that the release of the reports has no direct impact on families and society.

- 3.13.2.6. Department of Water, Land and Biodiversity Conservation – Had no objection to environmental impact statement.
  - 3.13.2.7. Environment Protection Authority – Had no objection to environmental impact statement. However, in noting that the RAH report does not discuss site contamination issues in any detail and that such work will be undertaken post RAH decommissioning, the EPA advised that as new site contamination legislation becomes operational in early 2009 there will be new requirements to be met at this time, namely use of auditors accredited by the EPA and site assessment reports required to comply with EPA guidelines. The DoH will consult with the EPA as part of the master planning exercise for the RAH.
  - 3.13.2.8. Zero Waste SA – Had no objection to environmental impact statement.
  - 3.13.2.9. Sustainability and Climate Change Division, Department of the Premier and Cabinet – Had no objection to environmental impact statement.
- 3.13.3. In relation to the MJNH site, a draft Master Plan was released for public consultation on 9 April 2008 and was finalised and published 8 August 2008. In addition, preliminary consultation has occurred with the Council since the announcement in June 2007. Formal engagement with the Council and other stakeholders will be undertaken subsequent to the release of the report. DoH will coordinate discussions with the Council with respect to all stages of this project, including site remediation and the potential for areas to be returned to parkland.
- 3.13.4. In relation to the RAH site, the current master planning exercise has involved consultation with a wide range of Government agencies, universities and the Council. As the process of identifying preferred future use of this site continues, ongoing consultation by DoH with the Council, Adelaide Botanic Garden and a wide range of stakeholders will be undertaken. Cabinet advice will be sought on the preferred future use of the site before public consultation on any proposals occurs.

### 3.14. Implementation Plan

- 3.14.1. The reports will be formally sent to the Council and laid before both Houses of Parliament as required under section 23 of the Act prior to 6 December 2008.

### 3.15. Communication Strategy

- 3.15.1. No specific communication initiative is warranted with the release of the reports.

3.16. **Executive Council**

3.16.1 This proposal does not require the approval of His Excellency the Governor in Executive Council.

**4. RECOMMENDATIONS**

It is recommended that Cabinet:

- 4.1. Approve the release of two reports (Attachments 1 and 2) to both Houses of Parliament and Adelaide City Council on the land proposed for the development of the Marjorie Jackson-Nelson Hospital and the land currently occupied by the Royal Adelaide Hospital as required under section 23 of the *Adelaide Park Lands Act 2005*.



Hon Jay Weatherill MP  
**MINISTER FOR ENVIRONMENT AND CONSERVATION**

*22.11.08* 2008

**Report pursuant to section 23 of the *Adelaide Park Lands Act 2005***

**LAND IDENTIFIED AS THE SITE FOR THE MARJORIE JACKSON-  
NELSON HOSPITAL**

In June 2007, the South Australian Government announced a commitment to invest \$1.7 billion over the next decade to build a new public hospital, the Marjorie Jackson-Nelson Hospital (MJNH). The proposed hospital is to replace the ageing Royal Adelaide Hospital, and will take over some of the more complex services from the Queen Elizabeth Hospital.

The MJNH is to be built on part of the existing railway land West of the Adelaide Railway Station. The land title is CT5522/14 D46426 Q5 and is currently owned by the Minister for Transport.

The land is within the Adelaide City Council and is included within the Adelaide Park Lands Plan pursuant to the *Adelaide Park Lands Act 2005*.

A draft Master Plan for the MJNH site was released for public consultation 9 April 2008 and was finalised and published 8 August 2008. The Master Plan sets out a Hospital Precinct within which the MJNH is intended to be built. This precinct is bounded, on the South and South-West, by North Terrace, Port Road and Council Park Land and, on the North, North-East and East, by the metropolitan rail lines and the Council skate park.

The proposed Hospital Precinct currently consists of rail-yards providing for the servicing and storage for Adelaide's metropolitan rail network, the Rail Operations Control Centre, the Road Safety School and an area used for car and bus parking.

The Hospital Precinct is adjacent to the West End of North Terrace and Hindley Street with its entertainment, commercial and educational focus. In addition, from a strategic planning context, the site has the potential to connect with the River Torrens, West Terrace Parklands, Adelaide Gaol, Bonython Park and the proposed new Urban Forest on the SA Water depot site.

The Master Plan identified the River Torrens and the surrounding parklands as providing the proposed MJNH with a distinct backdrop. The aesthetic, environmental and recreational value of the intended Hospital Precinct and surrounding areas currently remains under-utilised, with the functional requirements of the rail-yards and the road and rail corridors acting as a barrier, separating the West Terrace Parklands from the River Torrens and the Adelaide Gaol – Bonython Park area.

As a consequence, the Master Plan highlighted that the proposed redevelopment of the rail-yards for the MJNH also provides the opportunity to improve the transition and interaction between the city (West End and North Terrace edge), the River Torrens corridor and various parkland areas. These opportunities include improved urban spaces adjacent the street frontage, return of some land to parkland, public art, best practice stormwater management and creating permeable public access routes through the site. In addition, the MJNH development can act as a catalyst for the redevelopment of adjacent State, Council and private areas.

