

Government Land Standing Advisory Committee

Tranche 4 Report

145 Studley Road, Heidelberg (Austin Hospital)

17 March 2017

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List of Abbreviations

| | |
|--------------|-------------------------------------|
| FTGL Service | Fast Track Government Land Service |
| HO | Heritage Overlay |
| HO62 | Schedule 62 to the Heritage Overlay |
| HO63 | Schedule 63 to the Heritage Overlay |
| PUZ | Public Use Zone |
| VPO | Vegetation Protection Overlay |
| VPP | Victoria Planning Provisions |

About this report

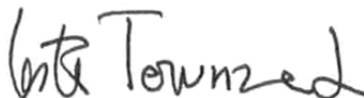
On 21 August 2016, the Minister for Planning referred the following sites to the Government Land Standing Advisory Committee as part of Tranche 4 Report:

- 145 Studley Road, Heidelberg (Austin Hospital)
- Part 48 Rona Street, Reservoir
- 1 Hopetoun Avenue, Brunswick West
- Part 95 Williamsons Road, South Morang.

On 27 September 2016, the Minister for Planning referred the following additional site to the Committee:

- 181-183 Jetty Road, 14 Cook Avenue, 318 Bayview Road and Herman Street Reserve, Rosebud.

This is a report under Section 151 of the *Planning and Environment Act 1987* of the Government Land Standing Advisory Committee for **145 Studley Road, Heidelberg (Austin Hospital)**.



Lester Townsend, Chair



Cathie McRobert, Deputy Chair

17 March 2017



John Ostroff

The Government Land Standing Advisory Committee

The Fast Track Government Land Service (FTGL Service) is a 2015 initiative to deliver changes to planning provisions or correct planning scheme anomalies for land owned by the Victorian Government. The Minister for Planning approved Terms of Reference to establish the Government Land Standing Advisory Committee (the Committee) under Part 7, section 151 of the *Planning and Environment Act 1987* in July 2015.

The purpose of the Committee is:

... to advise the Minister for Planning on the suitability of changes to planning provisions for land owned by the Victorian Government.

The Committee consists of:

- Chair: Lester Townsend
- Deputy Chairs: Brett Davis and Cathie McRobert
- Members: Gordon Anderson, Alan Chuck, John Collins, Mandy Elliott, Jenny Fraser, John Ostroff, Cazz Redding and Lynn Sweeney.

The Committee was assisted by Ms Emily To, Project Officer with Planning Panels Victoria.

The Committee's Terms of Reference state:

The Committee must produce a written report for the Minister for Planning providing:

- *An assessment of the appropriateness of any changes to planning provisions, in light of the relevant planning scheme and State and Local Planning Policy Frameworks.*
- *An assessment of whether planning scheme amendments could be prepared and adopted in relation to each of the proposals.*
- *An assessment of submissions to the Standing Advisory Committee.*
- *Any other relevant matters raised in the course of the Standing Advisory Committee Hearing.*
- *A list of persons who made submissions considered by the Standing Advisory Committee.*
- *A list of persons consulted or heard.*

Details of the site and process

Figure 1: Amendment summary

| Amendment summary | |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Tranche and site reference | Tranche 4: Site reference FT78 |
| Previous and current use | Austin Hospital |
| Site owner | Department of Health and Human Services |
| Council | Banyule City Council |
| Exhibition | 31 October to 9 December 2016 |
| Submissions | <p>Four submissions were received in relation to this site:</p> <ul style="list-style-type: none"> - Friends of Banyule - Banyule City Council - Heidelberg Historical Society - Coral Tudball. <p>It was noted before the Hearing that an EPA submission had incorrectly been attributed to this matter.</p> |

Figure 2: Proposed planning scheme changes

| Current planning scheme controls | Proposed planning scheme controls |
|----------------------------------|-----------------------------------|
| Public Use Zone – Schedule 3 | Retain |
| Heritage Overlay – Schedule 62 | Reduce extent |
| Heritage Overlay – Schedule 63 | Reduce extent |

Figure 3: Committee process

| Committee process | |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Members | Cathie McRobert and John Ostroff |
| Information session | 14 November 2016 at the John Lindell Theatre, Austin Hospital |
| Hearing | 16 February 2017 at Planning Panels Victoria |
| Site inspections | 20 February 2017 (unaccompanied) |
| Appearances | <p>Department of Health and Human Services and Austin Health represented by Maria Marshall of Maddocks Lawyers</p> <p>Coral Tudball</p> <p>Friends of Banyule represented by Dennis O’Connell</p> |

1 Summary and recommendations

1.1 The site

The site is located in Heidelberg, about 10 kilometres north of the Melbourne CBD. The site has street frontages to Studley Road, Burgundy Street and the Banksia–Bell Link. The information sheet published by the Fast Track Government Land Service (FTGL Service) describes the site as follows:

The site is approximately 9.94 hectares and is generally flat. It contains a large number of buildings, varying in height and age. There is continual development within the site as buildings are replaced and upgraded to meet the health needs of the community. There are scattered mature trees throughout the site.

The Austin Hospital is located in a mixed-use area. Residential properties surround the hospital with the Heidelberg Central Shopping Centre to the east. Heidelberg Railway Station is located across Studley Road to the southeast.

Figure 4: Site location



1.2 Summary

The Site owner proposes to reduce the coverage of the existing Heritage Overlays (HO62 and HO63). The proposed HO62 and HO63 would continue to apply to four buildings, their immediate surrounds and the avenue of oaks, which heritage assessments have consistently identified as significant.

