

BROMSGROVE DISTRICT COUNCIL OVERVIEW AND SCRUTINY BOARD
3RD SEPTEMBER 2018

Hospital Car Parking Charges Board Investigation

1. Background Information

- 1.1 At the Council meeting on the 19th July 2017, Councillor Peter McDonald proposed the following motion which was seconded by Councillor Michael Thompson; *“This Council calls upon all local hospitals to stop charging for parking, that in reality is financially punishing people for receiving treatment or visiting loved ones”*

Following discussion, Members felt that it would be appropriate to consider the matter further as it was an issue which had an impact on local residents. It was therefore agreed that the matter be referred to the Overview and Scrutiny Board for investigation.

- 1.2 At the 22nd August 2017 Overview and Scrutiny Board meeting, Members considered the Investigation Proposal. Whilst concerns had been raised in the motion to Council regarding the impact of parking charges on patients and their families it was noted that some of the content of the motion was factually incorrect. A number of Members who had recently visited hospitals in the county noted that signs were on display in the car parks and these clearly advised patients and visitors that, after covering the costs of maintaining the car parks, any revenue would be reinvested in hospital services. Members discussed the subject of hospital car parking charges in further detail and in so doing noted the following;

- Concessionary charges were in place and patients / visitors could reclaim costs in certain circumstances.
- Many residents on low incomes would struggle to pay these charges and as such they might be regarded as unfairly penalising people with financial difficulties.
- Concerns were raised that a private company maintained the charging system on behalf of the Worcestershire Acute Hospital NHS Trust (WAHT) and this company might be generating a profit from charging patients and their families.
- The Council did not have the power to make decisions in respect of the charges levied by the Trust for parking at hospitals in the county.
- There was the possibility that this subject might be suitable to refer to the Worcestershire Health Overview and Scrutiny Committee (HOSC) for further investigation.

- 1.3 On the 30th October 2017 a briefing paper was provided to the Board which gave details of the concessionary scheme in place and comparative data in respect of car parking charges made by a number of other Hospital Trusts. Whilst considering the information Members discussed a number of areas in detail including:

- That the concessionary charges appeared not to be well publicised – it was confirmed that these were included on the car park signage and that more details were available from the relevant Wards.
- The lack of information in respect of the breakdown of income received from the car parks and detail in respect of the PFI contract.
- The option for the Board to write to the Secretary of State airing its concerns around car parking charges being used to top up hospital budgets which were under significant pressure.
- This was a problem which was not unique to Worcestershire.
- The need for a breakdown of the ongoing maintenance costs associated with the car parks.

1.4 Following discussion, a Board Investigation, led by Councillors Bloore (Chairman), Allen-Jones, Colella, and S.Webb was undertaken. The Board Investigation Group has held two meetings and has had the opportunity to discuss the issue with a representative from WAHT to clarify a number of points.

2. Summary of Findings

2.1 From the outset of this investigation, concern was raised that a private company maintained the parking charging system on behalf of the WAHT and this company might be generating a profit from charging patients and their families. This investigation however has revealed that this is not the case as no external company takes a slice of the income from car parking charges other than the money paid towards the Private Finance Initiative (PFI) costs at the Worcestershire Royal Hospital. The Trust operates all three carparks and other than the money paid towards the PFI costs at the Worcestershire Royal Hospital, any profit generated from parking charges goes back into the operation of the Trust.

2.2 Members' had initially raised concerns regarding concessions and how they were advertised. During this investigation however reassurance was provided that information about concessions was provided on a ward by ward basis and was linked to a patient's treatment pathway.

2.3 It was noted that hospital car parking charges have been abolished elsewhere in the United Kingdom and that there was a Private Members Bill going through Parliament requesting the abolishment of hospital car parking charges which was sponsored by Labour and Conservative MPs.

2.4 Members' have discussed the evidence presented and possible ways to change the system so that car parking charges do not disproportionately affect the disadvantaged. It was suggested for example that potentially those that could prove they were receiving Universal Credit could access free parking, however the possible high costs of administering such a system was referred to. It was also commented that people who found employment stopped receiving Universal Credit and therefore could have no income for a period of time and become for example reliant on pay day loans. Other people lived on low weekly incomes and did not have the budget to pay for parking. It

was recognised that these people would be hit disproportionately by hospital car parking charges.

- 2.5 Although it was acknowledged that abolishing charges would have a financial impact on NHS Trusts and the government would therefore need to contribute to subsidise NHS Trusts, the principle of abolishing hospital car parking charges was felt to be correct.

