



Canterbury

District Health Board

Te Poari Hauora o Waitaha

Proposed Sale of Land 258-262 Armagh Street, Christchurch

Summary of Submissions

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Introduction

When sales of hospital land and buildings are proposed, District Health Boards are required, under the New Zealand Public Health and Disability Act 2000, to obtain the Minister of Health's approval prior to any sale. Before approving a sale the Minister must be satisfied that the District Health Board is aware, through consultation, of the views of its resident population on that land sale.

The Canterbury District Health Board wishes to thank all those individuals and groups who contributed, by taking the time to make a submission on the proposed sale of surplus land at 258-262 Armagh Street, Christchurch.

This Summary of Submissions sets out the key points and issues raised by the submissions received as part of the Canterbury District Health Board's consultation process.

The Summary of Submissions will be forwarded to the Minister of Health, together with Canterbury District Health Board's recommendation relating to the proposed sale.



Jean O'Callaghan
Chief Executive : Canterbury District Health Board

The Consultation Process

In March 2004, the Canterbury District Health Board (DHB) commenced the consultation process on its proposal to dispose of surplus land at 258-262 Armagh Street, Christchurch. The process included:

- 1 Sending copies of the Consultation Document and Submission Booklet to known stakeholders.
- 2 The publication of notices in the Christchurch Press newspaper from mid March through to early April 2004.
- 3 Posting the Consultation Documents on the Canterbury DHB website.

The Consultation Document provided a brief background of events leading up to the sale proposal, why the Canterbury DHB wished to sell the land and the key components of the proposed sale process. The document requested feedback on three questions that were included in the Submission Booklet, attached to the Consultation Document.

Submissions could be made either in writing, by email or verbally. If a verbal submission was made then Canterbury DHB staff would record the view communicated.

Feedback

A total of nine submissions, representing 14 people, were received. A breakdown of these is as follows:

Description of Submitter or Organisation	Number
Service Provider and Service User	1
Private Citizen	7
Not Stated	1

Type of Organisation	Number
Non-Government Organisation	1
Local Government	1
Not responding as part of an organisation	6
Not Stated	1

All of the submissions came from within Christchurch and all of the submitters requested a copy of the Summary of Submissions.

Responses to the Questions

Introduction

Each question is identified with a summary of the consultation responses followed by a comment from the Canterbury DHB.

Of the nine submissions received in response to the consultation, eight were in favour of the disposal of the surplus land at 258-262 Armagh Street, Christchurch, and one was against.

Question 1 - Do you think the surplus land on Armagh Street should be sold? If not, why not?

Of the nine submissions received, eight believed that the surplus land on Armagh Street should be sold - only one was opposed to the sale. The majority of those in favour of the disposal responded with just a clear Yes, those who did comment suggested:

"Yes, if the hospital (CDHB) no longer needs this accommodation it is logical to sell the properties."

"It has been unkept for a considerable time and if not cared for and maintained – SOLD. If you can't budget for maintenance you can't afford to keep it."

The one submitter opposed to the sale presented an alternative which he believed would be a economically viable option for the Canterbury DHB – retaining the two properties for the provision of accommodation and rehabilitation services for mental health consumers:

"... I believe the land, proposed for sale, could be utilised for such purposes as supplying suitable accommodation and providing adequate rehabilitation programmes."

Canterbury DHB Comment – The Armagh Street properties are not suitable for the provision of accommodation or rehabilitation services. Both properties were specifically converted at the time of purchase to small administration offices, waiting and reception areas to house the drug and alcohol service.

Current standards require that every person in a community house is provided with a single room, and adequate access and facilities are needed for consumers with disabilities. The current layout and size of the Armagh Street properties means that they are simply not suitable for residential rehabilitation accommodation.

The gradual deterioration of the properties over the past twenty years also means they would be in need of substantial maintenance and expensive renovation to reach standards required for community housing.

Question 2 – Do you think the Canterbury District Health Board should retain the land? If so, why?

Eight of the submissions responded that the Canterbury DHB should not retain the land and were in full support of the sale of the properties. Only one submitter made any comment, other than a clear NO:

“DHB should be centralised better use of resources.”