The Committee considered all written submissions, as well as submissions presented to it during the Hearing. In addressing the issues raised in those submissions, the Committee has

been assisted by the information provided to it as well as its observations from inspections of site.

Figure 5: Existing and proposed controls

| Current planning scheme controls | Proposed planning scheme controls | Recommendation |
|-------------------------------------------------------|-----------------------------------|----------------|
| 145 Studley Road, Heidelberg (Austin Hospital) | | |
| Public Use Zone – Education | Retain | Retain |
| Heritage Overlay – Schedule 62 | Reduce extent | Reduce extent |
| Heritage Overlay – Schedule 63 | Reduce extent | Reduce extent |
| Environmental Significance Overlay - Schedule 4 | Retain | Retain |

1.3 Recommendations

The Committee recommends for 145 Studley Road, Heidelberg (Austin Hospital):

1. **A planning scheme amendment be prepared to:**
 - a) **Reduce the extent of the Schedules 62 and 63 to the Heritage Overlays as exhibited**
 - b) **Amend the relevant entries in Schedules 62 and 63 to the Heritage Overlays to:**
 - **update the description to identify the places of significance more accurately**
 - **delete the external paint control.**
2. **The Amendment only be approved after a full archival record of the Davies and Bowen Buildings is prepared by an appropriately qualified person. The record should consist of, but not be limited to:**
 - **a full photographic survey of the complete interior and exterior, and of significant features and views and vistas**
 - **measured drawings, plans and elevations**
 - **identification of elements of the building fabric and artefacts capable of being salvaged for display or reuse in the redevelopment of the site.**

The archival record should be publicly available at the State Library of Victoria or another approved location.

2 Process issues for this site

(i) Notice

At the Hearing submitters queried the extent of notice of the proposed change to the Heritage Overlay (HO) and why surrounding residents were not notified.

The Committee was advised that, in view of the 'island' nature of the Site and the absence of residential properties in close proximity to it, the FTGL Service and Council agreed that letters to individual owners and occupiers were not warranted. Notice was given to prescribed Ministers, Council (together with a specific briefing), relevant servicing agencies, and interest groups identified by Council as being likely to have an interest in the proposed changes.

The Committee considers the approach adopted was reasonable in view of the particular characteristics of the site.

(ii) The Master Plan for the site

The most recent heritage assessment of the site by Lovell Chen (March 2015) referred to the preferred option in a Draft 2012 Master Plan for the Site as a matter that informed recommendations relating to the extent of the HO. Submissions expressed concern that the Draft Master Plan identification of areas for redevelopment is relevant to the proposed removal of the HO from parts of the site but the plan is not publicly available.

The Site owner provided a copy of the blocking plan in the current government endorsed Master Plan to the Committee on a confidential basis and requested that it not be provided to anyone other than the Committee members or reproduced in the Committee's report. The blocking plan is not reproduced in this report but is provided separately to the Minister for Planning as an accompanying document.

The Committee notes that the blocking plan is consistent with:

- the Lovell Chen 2015 assessment references to the 2012 Draft Master Plan
- the preferred option to provide for the development of teaching, training and research buildings involves the demolition of the Kronheimer, Davies and Bowen Buildings in the longer term.
- submissions from the Site owner relating to long term plans for significant redevelopment of the southern portion of the site and retention of heritage buildings to which the proposed HO would apply.

(iii) Explanatory Report error

Before the Hearing, an error was identified in the exhibited Explanatory Report relating to the description of the proposed reduction in the extent of the HO that applies to the Austin Hospital. The Explanatory Report text incorrectly indicated that it was proposed that the HO would continue to apply to the Bowen Building.

The Committee noted that:

- the error was not made in the exhibited information sheet text and in all exhibited documents the map of the proposed HO did not include the Bowen Building
- submissions received on the proposed changes have been on the basis that the revised HO would not apply to the Bowen Building
- submissions seeking retention of the HO mean that the merits of retaining the overlay for that part of the site will be addressed.

To ensure that submissions to the Hearing were made on the correct basis, all parties were advised before the Hearing that the proposed changes to the HO would not apply the overlay to the Bowen Building.

3 Site constraints and opportunities

3.1 Planning context

(i) Planning provisions

The following existing Planning Scheme provisions that apply to the site are not proposed to change:

- Public Use Zone 3 (Health and Community)
- Environmental Significance Overlay Schedule 4 (Significant trees and Areas of Vegetation) (ESO4) which identifies the following species as significant trees: Deodara Cedar (*Cedrus deodara*), English Oak (*Quercus robur*), Washington Pine (*Washingtonia robusta*). ESO4 does not require a permit to construct a building or carry out works outside the critical root zone, that is beyond five metres from the drip line of any significant tree.

(ii) The Heritage Overlay

HO62 and HO63 currently apply to the entire subject site. The purposes of the HO are to:

- *conserve and enhance heritage places of natural or cultural significance*
- *conserve and enhance those elements which contribute to the significance of heritage places*
- *ensure that development does not adversely affect the significance of heritage places*
- *conserve specifically identified heritage places by allowing a use that would otherwise be prohibited if this will demonstrably assist with the conservation of the significance of the heritage place.*

Figure 6: Current overlay



Figure 7: Proposed overlay changes for the site



HO62 and HO63 include the following site specific controls:

- HO62 – external paint controls and tree controls (in addition to ESO4)
- HO63 – external paint controls.

