DEPARTMENT OF HEALTH

REPORT ON THE TOTAL COSTS ARISING FOR 2024/25 AND 2025/26 FROM THE DELAYED IMPLEMENTATION OF THE HOSPITAL PARKING CHARGES ACT (NORTHERN IRELAND) 2022

Laid before the Northern Ireland Assembly in accordance with Section 2 of the Hospital Parking Charges Act (Northern Ireland) 2026

November 2026

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1. INTRODUCTION

1.1 The Hospital Parking Charges Act (Northern Ireland) 2022, prohibits the imposition of charges for parking vehicles in hospital car parks. The Act received Royal Assent on 12 May 2022 and was due to come into operation on 12 May 2024. Its principal objective is to abolish hospital car parking charges across Health and Social Care (HSC) hospital sites in Northern Ireland for staff, patients and visitors. In 2024/25 HSC Trust car parks in NI generated approximately £7m in income from charges. This income will be lost when charges are abolished, with the operational costs of car parks to be fully funded from the budgets of HSC Trusts, reducing the funding available for other costs, including the treatment of patients.

1.2 As the commencement date approached, concerns were raised regarding the operational and financial implications of abolishing hospital parking charges across HSC sites. Consequently, the Hospital Parking Charges Act (Northern Ireland) 2024 postponed the commencement of the 2022 Act until 12 May 2026.

1.3 In response to the severe financial pressures facing the HSC sector over the current Budget period (2026/27 to 2028/29), the Hospital Parking Charges Act (Northern Ireland) 2026 subsequently further postponed implementation of the prohibition on charging for parking in hospital car parks for a further three years until May 2029 at the latest.

1.4 In order to provide transparency on the costs associated with the delay in the implementation of the 2022 Act, Section 2 of the 2026 Act requires the Department of Health to prepare, within six months of commencement, a report detailing the total costs to date arising from the delayed implementation of the Hospital Parking Charges Act (Northern Ireland) 2022.

1.5 This report has been prepared in accordance with Section 2 of the Hospital Parking Charges Act (Northern Ireland) 2026 and sets out the Department's assessment of the costs arising from the delayed implementation of the Hospital Parking Charges Act (Northern Ireland) 2022 during the financial years 2024/25 and 2025/26. These are the years to date in which the charges would have been abolished, if no subsequent amendment had been made to the 2022 Act, as well as those where a full set of financial accounts is available.

2. METHODOLOGY

2.1 Departmental officials engaged with the Hospital Parking Charges Working Group, comprising representatives from HSC Trusts to consider the scope of this report and the methodology to be applied.

2.2 It was agreed that the assessment should focus on costs directly attributable to the continued provision, administration and collection of hospital parking charges during the period of delayed implementation. The Department considers that costs arising from the delayed implementation of the Act are those costs directly attributable to the continued provision, administration and collection of hospital parking charges during the postponement period.

2.3 Costs considered to be within scope were those directly associated with the continued provision, administration and collection of hospital parking charges. These included staffing costs relating to the administration and collection of charges, cash-handling arrangements, the maintenance and operation of parking charge equipment, including pay stations, ticket machines and other expenditure directly attributable to the continued operation of parking charging arrangements.

2.4 General car park operating costs, including rates, lighting, security, gritting, routine maintenance, parking enforcement and other costs associated with the provision and operation of hospital car parks, were excluded from the assessment. These costs would have been incurred irrespective of whether parking charges remained in place and were therefore not considered to arise from the delayed implementation of the Hospital Parking Charges Act (Northern Ireland) 2022. These costs were the main components of the approximately £10m total operating costs for HSC Trust car parks in 2024/25.

2.5 Capital and contractual costs associated with the introduction of Automatic Number Plate Recognition (ANPR) systems were also excluded from the assessment. The ANPR system was procured in anticipation of the future introduction of free hospital parking and forms part of wider parking management arrangements. While not yet fully operational across all sites, elements of the system are currently utilised by HSC Trusts to support the management of parking provision. Accordingly, these costs were not considered to arise directly from the delayed implementation of the 2022 Act.