The Overview and Scrutiny Board therefore recommend the following:

RECOMMEND:

That Full Council write to the Secretary of State to suggest that NHS Trust owned hospital car parks should be made free of charge.

3 Local Hospital Car Parking Charges and Concessions

- 3.1 NHS Trusts and Foundation Trusts in England set their own parking charges for patients, visitors and staff. Details of WAHT car parking charges and arrangements are available on the Trust's website at;

Worcestershire Royal Hospital - <http://www.worcsacute.nhs.uk/our-hospitals/worcestershire-royal-hospital/parking>

Alexandra Hospital - <http://www.worcsacute.nhs.uk/our-hospitals/alexandra-hospital-redditch/parking>

Kidderminster Hospital and Treatment Centre-
<http://www.worcsacute.nhs.uk/our-hospitals/kidderminster-hospital-and-treatment-centre/parking>

- 3.2 In an interview with the Director of Asset Management and ICT, WAHT, it was confirmed that the Trust charged the same for car parking at each of three hospital sites and that the charges had not increased for approximately six years. The Trust currently charges the following;

Up to one hour: £2.50

1-2 hours: £3.70

2-4 hours: £4.50

4-6 hours: £6.00

6-24 hours: £7.50

- 3.3 The level of charges are monitored against a number of local comparators and show that the Trust's charges are in most cases very slightly below the local Trust average.

Table 1 – A Comparison of local NHS Trust Car Parking Charges
(table supplied by Worcestershire Acute Hospitals NHS Trust)

Up to	1 hour	1.5 hour	2 hour	3 hour	4 hour	5 hour	6 hour	7 hour	8 hour	9 hour	24 hour	Blue Disabled Badge Holders
Worcestershire Acute NHS Trust	£2.50	£3.70	£3.70	£4.50	£4.50	£6.00	£6.00	£7.50	£7.50	£7.50	£7.50	Standard Charges Apply
Sandwell & West BM Hospitals NHS Trust	£2.80	£3.80	£3.80	£4.30	£4.80	£4.80	£5.30	£5.30	£5.30	£5.30	£5.30	Standard Charges Apply
University Hospitals of Nth Midlands	£1.80	£3.00	£3.00	£4.00	£4.00	£6.90	£6.90	£6.90	£6.90	£6.90	£9.00	Standard Charges Apply
Heart of England	£3.10	£3.10	£3.10	£5.10	£5.10	£7.20	£7.20	£10.20	£10.20	£10.20	£10.20	Concession Charges Apply
The Dudley Group NHS Foundation	£2.60	£3.60	£4.60	£4.60	£5.60	£5.60	£5.60	£5.60	£5.60	£5.60	£5.60	Free
The Royal Wolverhampton NHS Trust	£2.40	£3.40	£3.40	£3.70	£4.80	£5.10	£5.80	£6.40	£6.60	£7.20	£7.30	Standard Charges Apply
University Hospitals Coventry & Warwickshire	£2.50	£3.40	£3.40	£4.10	£4.90	£6.40	£7.90	£9.20	£9.20	£9.20	£9.20	Standard Charges Apply
Wye Valley NHS Trust	£3.50	£5.00	£5.00	£6.00	£7.00	£8.00	£12.00	£12.00	£12.00	£12	£15.00	Concession Charges Apply
Average	£2.67	£3.61	£3.76	£4.54	£5.17	£6.29	£7.24	£7.94	£7.97	£8	£8.80	

3.4 In 2014, the Department of Health published non-mandatory guidelines on NHS patient, visitor and staff car parking principles. These principles state that; *‘Concessions, including free or reduced charges or caps, should be available for the following groups: disabled people, frequent outpatient attenders, visitors with relatives who are gravely ill, or carers of such people, visitors to relatives who have an extended stay in hospital, or carers of such people, carers of people in the above groups where appropriate, staff working shifts that mean public transport cannot be used. Other concessions, eg for volunteers or staff who car-share, should be considered locally.’*

3.5 Information regarding the WAHT’s concessionary car parking tickets was referred to at the Overview and Scrutiny Board on the 30th October 2017. This document provides details of;

- The £1 per day parking charge for patients/relatives who fall into certain categories.
- The £8.00 next of kin (maximum two persons) seven consecutive day ticket to visit patients who are in hospital for longer than four days.
- The £1 weekly ticket for patients who are visiting the Renal Unit or Radiotherapy unit for treatment on a long term basis and relatives of long stay patients (over two months) (valid for next of kin, two persons only).
- If out-patient clinics run over time, patients are eligible to only pay the minimum car parking fee (one hour fee).
- The nominal fee of £10 per year for patients who are likely to be attending for dialysis frequently and life-long.