The most recent expert assessment by Lovell Chen of the heritage values of the site (March 2015) included the following statement of significance in its draft Incorporated Document:

Statement of Significance

Historically, as the first hospital established in what is now the City of Banyule. It is rare within the metropolitan area to have retained much of its 19th century building stock. The Davies Centre and the Gate Lodge all retain recognisably 19th century building forms and building fabric. While the Davies Centre was altered by the addition of wide balconies in 1912, this change is part of the building's significant early history within the hospital complex.

The buildings are significant for their association with early hospital benefactors. All of the contributory buildings were constructed with donations from private benefactors, and often named after them or their loved ones. The former Gate Lodge is the only surviving building in the hospital complex to have been funded by Elizabeth Austin, the founding benefactor of the hospital.

Zeltner Hall is of social significance for its role as the social, recreational and religious centre for the hospital.

Architecturally, the Marian Drummond Nurses' Home is an interesting and intact example of a late Federation transitional bungalow style applied to an institutional building. The combination of geometric pattern iron balustrading panels at the lower level and shingles to the upper level of the verandah is also unusual. The Edward Wilson Nurses' Home is a highly intact example of a Georgian Revival building designed by Melbourne architects Blackett and Forster.

The Marian Drummond and Edward Wilson Nurses' Homes are of historic significance as a unique group of the earliest surviving purpose-built nurses' homes in the City of Banyule and possibly in Metropolitan Melbourne.

Aesthetically and historically, the contributing buildings and mature trees create an attractive complex which is tangible evidence of the human scale of 19th and early 20th century hospital complexes.

3.2 Physical constraints

The site comprises a large number of buildings of varying height and age as a result of progressive replacement and upgrading of buildings to meet the health needs of the community. The Austin Hospital is major regional health facility and there is benefit to the community from ongoing development within the site to improve the facilities and services provided.

Figure 8: Existing site plan



4 Issues with the proposed changes

4.1 What are the issues?

The Committee's evaluation issues raised by submissions, are limited to the effect of the proposed reduction in the extent of the HO.

Aspects of the proposed changes to the HO that were not contentious are noted but are not discussed further in this report.

There was consensus in submissions that the current extent of HO62 and HO63 is inappropriate because much of the Site has no heritage significance.

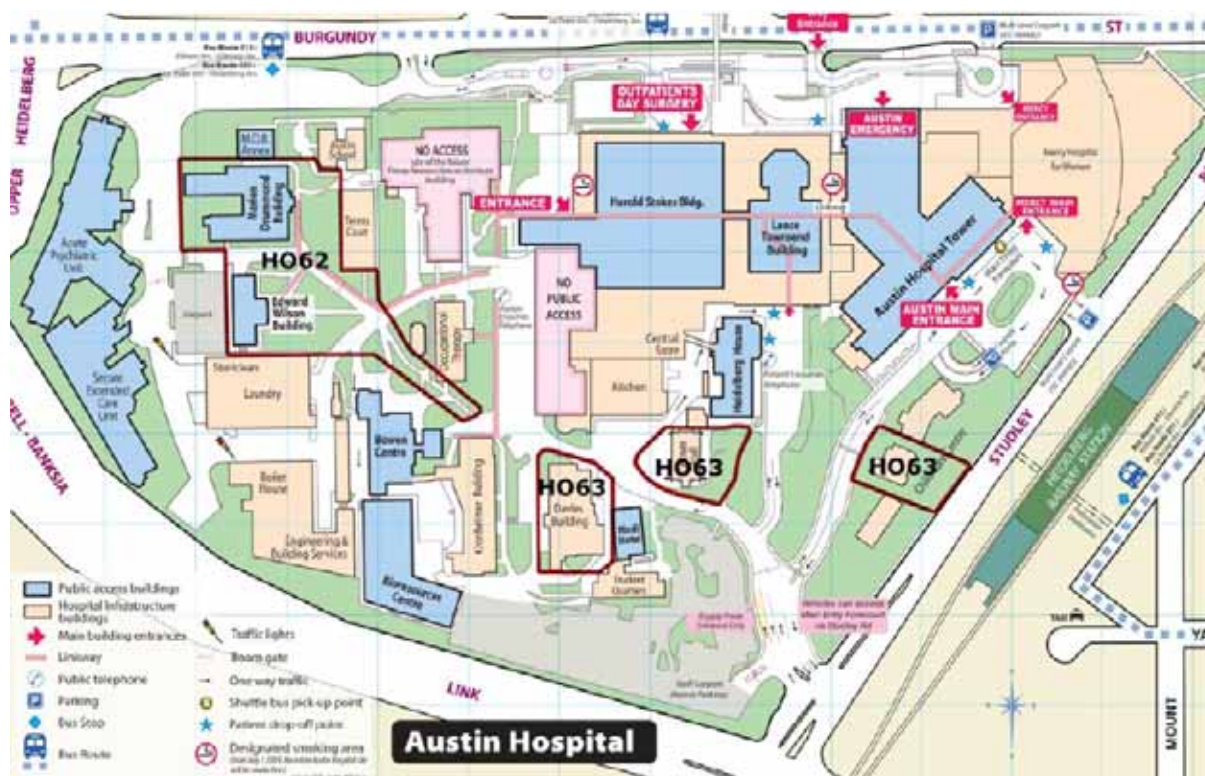
As Council noted, Government practice note guidance when the HO was applied was to apply the overlay across entire sites. Government guidance now supports tailored HO maps for larger sites.

