

## 5. HOSPITAL PARKING CHARGES



<b>General Manager responsible:</b>	General Manager City Environment, DDI 941-8608
<b>Officer responsible:</b>	Transport & Greenspace Manager
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### PURPOSE OF REPORT

1. The purpose of this report is to approve a variation to the application of the on-site charges for parking at Christchurch Hospital as resolved in the 2006/2016 LTCCP, City Council Fees & Charges: Appendix B and confirmed in the 2007/2008 Annual Plan.

### EXECUTIVE SUMMARY

2. The Council manages the Christchurch Hospital Car Park building and the on-site parking at the hospital through a Parking Management Agreement and a Deed of Sublease. Both these documents make it clear that the car parking charges shall be set by the Council and have requirements for consultation with the CDHB.

3. The Council sets charges through the LTCCP and Annual Plan. In the 2004/14 LTCCP the off-street parking fees were set covering both the building and the on-site charges:

- |                    |                        |                        |
|--------------------|------------------------|------------------------|
| • Hospital Parking | 2003/04                | 2004/05                |
| • Basic Charge     | Up to \$0.70/half hour | Up to \$1.00/half hour |

4. From 2004 the charges levied were \$0.50c/half hour in the building and \$0.75c/half hour on site.

5. In the 2006/16 LTCCP, Appendix B (under section 83 of the LGA 2002) the Council set new charges, separately identified the building and on-site charges and removed the discretion to charge less than the full fee.

- |                        |                  |                  |
|------------------------|------------------|------------------|
| • Hospital Car Parking | 2005/06          | 2006/07          |
| • Building             | \$1.00/half hour | \$1.10/half hour |
| • Main Site            | \$1.00/half hour | \$1.10/half hour |

6. These fees were not implemented at the time and the status quo of \$0.50c/half hour in the building and \$0.75c/half hour on site continues.

7. In consideration of the 2007/08 Annual Plan the issue of the gap between the printed rates and the actual charges levied was raised as part of the omnibus report. The Council resolved, at its extraordinary meeting on 23 February 2007, to collect the charges as set out in the LTCCP. The notes from the meeting read:

*"It was resolved to note that, subject to consultation with the Canterbury District Health Board, the charges for the hospital car park would increase from 1 July 2007, in line with other car parks and Council policy."*

8. Following informal contact with the CDHB a formal notification of the Council decision was made on 15 May 2007. This letter also sought consultation with the CDHB on the proposed changes. In response to this the CDHB undertook consultation by email on 19 June 2007. The email to staff states "We [CDHB] intend to oppose the proposed increases and are very keen to have the views of both staff and patients to pass onto the Council". All but one of the nearly 200 responses expressed negative views about the proposal with 50% focusing on the impact on patients and their families, 21% focusing on the impact on CDHB staff and a further 19% concerned about both groups. This was followed by two meetings with the CDHB staff to discuss a way forward.

9. In response to the feedback from the CDHB and their staff we identified the concerns regarding patient and visitor access to the hospital and the impact of a price increase on this group. We then proposed, subject to Council approval and the CDHB enacting the necessary parking restrictions, that we would raise the car parking building charges to the level already resolved by the Council, that is to say \$1.10 per half hour. On the hospital site we would raise the charge to a lesser extent than that resolved to date, that is to \$0.80 per half hour but in conjunction with this small increase we would restrict parking on the site to patients and visitors only, other than for specifically designated staff car parking, and place a time restriction of P120 for all patient and visitor parking on site.
10. We further propose to cap the charges in the car park building at a maximum of \$17 per day.
11. We have compared our charges with those at comparable hospitals in Auckland, Wellington and Dunedin. At Auckland City Hospital the charges are \$3 for the first hour increasing to \$17 for over six hours. At the Wellington Hospital car park the charges are \$3 for the first hour increasing to \$8.00 for over 4 hours. In Dunedin the hospital does not have its own car park but the nearest Council car park is in Great King Road and charges \$1.60 per hour.
12. The CDHB has formally responded to our proposal in a letter dated 7 August 2007. They state: *"In summary we remain disappointed with the Council's approach and response to our submissions and suggestions. We acknowledge that a lesser increase in charges for the parking on the site is obviously a better position than had originally been targeted by the Council for patients and visitors (together with the time restriction). However, we remain generally of the view that we do not agree with the Council seeking to increase its overall revenues through the medium of parking facilities for Christchurch Hospital..."*
13. In the 2007/08 Annual Plan the budgeted revenue for the hospital car parks was increased by \$557K. This was a conservative estimate of the impact of the fully implemented charges and reflects an assumption that there would be an initial decrease in patronage, particularly in the building. We believe that, given the conservative estimates of revenue used in the budget, we will achieve the targeted increased revenue over all by the end of the financial year and there should be no impact on the Council's planned budget over all.
14. It is important to draw the following to the Council's attention:
  - The CDHB provide a dedicated staff car park in close proximity to Christchurch Hospital.
  - The Council-run parking building across the road from the hospital is connected by an underground tunnel to the main hospital building and wheelchairs are available if required.
  - In emergency situations, patients and families who are forced to exceed parking limits in the hospital grounds can seek relief from the infringement notice from the Council on compassionate grounds.
  - Where patients and families are high users or long term users of the parking they can apply to the CDHB for a Council-funded concession for parking.

