

Guidelines for the Provision of Structured Car Parking Facilities in Acute Hospitals

INTRODUCTION

These guidelines have been developed to ensure that any future developments for car parking facilities are consistent with Department policy and deliver value for money. They are intended to assist acute hospitals in ensuring that best practice is followed at all stages in the provision and management of structured car parking facilities.

The Department of Health and Children acknowledges the need to provide parking facilities in acute hospitals. These facilities should not absorb much needed capital funding required for the direct provision of patient services. It is the Department of Health and Children's policy that, where appropriate, new parking facilities at acute hospitals should be self-funded by income derived from the facilities.

Structured car parking facilities are defined as any car parking facilities provided underground or above ground, other than surface parking.

EXISTING GUIDELINES AND PROCEDURES

These guidelines should be read in conjunction with existing guidance developed and circulated by the Hospital Planning Office in the Department of Health and Children; the Department of Finance "Appraisal and Management of Capital Expenditure Proposals in the Public Sector; Local Authority guidelines and EU directives. A list of these guidelines is at Appendix 1. It should be noted that all of these guidelines and directives are applicable to the development of **all** capital projects.

PROJECT PROCESS

In order to secure value for money, good project management and the smooth operation of projects for the provision of car parking facilities the following processes should be followed: pre-project appraisal (1), the preparation of business cases (2) with particular emphasis on the control and monitoring of projects (3), compliance with national and EU procurement regulations (4) and post-project review (5). **Department of Health and Children approval should be sought after completion of the pre-project appraisal and after completion of the business case.**

PRE-PROJECT APPRAISAL

Prior to starting a project to provide structured car parking facilities a pre-project appraisal should be carried out in line with guidance issued by the Hospital Planning Office (Options Appraisal Procedures 2C). In order to assess issues in the widest context, it is advisable, to set up a steering group with representatives from relevant areas. The pre-project appraisal may also suggest short-term measures to alleviate chronic parking problems.

All options available should be explored: i.e. zero option, underground parking, over-ground parking, park and ride facilities, acquisition of near-by land, etc. The benefits of the different land uses should be examined. Appraisal techniques should take into account achieving quality and value. Provision of parking facilities can only proceed after a careful appraisal of the need, taking account local conditions, and completing a full costing exercise. In this regard, it will be necessary to take into account all relevant local circumstances and to discuss the needs and proposals with planning authorities.

As part of the options appraisal Health Agencies should consider undertaking a Commuter, Traffic and Parking Study which is often a necessary part of planning applications by local authorities or a condition of permissions for hospital developments. These may involve an assessment of the current parking situation and management of same which may include traffic surveys, counts/questionnaires of patients, visitors and staff, turnover of parking spaces, occupancy of vehicles, arrival/departure profiles, an identification of the need and justification for the proposed additional car park spaces etc.

A Commuter, Traffic and Parking Study should also insofar as possible take account of the local authorities likely position on the matter, from a planning perspective. The facilitation and exploitation of other transport options is to be encouraged in line with Government policy on sustainability. Consideration should be given to joint solutions with other publicly funded bodies in the vicinity of the hospital such as colleges and local authorities.

BUSINESS CASE AND SPECIFICATIONS

Once the pre-project appraisal has been approved, a formal business case should then be prepared by the applicant for approval by the Department of Health and Children . The objective of the business case is to identify and develop the preferred option for the project (as defined in the pre-project appraisal) and demonstrate that the preferred option has been selected following a comprehensive appraisal process, both financial and non-financial.

All funding options, including loan finance, tax break initiatives (or associated tax exposures), etc., should be fully evaluated and appraised to determine the preferred funding option. The cost, benefits and risks associated with the proposal should be rigorously assessed over the full life span of the project to ensure value for money. An assessment of the non-financial benefits and factors (using a scoring and weighting

analysis) should be undertaken. It is particularly important that the evaluation of future projects must consider the full cost to the exchequer.

Where the proposed scheme involves the use of new legal structures (be they subsidiary companies, joint ventures or forms of legal partnership), the legal, accounting, secretarial and tax compliance requirements and their implications should be examined and analysed thoroughly. Where such mechanisms are under consideration, the retention of professional support services (i.e. suitably qualified financial and legal expertise) may be appropriate in assisting with this assessment.

The implications and changes required to incorporate these new structures into the body's monthly and annual financial reporting processes should be explained in the proposal. The aim should be to achieve the highest standards of financial management and control of the operation over the intended life of the scheme.

Proposed procedures for the ongoing control and management of the project should be outlined in the business case. This should include proposals for the operation of the facility, e.g. management of car parking, enforcement of parking regulations, charges, etc. The decision as to whether to manage the proposed operation with the health provider's own staff, a contractor working directly under its management or by the use of a private specialist subcontractor should be considered locally in the first instance and in light of local circumstances.

The proposed project timetable for achieving key milestones should be set out in the business case.

CONTROL AND MANAGEMENT OF THE PROJECT/ FACILITY

The control and management of the project/facility should be consistent with best practices, as specified in 10C Post Contract Progress and Cost Control Procedures, to ensure that the financial and other key objectives are fully achieved.