The maintenance of the HO to recognise the following buildings, which heritage assessments since 1997 have consistently identified significant, was endorsed: the Gate Lodge, Zeltner Hall (with a reduced footprint), the Edward Wilson Building, the Marion Drummond Building.

Submissions advocated the highest protection of the landscaping setting of heritage buildings and the extension of HO62 to incorporate the full extent of the oak avenue (to the east of the Bowen Building) which acts as a spine through the upper half of the Site. It was clarified at the Hearing that, while the 2015 Lovell Chen Report did not recommend inclusion of the less intact southern part of the avenue of oaks, the proposed HO62 adopts the delineation of the HO recommended in the 2009 Lovell Chen assessment (see Figure 9). The proposed HO62 maintains tree controls and extends to:

- the landscaped setting at the front of the Edward Wilson and Marion Drummond Buildings
- the whole of the avenue of oaks which extends to the southern leg of the avenue (to the east of the Bowen Building).

Figure 9: Revised proposed HO Areas (Lovell Chen 2009)



4.2 Submissions

The Site owner referred to the heritage experts' assessments dating back to 1997, which are summarised in Figure 10. It submitted that, while health services are its core business and must be its priority, Austin Health's actions demonstrate that it recognises its role in preserving history. The Site owner acknowledged that it would be possible to restore and re-purpose "heritage" buildings on the site. However, it submitted that a balance has been struck that takes account of:

- objectives to protect significant heritage values by retaining and reusing buildings identified as being of heritage significance to show how hospitals used to be.
- community health priorities, operational needs of the hospital to maximise workability and functionality of health facilities on the Site to meet current day requirements.
- the effect of significant costs of restoration to the health budget and the capacity to improve health facilities and services.

Council submitted that the changes have strategic merit, appropriately balance the site's heritage values with the future needs of the hospital and would achieve greater clarity and efficiencies for both Austin Health and Council by focusing on parts of the site with known heritage significance.

Council advised that while it gives in-principle support to the proposal to reduce the Heritage Overlay, it urged consideration of opportunities to retain the facade of the Davies Building and any historical features in any future redevelopment of the Site.

The Davies Building

The exclusion of the Davies Building from the HO was the most contentious aspect of the proposed changes.

The Site owner submitted, based on a feasibility assessment by the Design Inc, that the Davies Building is beyond restoration and, in any event, the practicality and functionality of reusing the building is limited by its location on the site in a 'precinct' with important 'service' functions. Further, the retention of the Davies Building would severely compromise the potential for a substantial consolidated redevelopment area in the south of the Site which would provide associated design, function and cost efficiencies.

While Council expressed broad support for the proposed changes, the day before the Hearing, it requested consideration of opportunities to retain the Davies Building facade and any historic features.¹

The Friends of Banyule, Heidelberg Historical Society Inc and Coral Tudball advocated continued protection and restoration of the Davies Building heritage values. They highlighted that independent specialist heritage advice sought by Austin Health determined that the Davies Building is of historical significance as part of *"one of the most intact late 19th/early 20th Century hospital complexes surviving in Melbourne"*. While it was acknowledged that the integrity of the building is compromised and repair and adaptation works would be costly, submissions expressed *"dismay at the damage inflicted on the Davies Building over time"* and considered *"the beauty of the underlying structure has been discounted too cheaply"*. At the Hearing, Coral Tudball and the Friends of Banyule supported the retention of the building – minus later unsympathetic or dilapidated additions - and its restoration along the lines of the Zeltner Building.

If retention of the building is not a viable option and, as envisaged in the Master Plan, the building is demolished to allow for new clinical buildings, submitters advocated:

- a full archival recording of the site
- retention and public display of decorative features, in some way, for example, incorporating:
 - memorial stones and stained glass windows which mark the importance of nineteenth century individual philanthropy in the development of the hospital
 - the Bowen block chimney as a sculpture in the garden.

Coral Tudball suggested that retention of the HO over the Davies Building would ensure that the demolition would be with care, endeavouring to uncover, salvage and preserve existing structures and artefacts.

¹ By email to Planning Panels Victoria dated 15 February 2017.

Implications for other heritage values

Submissions from the Friends of Banyule, Heidelberg Historical Society Inc and Coral Tudball:

- urged the inclusion of the Bowen Building (and the adjacent section of the avenue of oaks) in the HO62 to maintain *“the unique group of the earliest surviving purpose-built nurses’ homes in metropolitan Melbourne”*² – it was noted that assessment of the significance of the Bowen Building has varied over time and it is proposed to remove the building from the HO without a detailed architectural consideration of the potential to conserve this building
- argued there appear to be good reasons to retain and renovate the Kronheimer Building (Coral Tudball)
- expressed concern that it is proposed to replace the slate roof of the Gate House Lodge, which is of varying colours and interesting shapes, due to maintenance difficulties. Coral Tudball suggested an architect experienced in heritage renovation may be able to advise on the best ways to restore the roof.

More generally, the Heidelberg Historical Society Inc and Coral Tudball submitted that the existing HOs have not constrained the hodgepodge development and have not avoided neglect and cheap additions to parts of the Site that are of heritage significance, especially the Kronheimer and Davies Buildings, to a point where the decline of the buildings is presented as justification for demolition. They argued that a HO ‘with teeth’ is need to ensure the restoration and continued maintenance of the places within the contracted overlay.

4.3 Expert reports

The report prepared for the Site owner by Lovell Chen, Architects and Heritage Consultants (March 2015) referred to the findings of three earlier assessments of the significance of the heritage places on the site (provided in Appendix B). The table below summarises the findings of these assessments for the Davies, Bowen and Kronheimer Buildings, which are excluded from the proposed HO.