3.6 The document states that out of hours in extreme circumstances, discretion will be used to allow visitors free exit from car parks and that any patient/relative who is entitled to receive concessionary parking must complete the appropriate form which is kept at ward level and only issued to those patients/relatives who fall into the appropriate category. The form must be signed and dated by the ward manager/departmental head. Without the form, no concessionary ticket will be issued. Visitors to outpatient clinics are able to obtain a pre-validated ticket from the ward manager. The visitor will take the ticket to the pay on foot machine, insert a £1 and the ticket will be validated to allow exit from the car park.

- 3.7 Members raised concerns about how concessions are publicised. Advice on the Trust's website, available at <http://www.worcsacute.nhs.uk/our-hospitals/worcestershire-royal-hospital/car-parking-concessions> , states that; *'If you are visiting an immediate relative who is a long-stay patient or you are a patient receiving regular treatment, you may be eligible for a reduced-fee parking pass. Please speak to the nurse in charge of the ward/department for more information and an application form. Concessions are available in the following areas: Terminally ill, Cardiac Exercise, Coronary Care Unit (CCU), Intensive Therapy Unit / Critical Care Unit (ITU), Oncology, Paediatrics, Bereavement, Renal unit and Long stay'*
- 3.8 The position was further clarified in discussion with the Director of Asset Management and ICT who explained that concessions are available for patients who have a type of condition that means that they have to regularly return to hospital for treatment. They are not based on the severity of the illness but on how regular hospital visits are required. Passes are allocated by ward staff. The parking teams never debate with clinical teams about who should have access to concessionary parking. Linking concessions to the patient's care pathway works well and people receive information about concessionary parking charges when accessing treatment. In addition visitors to the Critical Care Unit are not charged by the hour for parking as it is acknowledged that their loved ones could be very ill and they may wish to spend long periods of time with them.
- 3.9 With regards to Blue Badge Holders, non-mandatory guidelines on NHS patient, visitor and staff car parking principles states that; *'Consideration should be given to the needs of people with temporary disabilities as well as Blue Badge holders.'* It was however confirmed by the Director of Asset Management and ICT that whilst Blue Badge Holders do have spaces allocated nearer to the hospitals, they are charged at the same rate as none Blue Badge Holders as the Trust wishes to avoid people comparing ailments. From the information provided about comparative parking charges it appears that other Trusts take the same approach (see Table 1 at 3.3)

4. Management and Maintenance

- 4.1 During the Board's Investigation it was established that the Worcestershire Royal Hospital was built under PFI whilst the Alexandra Hospital in Redditch and the Kidderminster Hospital and Treatment Centre are both owned by the Trust. The arrangements for the up keep of the Trust's car parks therefore vary.
- 4.2 The Trust is responsible for the security, maintenance and management of all three car parks, however external contractors do this on a day to day basis. For example, whilst the Trust owns and operates its own lighting, parking machines and barriers, the suppliers of this equipment are contracted to maintain it. Parking attendants, ticketing and security are paid on an annual basis at each of the three sites.

- 4.3 The Worcestershire Royal Hospital site is not fully owned by the Trust and there are therefore PFI costs associated with the carpark, with finance to repay on the original build and the annual reoccurring cost within the PFI for the maintenance of the carpark. Due to the PFI arrangements at the Worcestershire Royal Hospital there are more consistent costs for the maintenance of the carparks for this site however the amount spent on the Redditch and Kidderminster hospital carparks' vary depending on the needs of each carpark.
- 4.4 If payment machines or barriers stop working for example then the Trust loses income so they have to be repaired. Health and safety issues are also a priority so if lighting needs to be addressed or the carpark re-tarmacked these repairs have to be undertaken. The Director of Asset Management and ICT was clear that the fundamental capital elements of maintaining carparks' could not be put off.
- 4.5 The cost of maintaining and running the carpark at the Redditch hospital site was approximately £110k in pay and £113k in non-pay costs (for example gritting, repairs, security and lighting) and the costs at the Kidderminster hospital site was approximately £30k in pay and £40k in non-pay costs. This reflected the different size and usage of the carparks at the hospital sites as detailed below.
- Alexandra Hospital - total spaces 940 (split 641 staff and 299 visitors) plus 33 disabled spaces (located in visitor car park).
 - Kidderminster Hospital - total spaces 379 (split 188 staff and 191 visitors) plus 19 disabled spaces (includes some in use by the Health & Care Trust).
 - Worcestershire Royal Hospital (inc 3 Kings Court) - 1239 staff and patients including 75 disabled plus 120 at 3 Kings Court ie total of 1359 of which 778 are staff spaces and 609 are visitor spaces.
- 4.6 At the Worcestershire Royal Hospital site the costs are approximately £140k in pay and £624k in non-pay costs. Non pay costs include an expensive park and ride bus service which is used by hospital staff and £80k in rent for the Blue Carpark as this is situated on private land.