2.6 Costs associated with the provision of free staff parking from May 2024, including any loss of income resulting from the cessation of staff parking charges, were excluded from the assessment. The introduction of free staff parking was consistent with the policy intention underpinning the Hospital Parking Charges Act (Northern Ireland) 2022. As these costs were incurred irrespective of the subsequent delay in implementing the Act for patients and visitors, they were not considered to arise from the delayed implementation of the legislation and were therefore excluded from this assessment.

2.7 Similarly, wider staffing costs associated with the management and operation of hospital car parks were excluded where those functions would continue to be required under a free parking model. Only staffing costs directly attributable to the administration, collection and processing of parking charges were included within the assessment.

2.8 To ensure that the information presented is comprehensive, robust and based on complete accounting periods, the report covers the financial years 2024/25 and 2025/26. The Department considers that this approach provides the most meaningful assessment of costs arising from the delayed implementation of the Hospital Parking Charges Act (Northern Ireland) 2022, establishes a baseline against which future costs can be measured and avoids reporting on a partial financial year.

2.9 In accordance with Section 2, future reports will be prepared on a financial year basis. Costs incurred during 2026/27 will therefore be reported separately in the next report, with subsequent reports covering each complete financial year thereafter. Although the legislation indicates that subsequent reports will refer to the costs associated with the 2022 Act rather than those associated with the delay in the implementation of the Act, it has been assumed that both

this initial report and subsequent reports are to relate to the costs associated with the delay in the implementation of the 2022 Act.

2.10 The methodology adopted was intended to ensure that only those costs arising directly from the continued provision, administration and collection of hospital parking charges during the period of delayed implementation were included within the report.

3. FINDINGS

3.1 Information was sought from all HSC Trusts regarding the costs directly associated with the continued provision, administration and collection of hospital parking charges during 2024/25 and 2025/26.

3.2 The information provided by HSC Trusts demonstrated that costs arising directly from the delayed implementation of the 2022 Act represent only a small proportion of the wider costs associated with the provision, management and maintenance of hospital car parking facilities.

3.3 The costs identified by HSC Trusts and assessed as falling within the agreed methodology are summarised in Table 1 below.

3.4 The figures represent costs assessed by HSC Trusts as arising directly from the continued provision, administration and collection of hospital parking charges and exclude wider car parking operating costs in accordance with the agreed methodology.

Table 1: Costs Arising from the Delayed Implementation of the Hospital Parking Charges Act (Northern Ireland) 2022 (£000s)

HSC Trust	2024/25	2025/26
Belfast	59.0	64.7
South Eastern	155.5	158.8
Northern	130.0	130.0
Southern	5.0	5.0
Western	28.6	26.5
TOTAL	378.1	385.0

3.5 The cost of the delayed implementation of the 2022 Act is estimated to be £378,100 in 2024/25. This cost rose by 1.8% in 2025/26 to £385,000. The majority of the costs identified relate to staffing resources, cash-handling activities and the maintenance of parking charge infrastructure required to support the continued operation of parking charging arrangements.

Variations in Trust costs reflect differences in estate size, maintenance requirements, capital investment profiles and the proportion of parking spaces subject to charges, with Trusts operating a higher percentage of paid parking spaces generally incurring greater associated costs.

3.6 HSC Trusts also advised that a proportion of the staffing costs identified may not necessarily cease following the abolition of parking charges. Rather, these resources may be redirected towards alternative parking management arrangements, including the management of ANPR systems and wider vehicle access control arrangements.

3.7 For context, during 2025/26, HSC Trust hospital car parks generated approximately £8 million in parking income, while the overall cost of operating and maintaining those facilities was approximately £10 million. The continuation of parking charges during the postponement period has therefore enabled HSC organisations to continue generating income that has contributed towards the costs associated with the provision and operation of hospital parking facilities.

3.8 In accordance with Section 2 of the Hospital Parking Charges Act (Northern Ireland) 2026, costs incurred during 2026/27 will be reported separately in the next report to be laid before the Northern Ireland Assembly.