#### **FINANCIAL IMPLICATIONS**

15. With the changes proposed in this report the impact will be a reduction in the increase in revenue from the on-site parking of \$223K. Given the conservative estimates of revenue used in the budget, we will achieve the targeted overall increased revenue by the end of the financial year and there should be no impact on the Council's planned budget over all.

#### **Do the Recommendations of this Report Align with 2006-16 LTCCP budgets?**

16. Yes.

## LEGAL CONSIDERATIONS

17. The obligations between the CCC and the CDHB (as the successors to Canterbury Health Limited CHL) in relation to the parking building at Christchurch Hospital are set out in the Deed of Sublease dated 2 March 1999 (DOS) between Christchurch Hospital Parking Ltd. (CHPL) and the CCC and in the Parking Management Agreement (PMA) between CHL and the CCC.
18. Clause 4.1 of the PMA states *“Car parking charges shall be set by the Council in consultation with CHL. The Council may review car parking charges from time to time in consultation with CHL. In the event of a dispute between CHL and the Council upon the setting or review of charges, the decision of Council shall be final and binding.”*
19. Under clause 1.3 of the head lessor’s consent to the DOS the Council is required to *“manage the car parking building as a public car park and included within such use to be available to cater for the Head Lessor’s (ie CDHB) staff and visitors to the Head Lessor’s Hospital ...”*
20. As part of the head lessor’s consent attached to the DOS there is record of an agreement to (Clause 1.4) *“...the establishment of a committee with the express purpose that the committee shall act in an advisory role to the Sublessee and its management of the car parking premises...the aforementioned committee will not have the authority to direct the management of the car park or set the level of fees for car parking but, nevertheless, the committee is expected to be consulted in respect to such matters.”* It is unclear whether this committee has been established as it certainly is not currently operative.
21. As indicated earlier, the level of charges in respect of the hospital car parks has been set in the Council’s 2006/16 LTCCP. The variations recommended in this report are inconsistent with that document.
22. The decision to be made by the Council therefore needs to be considered in the light of Section 80 of the Local Government Act 2002. If the decision is significantly inconsistent with the Council’s LTCCP, then that needs to be identified and steps taken to deal with it.
23. Whilst there will be a drop in income from the revised charges, it is the view of the Legal Services Unit that the difference is not significantly inconsistent with the provisions in the 2006/16 LTCCP. This is because the overall revenue to be derived from the hospital car parks is expected to be very close to that budgeted for. If that is found not to be the case, then the matter can be dealt with by a future amendment to the LTCCP, and publicly notified through that process.
24. The Council can then resolve to implement less than the schedule rates without recourse to a Special Consultative Process.

### **Have you considered the legal implications of the issue under consideration?**

25. Yes.

## ALIGNMENT WITH LTCCP AND ACTIVITY MANAGEMENT PLANS

26. 2006/16 LTCCP, Fees & Charges, Appendix B.

### **Do the recommendations of this report support a level of service or project in the 2006-16 LTCCP?**

27. Yes, increased revenue included in 2007/08 Annual Plan budget.

## ALIGNMENT WITH STRATEGIES

28. Parking Strategy for the Garden City 2003.

### Do the recommendations align with the Council's strategies?

29. Policy 4O (page 12) confirms that the Council *"may become involved with off-street parking for the public where there are benefits to the wider community examples include providing off-street parking around public hospitals"*.
30. Policy 4Q (page 12) directs us to *"provide convenient and effective parking facilities for disabled persons in order to support their access"*.

## CONSULTATION FULFILMENT

31. Consultation with the CDHB has been undertaken. Consultation with the wider community is not required.

## STAFF RECOMMENDATION

It is recommended that, subject to the CDHB imposing the P120 and Patient & Visitor Parking Only restrictions on the Christchurch Hospital main site, the Council resolves, effective 1 October 2007, to:

- (a) Modify the charges as set out in the 2006/16 LTCCP for parking in the Christchurch Hospital car park building so that they read:
- Hospital Car Park Building                      2007/2008
  - Basic Charge    \$1.10 per half hour or part thereof
  - Maximum Daily Charge                              \$17.00
- (b) Confirm the reduction in the charges set out in the 2006/16 LTCCP for Christchurch Hospital on-site parking to \$0.80c/half hour instead of the published \$1.10/half hour so that it reads:
- Hospital on-site Parking                              \$0.80 per half hour