5. Income Generated

- 5.1 The Trust provided the information below regarding the income generated from car parking charges.

Table 2 - Worcestershire Acute Hospitals NHS Trust Car Parking Income & Expenditure Summary Financial Years 2013/14 - 2016/17

	2013/14	2014/15	2015/16	2016/17
	Total	Total	Total	Total
	£	£	£	£
Staff Parking Deductions	-593,219	-667,275	-647,613	-646,981
Car Parking Income - Patients	-1,540,384	-1,624,504	-1,909,468	-1,904,114
Q1 Income subtotal	-2,133,603	-2,291,779	-2,557,081	-2,551,096
Direct Revenue Expenditure	651,774	822,216	896,309	1,051,494
Depreciation	60,000	108,971	79,494	79,494
Unitary Payment		719,106	731,060	688,188
Capital Costs	280,000	15,000	298,185	208,309
Expenditure subtotal	991,774	1,665,292	2,005,049	2,027,485
Surplus Income	-1,141,829	-626,487	-552,033	-523,611

5.2 Members' noted that the Trust has made approximately half a million pounds from car parking charges each year for the past couple of years. Any surplus income from car parking charges goes back into the operation of the Trust, with the income generated included in the Trust's budget. It was acknowledged that the Trust is struggling financially and if it could not charge for parking, then the amount invested in hospital services could reduce.

6. The National Picture

6.1 During the course of the Board's Investigation, Members considered Hospital Car Parking Charges legislation in the United Kingdom. Reference was made to a January 2018 House of Commons Library briefing paper which summarised that; *'Trusts and Foundation Trusts in England are permitted to charge for car parking and to raise revenue from it as long as certain rules are followed: income generation activities must not interfere to a significant degree with the provision of NHS core services, they must be profitable, and this profit must be used to improve health services.'*

6.2 Elsewhere in the UK hospital car parking charges have been abolished. Members' considered the situation in Scotland where by a decision was made to abolish parking charges from the 31st December 2008. Although this was the case, it was noted that charges still remained at three hospitals in Scotland, built under PFI contracts.

6.3 Whilst the Board Investigation was underway a Private Members Bill was put forward by Robert Halfon MP to abolish hospital car parking charges in England. The Bill stated that; *'It shall be a duty of the Secretary of State to secure that, in England, health care providers do not levy charges on patients, staff or visitors for the use of car parking spaces at NHS hospitals.'* The Bill was due to have its second reading on Friday 15th June 2018 and if it passed

would move to the Committee Stage where by each clause and any amendments would be debated, raising wider awareness of the issue

- 6.4 Members noted the contents of this Bill which had cross party support and also that the matter had been debated in Parliament previously and that there were a number of Early Day Motions on the matter.

7. Background Papers

Concessionary Car Parking Tickets, Worcestershire Acute Hospitals NHS Trust, 18th February 2015

<http://moderngovwebpublic.bromsgrove.gov.uk/documents/s34412/Concessionary%20Parking%20Policy.pdf>

Hospital Car Parking Charges, House of Commons Library, 31st January 2018

<http://researchbriefings.files.parliament.uk/documents/CDP-2018-0026/CDP-20180026.pdf>

NHS patient, visitor and staff car parking principles, Department of Health and Social Care, Updated 29th October 2015

<https://www.gov.uk/government/publications/nhs-patient-visitor-and-staff-car-parking-principles/nhs-patient-visitor-and-staff-car-parking-principles>

Private Members Bill to Abolish Hospital Car Parking Charges in England, House of Commons, 14 November 2017

<https://publications.parliament.uk/pa/bills/cbill/2017-2019/0125/18125.pdf>

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