Structures should be put in place and maintained to ensure that the project is operated and managed to the highest standard. A project team should be established and all roles and responsibilities clearly defined and agreed. A formal reporting mechanism should be established. Clear lines of communication should be established and maintained between all those involved in the project, e.g. project team, senior management, operations, etc. A division of responsibilities between the person initiating transactions, authorising payments and accounting for the results should be maintained at all times.

The board/management of the hospital should have all relevant documentation in its possession. Regular project status reports should be prepared and submitted to the board/management of the hospital as part of the monitoring process. The status reports should provide a mechanism for the structures approved to be monitored and to inform the board of any difficulties, i.e. any change occurring, targets not met, etc. It is the

responsibility of the hospital to manage the project so that it will yield the expected income from the new facility.

Car parking regulations should be agreed between the hospital, developer and operator and then circulated to all relevant parties. Car parking arrangements should be kept under review at all times to see whether more can be done to ensure the best and most flexible use of all available space, and whether there can be more liberal use of any spaces. Penalties that may be levied against the hospital should be properly established before the operation of the facility. It is vital that parking facilities be set in a clean, safe, convenient, well-maintained, orderly and welcoming environment.

Separate legal or quasi-legal entities created for the purpose of such projects should be recognised in the annual financial statements and should therefore include all transactions related to the proposed structured car parking facility. Please refer to the Department of Health and Children Accounting Standards for Health Boards / Voluntary Hospitals, as appropriate. (Particular attention should be given to Section 1.8 “Subsidiaries/ Related Companies / Investments by Hospitals subsection 2- Requirements to Consolidate”).

TENDERING PROCEDURES AND CONTRACTS

Relevant guidance and directives relating to tendering procedures and contracts are listed at Appendix 1. The public procurement procedure adopted must respect the general principles of the EU treaties on which the public procurement directives are based, i.e. non-discrimination, openness and transparency, equality of opportunity and mutual recognition. When evaluating tenders for car parking facilities a hospital should select the most economically advantageous proposal emerging from the evaluation process.

As part of the evaluation process the outcome of a range of possible turnover values of the car parking facility should be taken into consideration.

POST PROJECT REVIEW

A comprehensive post-project review, approved by the board/senior management of the hospital, should be completed after one year of use and periodically thereafter. This should be carried out by an independent auditor. The purpose of the review is to determine client acceptability and if the objectives of the project have been met and the remedial action that has been taken or may be taken in the case of any income shortfall or operational difficulties.

It should also provide an assessment of the effectiveness of the management procedures and systems used during the specification, procurement, development and operational stages of the project. A prime objective of the review is to ensure that experience gained in the project is documented and used to improve procedures on future projects.

Appendix 1 Existing Directives and Guidelines

European Union Procurement Directives (<http://simap.eu.int>)

Directive 93/36/ECC (Supplies Directive)
Directive 93/37/ECC (Works Directive)
Directive 93/38/ECC (Utilities Directive)
Directive 92/50/ECC (Services Directive)
Directive 92/13/ECC (Remedies Directive)
Directive 89/5665/ECC (Compliance Directive)

National Procurement Rules (Government Publications Office Tel: (01) 661 3111)

Public Procurement 1994 Edition

Department of Finance

Guidelines for the Appraisal and Management of Capital Expenditure Proposals in the Public Sector, Department of Finance, July 1994

(www.irlgov.ie/finance/publications/otherpubs/capexguide.htm)

Code of Practice for the Governance of State Bodies (revised Oct 2001)

(www.finance.gov.ie/Publications/otherpubs/code.doc)

Forum for the Construction Industry

Procedural Arrangements for the Implementation of the Procurement Recommendations of the Strategic Review Committee on the Construction Industry applicable to Construction Projects with effect from 31 March 2001

(<http://www.finance.gov.ie/Publications/otherpubs/gcc.htm>)

Department of Health and Children

Department of Health & Children Accounting Standards for Health Boards (1/1/94)

Department of Health & Children Accounting Standards for Voluntary Hospitals (1/1/99)

Health Facilities Procurement – Capital Works (Construction)

- 1C Overview of Planning Stages and Procedures (Draft)*
- 2C Option Appraisal Procedures
- 3C Client
- 4C Brief (Draft)*
- 5C Select Design Team (Draft)*
- 6C Indentures – Project manager
- 7C Health and Safety
- 8C Design (Draft)*
- 9C Tender and Contract (version 2)
- 10C Post Contract Progress and Cost Control Procedures
- 11C Final Account, Evaluation and Feedback (Draft)*

*All draft guidelines are available from the Hospital Planning Office in the Department of Health and Children

Hospital Planning Office Guidelines (available from the Hospital Planning Office in the Department of Health and Children)

Indenture of Engagement, Conditions of Engagement, Preparation of Documents and Fees

- Architect (Ref. H.p.o.6'A/R1)
- Quantity Surveyor (Ref. H.P.O.6'QS/R1)
- Civil and Structural Engineer (Ref. H.P.O.6/C&S/R9/94)
- Mechanical and Electrical Engineer (Ref. H.P.O.6/M&E/R9/94)

Local Authority Regulations

National Development Finance Agency Act