These adjunct activities could enliven the western end of North Terrace and the River Torrens waterfront and undeveloped parkland to the immediate North, increase the accessibility to and activity along these areas, and better link recreational facilities with nearby entertainment and educational precincts. Future collaborative work between the State Government and Adelaide City Council could more fully explore these options.

The MJNH Master Plan has identified a number of key opportunities and guiding principles relevant to its position within the Adelaide Park Lands, in particular:

- The potential opportunity to return approximately 3 ha of the site at the western end to parkland to act as a western garden and/or gateway landscape.
- The creation of an appropriate balance between built form and public open space across the site.
- The creation of useable public open spaces around and within the buildings that connect to and integrate with adjacent parklands and other public spaces and create safe permeable routes for the public.
- To promote the use of art, good quality urban design and sustainability principles in order to promote healthy environments.

In identifying the Adelaide rail-yards for the development of the MJNH, the known environmental issues of the site were taken into consideration. Comprehensive investigations have been completed to determine the nature and extent of contamination to the soil and underlying groundwater from the historical use of the site. These investigations have identified both localised and widespread contamination consistent with the historical use of the site that is comparable with impacts observed at other rail facilities where significant refuelling, rail car maintenance and other related rail activities have occurred. More detailed information on the types of contamination present is set out in the MJNH Master Plan.

Based on the nature and extent of the known contamination, the State Government is confident that a rehabilitation plan can be developed and implemented which will successfully remediate the Hospital Precinct site for use as a public hospital and for some land return to parklands.

Preliminary consultation has occurred with the Council since the announcement in June 2007. Further engagement with the Council and other stakeholders will be undertaken subsequent to the release of this report. In particular, the Department of Health will coordinate discussions with the Council with respect to all stages of this project, including the initial stages of site remediation and the potential for areas to be returned to parkland.

The MJNH is expected to be completed in 2016. At this stage no specific decision has been made as to which areas of the proposed Hospital Precinct will become public space or parkland and, consequently, what specific works and remediation actions are required to achieve this or who such areas will be vested in. In addition, detailed design development is required in respect of vehicle, cycle and pedestrian access into and through the site, especially given the extension to the tramline along North Terrace and Port Road. These matters will be the subject of future consultation and negotiation once more detailed designs have been developed.

Hon Jay Weatherill MP  
**MINISTER FOR ENVIRONMENT AND CONSERVATION**

Report pursuant to section 23 of the *Adelaide Park Lands Act 2005*

**FUTURE USE OF THE ROYAL ADEALIDE HOSPITAL SITE**

The Royal Adelaide Hospital occupies the site CT5832/785 D51367 A14 which is dedicated under the *Crown Lands Act 1929* as a reserve to be used for hospital purposes pursuant to section 5 of the *Crown Lands Act 1929*. It is currently dedicated to the Central Northern Adelaide Health Service Inc.

The reserve is within the Adelaide City Council and is included within the Adelaide Park Lands Plan pursuant to the *Adelaide Park Lands Act 2005*.

In June 2007, the South Australian Government announced a commitment to invest \$1.7 billion over the next decade to build the Marjorie Jackson Nelson Hospital (MJNH). The proposed hospital is to replace the ageing Royal Adelaide Hospital (RAH), and will take over some of the more complex services from the Queen Elizabeth Hospital.

Following the planned completion of the MJNH in 2016, it is recognised that a once in a lifetime opportunity exists to create a new and exciting environment at the RAH site that could transform and improve Adelaide's East End and contribute public space to the Adelaide Park Lands.

On 11 June 2007 the South Australian Government announced that, as a result of the proposed relocation of hospital services, it would explore opportunities and options to remove a number of buildings and give land back to all South Australians to enjoy. In particular, it was announced that investigations would occur into the possibility of returning part of the RAH site to the Adelaide Botanic Garden and the parklands more broadly.

The RAH site has a number of other health and research facilities adjacent to it and, from a strategic planning context, connects to the Adelaide CBD, the universities, the Adelaide Botanic Garden and the Frome Road Parkland site.

Consequently, the South Australian Government has established a set of guiding principles to guide a master planning process for the site and adjacent areas. These guiding principles were developed in consultation with key stakeholders including the Botanic Gardens of Adelaide, Royal Zoological Society of SA, University of Adelaide, University of South Australia and the Adelaide City Council.

The paramount principles are as follows:

- Reinforce connections to the City and its key cultural and educational institutions.
- Establish the future contribution of this site to a Health, Science, Education, and Cultural Precinct that focuses on innovation, research and creativity.
- Build community and stakeholder engagement in the process and foster partnerships to deliver agreed outcomes.

The South Australian Government is currently working through the master planning process in order to determine options for the best use of the space and infrastructure post 2016. The exercise is involving consultation with Adelaide City Council, the universities and a wide range of Government agencies. In addition, public consultation on any proposals will occur at an appropriate time.

At this stage no specific decision has been made as to which buildings will be demolished to return to public space or parkland and, consequently, what works and contamination issues need to be addressed in order to achieve this or who the land will be vested in. These matters will be the subject of future consultation and negotiation once the master planning process has been concluded.

Hon Jay Weatherill MP  
**MINISTER FOR ENVIRONMENT AND CONSERVATION**