² As identified in the National Trust citation on the Victorian Heritage Database.

Figure 10: Summary of heritage assessments since 1997 (Source: derived from Lovell Chen 2015 report)

| Building | 1997 Allom Lovell ³ | 2008 Context | 2009 Lovell Chen | 2015 Lovell Chen |
|----------------------------------------------------------------------------|--------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individually significant but potential demolition addressed (2015): | | | | |
| Davies | Local historical significance | Individually significant. Retain in HO (with Zeltner Hall) | Individually significant. Retain in HO. Relationship to Zeltner Hall incidental. Surrounding landscape not significant. | Individually significant (despite external alterations). Preferred 2012 Master Plan option proposes demolition of the building. Retain in HO with Incorporated Plan providing for demolition in accordance with a Government endorsed Master Plan and permit exemptions under Clause 43.01. Demolition should not occur ahead of the need to redevelop the Site. |
| Heritage value limited to interest or minimal: | | | | |
| Bowen | Minor significance/retention not necessary | More intact than previously assessed. Retain in reduced HO. | Inspection confirms little remaining heritage fabric. Only historical interest. Remove from HO. | Some historical interest but little architectural interest. Remove from HO. |
| Kronheimer | Limited interest | Not significant - Remove from HO | | |

Davies Building

The four assessments of the heritage significance since 1997 have identified the Davies Building as locally significant, despite the external alterations to the building and poor building condition. However, the 2009 Lovell Chen assessment noted that, while retention may be seen as desirable from a heritage perspective, this would be difficult to achieve within the broader expectations for the site to deliver improved health services.

The Lovell Chen 2015 report referred to the statement in the Austin Health Master Plan Report (June 2012) that:

³ The preliminary heritage appraisal in 1997 identified areas for further investigation, commenting on eight buildings and the landscape of the site.

The building is rated architecturally poor and ‘given the difficulty and cost of rebuilding this building into a new architectural function, it is recommended that in the longer term this building is demolished in order to create a development zone for a further clinical building function.

The Lovell Chen 2015 report refers to the recommended draft Incorporated Plan prepared as part of the 2009 Heritage Assessment, which would exempt demolition of the building from permit requirements under the HO. It continued:

For the demolition of the Davies Building, where it can be demonstrated that such demolition is required under a government endorsed Hospital Master Plan and only when such works are contracted to commence to enable the construction of a new building or works, (excluding provision of on-grade car parking), on the subject site. Such demolition is not to commence until the building has been recorded to the satisfaction of the responsible authority.

The Lovell Chen 2015 report recommended that demolition should not occur ahead of redevelopment of this part of the site and, in the meantime, the building should be retained in a secure and weatherproof state.

At the Hearing, the Site owner tabled a further report by P. Barrett, Architectural Conservation Consultant, which stated that the Davies Building’s original domestic character is now lost and in its current condition it has little heritage value. The assessment anticipated that a significant amount of original fabric would need to be removed to upgrade the building, and depending on the extent of the original fabric to be removed, this will have impacts on the integrity and heritage value of the building. The report concluded that the building (together with the Kronheimer and Bowen Buildings) is not of immense importance in the interpretation of the Austin Hospital site.

Design Inc., Architects and Urban Designers (Design Inc.) were commissioned to assess the feasibility of either reusing the Davies Building or demolishing it. The Design Inc report (July 2016) noted that poor maintenance has led to considerable dilapidation of the building fabric, with an overall result that the original architectural quality of the building has been largely lost. It set out three costing scenarios, in addition to the securing of the building, which has been completed, (Scenario A):

- Scenario B: \$6.92m for the removal of hazardous materials and base building works
- Scenario C: \$7.9m to \$15.2m for alternative fit outs related to various internal uses
- Scenario D: \$1.22m for the removal of hazardous materials and full building demolition.

This study found that the investment required to restore and adapt the building for reuse would be substantial given the current poor condition, the functional space and service outcomes would be compromised, and the significant outlay of funds to restore the building to current standards would detract from the hospital’s capacity to undertake more strategic works in line with the Master Plan. The report concluded that *“the demolition should occur when funding becomes available and when the historical report has been prepared”*.

4.4 Discussion

The Committee notes that submissions advocated a well-considered heritage and environmental plan. Submitters endorsed the recent Olivia Newton John Centre of integrating open space, greenery and the Zeltner Hall as a successful approach that should be extended across the site to achieve the combined benefits of a setting that respects heritage values and also aids patient recovery. Although the Site owner noted the positive outcome, it highlighted that this had been achieved at a significant cost and with some compromises in the utilisation of the site for health purposes.

The Davies, Bowen and Kronheimer Buildings – Should the Heritage Overlay be maintained?

The Committee accepts the two most recent expert heritage assessments that the Bowen Building does not meet the threshold of significance necessary to justify its inclusion in the HO. None of the expert heritage assessments found that the Kronheimer Building satisfies that threshold. The Committee endorses the exclusion of these buildings from HO62.

As the Davies Building has been identified as individually significant, the usual view adopted would be that the HO should apply to ensure heritage values are taken into account in future planning decisions. Unless there is a very strong case for demolition and the community wide costs of including the place in a HO are unreasonable, consideration of the implications of the condition of a building and demolition are normally addressed at the permit stage when more detailed information is available. In *Dustday Investments Pty Ltd v Minister for Planning [2015] VSC 101* (20 March 2015), Justice Garde said:

... the position of the panel (Melbourne C207) that there should be serious justification and persuasive evidence before a building with heritage significance is permitted to be demolished at the amendment stage is an opinion that is entirely open to the panel to adopt, ...

As set out in the Lovell Chen Report 2015 the longer term development of teaching, training and research buildings, involve the demolition of the Kronheimer, Davies and Bowen Buildings. The removal of the HO and the eventual demolition of these buildings is proposed without details regarding the layout or design of the replacement buildings, or the timing of any future development. Rather, the confidential Hospital Master Plan underpins the justification for the removal of the Davies (and other) heritage buildings from HO62. The block plan extract provided to the Committee after the Hearing, illustrates long term planning for redevelopment of a consolidated area to the south of the site.

Planning invariably involves balancing multiple objectives to reconcile competing policy objectives to achieve a net community benefit. Clause 10.04 states:

Planning authorities and responsible authorities should endeavour to integrate the range of policies relevant to the issues to be determined and balance conflicting objectives in favour of net community benefit and sustainable development for the benefit of present and future generations.

In this case, competing planning policy includes:

- Planning for efficient, equitable, accessible and timely provision of health (and other) infrastructure to meet community needs⁴. Policy⁵ recognises that the projected population profile in Banyule is likely to increase demand for medical services and that the Austin Hospital forms part of an unusually large and diverse health sector within the municipality.
- To ensure the conservation of and enhancement of places of heritage by, amongst other things, retaining those elements that contribute to the importance of the heritage place, ensuring an appropriate setting for heritage places is maintained or enhanced, and supporting adaptive reuse of heritage buildings where the use has become redundant⁶.

The Site owner referred to the VCAT decision *University of Melbourne v Minister for Planning*⁷ in which, the Tribunal:

- recognised that cities “*must be capable of growth and adaptation to meet new needs*” *Over time the buildings of one era will invariably require replacement or adaptation to meet those needs.*”
- formed the view that, considering competing planning objectives, the grant of a permit to demolish a C graded heritage building and develop a replacement building (to be occupied by the Peter Doherty Institute for Infection and Immunity) would result in a significant net community benefit to present and future generations.

The Committee is conscious that the present proposal can be distinguished from the VCAT consideration of development applications with detailed development proposals. In this case, it is proposed to sanction the demolition of the Davies Building when the Hospital Master Plan has remained confidential and plans illustrating the timing, siting and design of replacement buildings are not available.

Nevertheless, consultant heritage and development feasibility reports indicate that the condition of the disused Davies Building is very poor, which was confirmed by the Committee’s inspection. Reports undertaken show that re-use for hospital purposes would cost a significant sum of money and may result in a compromised functional outcome. According to the report by Design Inc., the cheapest solution would be the removal of hazardous materials and full building demolition.

It is clear that improved health facilities provide a substantial community benefit by responding to an established and growing need. The Committee recognises that demolition of the Davies, Bowen and Kronheimer Buildings to provide a large consolidated area for redevelopment, as envisaged by the Master Plan, would optimise how the existing asset is utilised by providing efficient redevelopment options with functional ‘*zoning*’ and linkages of related health services within the site.

⁴ For example see Clauses 19 and 21.07.

⁵ For example see Local Planning Policy Framework Clause 21.01.

⁶ In particular Clauses 15.03-1, 21.02 and 22.06.

⁷ *University of Melbourne v Minister for Planning, (2011), VCAT 469.*

The Committee considers a reasonable balance has been struck between supporting the retention of the heritage places and the need to provide future health and hospital facilities for a growing population. The Committee accepts that improved health facilities provide a clear community benefit, while the retention of the most significant heritage places – the Zeltner, Marion Drummond and Edward Wilson Buildings in garden settings – supports objectives to protect places of heritage significance.

The combination of the very poor condition of the Davies Building and the benefit derived from a consolidated area for redevelopment in this location, justify a departure from the normal practice of deferring a decision relating to demolition to the redevelopment permit process.

Provided appropriate recording of heritage values and salvaging of elements with potential for incorporation in future redevelopment occurs (to the satisfaction of the Responsible Authority), the Committee questions the benefit derived from maintaining the building until redevelopment is imminent. Rather than including an Incorporated Plan into the Planning Scheme as recommended by Lovell Chen, the Committee considers it would be simpler to remove the Davies and Bowen Buildings from HO62 after recording and salvage processes through a Section 20(4) Amendment.

Other issues

The Committee notes submitter concerns that the HO has not ensured that heritage values on the site are protected, let alone enhanced. However, the overlay has limitations; with a focus on controlling certain actions and there is limited capacity to require heritage places to be maintained or for heritage values to be enhanced.

The Committee inspection confirmed that the roof of the Gatehouse Building is of interest. As the HO will continue to apply to the Gatehouse Building, a permit would be required to:

Carry out works, repairs and routine maintenance which change the appearance of a heritage place or which are not undertaken to the same details, specifications and materials.

The appropriateness of works to the Gatehouse roof would be assessed through the planning permit process.

During the Hearing the Committee queried why paint controls apply to the Site as the treatment of painted surfaces does not appear to have specific heritage values. Council advised that it was the practice to apply the control at the time the overlay was applied.

The HO establishes the following generic permit requirements without specific designation of paint controls to:

- externally alter a building by structural work, rendering, sandblasting or in any other way
- externally paint an unpainted surface.

The Committee considers the generic HO permit requirements are appropriate for the site. The nomination of paint controls in the schedule to the HO, which controls painting of

surfaces that are already painted, are not justified in this case as there is no particular heritage significance relating to the paint finishes or colour scheme.

The Committee notes that the entries in HO62 and HO63 only refer to two of the significant places on the site, the Marion Drummond Building and Gate Lodge. It should be updated to also refer to, Zeltner Hall and the Edward Wilson Building.

4.5 Conclusion

The Committee concludes that:

- The Committee accepts advice from the Site owner that the Master Plan for the site is endorsed by the State Government and notes that the proposed reduction of the HOs is consistent with the extracts of that Master Plan that were provided (on a confidential basis).
- The proposed reduction in the extent of the HO maintains protection of the most significant heritage places on the site, including the setting for the Edward Wilson and Marion Drummond Buildings and the avenue of oaks in this part of the Site.
- Proposed changes to the HO balance objectives to protect significant heritage places and the need to provide future health and hospital facilities for a growing population to achieve a net benefit to the community.
- Although detailed plans for redevelopment are not in place, after appropriate recording and salvage of artefacts, it is acceptable to remove the Davies, Bowen and Kronheimer Buildings from HO62.

Appendix A: Document list

| Documents Presented to Hearing (No.) | Description | Presented By |
|--------------------------------------|----------------------------------------------------------------------------------------------------------------------|--------------------------|
| 1 | Department of Health and Human Services and Austin Hospital submission | Maria Marshall, Maddocks |
| 2 | Detailed Site plan of Austin Hospital. | “ |
| 3 | Banyule Heritage Places Study of the Former Lodge and Marian Drummond Nurses Home | “ |
| 4 | Banyule Heritage Places Study. Summary of Listings. Former Lodge and Marian Drummond Building. | “ |
| 5 | Report by Peter Barrett, Architectural Conservation Consultant | “ |
| 6 | Submission including information regarding Austin Hospital from the National Trust, the benefactors and photographs. | Coral Tudball |
| 7 | Submission by the Friends of Banyule | Dennis O’Connell |

Appendix B: Review of the Austin Hospital Heritage Assessment, Prepared for the Department of Health by Lovell Chen, March 2015

| Element | 1997 Allom Lovell & Associates | 2008 Context | 2009 Lovell Chen | 2014-15 Lovell Chen review |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Former Gate Lodge (1892) (now Creche) Currently located in the Banyule Planning Scheme HO area HO62. | Individually significant. A rare example of a Victorian residence surviving in Heidelberg and one of the few buildings of the early hospital surviving from the nineteenth century. Retention essential. | Individually significant and as part the hospital complex although not strongly linked to other heritage buildings. | Individually significant. This building is physically remote from the other identified heritage buildings on the site and is not readily identifiable as part of the complex. | Individually significant as evidence of the evolution of the Austin Hospital complex. The building is one of the few surviving nineteenth century buildings on the site and marks the original main entrance to the hospital site from Studley Road. 2009 recommendation that the extent of HO62 be reduced to include the building with a limited curtilage is confirmed. To be retained in the preferred option in the 2012 Final Draft Masterplan |
| Zelmer Hall (1917) Currently located in the Banyule Planning Scheme HO area HO62. | Individually significant. Historically significant for its role as the social and religious centre of the hospital, but of limited architectural significance. Retention essential. | Individually significant and as part the hospital complex. Proposed to be included in reduced HO area with the Davies Building | Individually significant. While currently viewed in relationship to the Davies Building and with open views to/from the east, south and west, its context is soon to be altered as a result of the construction of the Olivia Newton-John Centre. The relationship to the Davies Building is incidental rather than designed and it was not a building designed with particular aspect and prospect considerations in mind. Its heritage value is primarily building specific. | Individually significant despite the large-scale new development immediately east of the building. Although altered, the original form and features of the building, including the arched windows, are still discernible and the building is of significance for its role as the social, recreational and religious centre for the hospital. 2009 recommendation that the extent of HO62 be reduced to include the building with a limited curtilage (refer Figure 3) is recommended to be varied to reduce the curtilage to reflect the construction of the new ONJ Centre. Given the integration of Zelmer Hall with the ONJ Centre it is recommended that the extent of the overlay be limited to the original building footprint and a nominal curtilage of 3.0 metres around that footprint to enable consideration of the heritage impacts of any works in close proximity to the building. To be retained in the preferred option in the 2012 Final Draft Masterplan |
| Davies Building Currently located in the Banyule Planning Scheme HO area HO62. | Locally significant. Though altered it is of historical significance as the earliest building surviving on the site. Retention desirable. | Individually significant and as part the hospital complex. Proposed to be included in reduced HO area with Zelmer Hall | Individually significant. The Davies Building remains a building of individual significance albeit extensively altered. As noted its relationship with Zelmer Hall is incidental rather than planned. The key setting consideration is the view to the east. The surrounding landscape is of little or no significance. | Individually significant despite the external alterations. The building remains as evidence of the earliest development of the hospital site. 2009 recommendation that the extent of HO62 be reduced to include the building with a limited curtilage is confirmed. This building is identified for demolition in the preferred option in the 2012 Final Draft Masterplan. Such demolition should not occur ahead of the need to redevelop the site and the building should be retained in a secure and |

| Element | 1997 Allon Lovell & Associates | 2008 Context | 2009 Lovell Chen | 2014-15 Lovell Chen review |
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| | | | | weatherproof state. The draft HO62 & HO63 Incorporated Plan recommended that the demolition of this building, in accordance with a government endorsed Hospital Master Plan, should be permit exempt works under Clause 43.01 of the Banyule Planning Scheme. This recommendation is confirmed. |
| Austin Research Institute (former Krostweiner Wing). Currently located in the Banyule Planning Scheme HO area HO62. | Of limited interest. Extensively altered and of limited historical interest. Retention not necessary, could be demolished if required. | Not of significance due to extent of alteration | Of no significance. Demolish or reuse as required. | Of no significance. 2009 recommendation that the building should be removed from the extent of the Heritage Overlay is confirmed. This building is identified for demolition in the preferred option in the 2012 Final Draft Masterplan. |
| Bowen Building Currently located in the Banyule Planning Scheme HO area HO62. | Of minor significance. Dramatically altered both internally and externally. Retention not necessary, could be demolished if required. | Of a higher level of intactness than previously assessed. Proposed to be included in HO area with the Wilson Building and Marion Drummond Building. | Further inspection of this building confirms that it has been substantially altered and added to, both internally and externally. While the works are in part reversible they are so extensive that this is unlikely. It remains a building of historical interest but which physically evidences little about its original or later use. | Of some historical interest, but limited architectural interest. 2009 recommendation that the building should be removed from the extent of the Heritage Overlay is confirmed. This building is identified for demolition in the preferred option in the 2012 Final Draft Masterplan. |
| Edward Wilson Building Currently located in the Banyule Planning Scheme HO area HO62. | Locally significant. Retention desirable. | Individually significant and as part of the hospital complex. Proposed to be included in HO area with the Bowen Building and Marion Drummond Building. | Individually significant. The Edward Wilson Building remains a building of interest as part of the complex and as placed in a landscaped setting. | Individually significant. The building is of historical significance as an early nurses' home within the hospital site and notwithstanding the alterations to the rear of the building, the external form and presentation of the building, including the roof form and principal elevation, is largely intact. In the process of this review the landscape setting for this building has been re-examined. The conclusion is that while the paved elements reflect the early layout of the grounds, the vegetation, with the exception of the oak avenue, is largely of recent origins. As such the sensitivity of the landscape relates to the maintenance of an appropriate context/setting, particularly to front of the building to maintain views, while not necessarily requiring the retention of specific garden features. As a consequence of this review the 2009 recommendation is varied. It is recommended |

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| Element | 1997 Allon Lovell & Associates | 2008 Context | 2009 Lovell Chen | 2014-15 Lovell Chen review |
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| | | | | that the extent of HO62 be reduced to include the building and the landscape setting to the east of the building. Any associated citation should recognise that the landscape area is of significance as a context/setting consideration and not related to specific features. This building and the setting are to be retained in the preferred option in the 2012 Final Draft Masterplan. |
| Marion Drummond Building Currently located in the Banyule Planning Scheme HO area HO62. | Individually significant. Architecturally significant as an interesting example of a late Federation transitional bungalow style applied to an institutional building. Of some historical significance as possibly the earliest surviving purpose built nurses' home in Metropolitan Melbourne. Retention essential. | Individually significant and as part of the hospital complex. Proposed to be included in HO area with the Bowen Building and Edward Wilson Building. | Individually significant. The Marion Drummond Building remains a building of interest as part of the complex and as placed in a landscaped setting. | Individually significant. The Marion Drummond Building is of historical significance as one of, if not the earliest surviving purpose-built nurses' home in metropolitan Melbourne. It is also of architectural interest as an example of a late Federation transitional bungalow style applied to an institutional building. The foreground landscape contributes to the context/setting of the building. As a consequence of this review the 2009 recommendation is varied. It is recommended that the extent of HO62 be reduced to include the building and the landscape setting to the east of the building. Any associated citation should recognise that the landscape area is of significance as a context/setting consideration and, with the exception of the oak avenue, is not related to specific features. This building and the setting are to be retained in the preferred option in the 2012 Final Draft Masterplan. |
| Landscaping | The gardens and planting to the east and south-east of the Marion Drummond Building were identified as being of potential significance. The gardens and planting to the east and south-east of Zeltner Hall, the Davies Building and the former Gate Lodge were identified as being of potential significance. | The mature trees identified with the landscapes associated with the significant buildings are of significance. Proposed to be included tree protection in HO areas. | The mature trees which have been identified are of significance. | The avenue of mature trees south-east of the Marion Drummond and Edward Wilson buildings (Figure 9) comprises English oaks (Quercus robur) on both sides of the path extending south-east from these buildings to the path on the eastern side of the tennis court. Beyond this point the avenue breaks down into individual trees which extend in the same alignment to the front of the Bowen Building (Figure 10 & Figure 11). The upper section of avenue planting is visible in early aerial images of the site, while the lower planting is less clear. The upper section avenue is of particular significance in contributing to the setting of the Marion Drummond and Edward Wilson buildings. |

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| Element | 1997 Allan Lovell & Associates | 2008 Conrad | 2009 Lovell Chen | 2014-15 Lovell Chen review |
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| | | | | <p>The lower section planting is less critical from a heritage perspective, albeit comprising a number of mature trees.</p> <p>Following this review it is recommended that the 2009 proposed extent of HO62 be reduced to exclude the path and landscape extending below the path on the east side of the tennis court.</p> <p>The landscaping to the east of the Davies Building and Zetser Hall has been impacted by development within the site. There is no recommendation to include any landscaping in this location in the extent of the Heritage Overlay.</p> <p>This upper section avenue planting is proposed to be retained in the preferred option in the 2012 Final Draft Masterplan. The lower path and individual trees are impacted by a new building footprint.</p> |