The one submitter in opposition believed that the properties should be retained for the provision of accommodation and rehabilitation programmes for mental health consumers. The writer saw these as Health and Disability services and believed that the Canterbury DHB’s Mental Health Division should provide them. Provision of these services was also seen, by the writer, as a way to assist with the effects of deinstitutionalisation on the community:

“When the two hospitals, Sunnyside and Templeton closed an enormous deinstitutionalisation process commenced within Canterbury. ... The effect in human terms has been substantial to all sections of the community. The reasons are mainly because of a large number of people not responding to adjustments, living in the community away from health provided institutions. ...

What a perfectly unique opportunity to attempt to put this right by adopting the proposal that I have very briefly outlined.”

Canterbury DHB Comment – The Canterbury DHB would disagree that their Mental Health Service is best placed to provide residential rehabilitation and accommodation services.

In September and November 2002, the Canterbury DHB initiated an external review of all of its residential accommodation and respite care services. At this time the Canterbury DHB was one of only two DHBs in the country still providing and managing its own residential rehabilitation accommodation.

Based on current international and national best practice; the review clearly recommended that residential rehabilitation accommodation should be provided by specialist non-government providers. Provision of these services by non-government, community based organisations is consistent with the principles of recovery and enables consumers to live in the least restrictive environment.

In addition, by contracting out these services, the Canterbury DHB’s Mental Health Service is better focused on a more specialised and regional role providing intensive treatment and acute specialist care.

The Canterbury DHB is in agreement with the recommendations of the review and has no wish to contradict the recommendations by reverting back to the direct provision of these services.

Question 3 – Do you have any other issues about the proposed sale you would like to raise?

Again eight of the submissions were in full support of the sale and seven of those had no further issues they wished to raise. One submitter believed the Canterbury DHB should dispose of the land but wished to attach conditions to the sale:

"I have a very great interest in retaining the residential coherence of this part of the central city and for the houses to remain. It is also important to cater for the low socio-economic group in our city and these houses would convert very well to affordable housing. ... I would like to see these houses sold along these lines to give other agencies a chance for a beneficial sense, rather than just go to the open market."

Canterbury DHB comment – Under the Public Works Act 1981, any land that is owned by a Crown entity (such as the Canterbury DHB) must first be offered back to the original owner from whom the land was originally purchased, or their direct descendants. Further, Crown land in the Canterbury region is subject to the Ngai Tahu Claims Settlement Act 1998 which gives Ngai Tahu a right of refusal to purchase the property.

Only if the land is cleared from the offer back provisions of the Public Works Act and is not taken up by Ngai Tahu can it be sold on the open market. The sale process is clearly set out in legislation and not something that the Canterbury DHB can change.

Additionally, in order to maximise resources for the delivery of health services, the Canterbury DHB is obligated to obtain the best possible price for the land and to use those proceeds for the purchase, improvement or extension of publicly owned facilities for health purposes.

The Canterbury DHB has no wish to act as a property developer and enter into potentially prolonged negotiations with agencies to sell the land for less than market value nor would we seek to restrict public access to the land by making prior private deals on the land sale.

With regard to concerns over potential development of the Armagh Street land and its future use, the Canterbury DHB acknowledges these issues however it believes that the Christchurch City Plan and the provisions of the Resource Management Act are the appropriate forums for these concerns to be addressed.

The one submitter who was opposed to the sale offered solutions whereby the Canterbury DHB would retain ownership of the land but approach other community or non-government organisations who would then lease the land and provide accommodation and rehabilitation services from the properties:

"It appears the Christchurch City Council if approached may be very interested to invest in such a venture by leasing such land. A significant amount of Non Government service providers also appear to believe this proposal requires direct and honest consideration from the Canterbury District Health Board."

Canterbury DHB comment – The Canterbury DHB is a provider and funder of health and disability services and has no wish to act a landlord or property developer.

The maintenance and upkeep on these community houses is costly. The consultation document has already outlined the costs involved in being a landlord (rates, security, continued maintenance and opportunity costs - \$114,513 plus a year), which the Canterbury DHB does not see as a good use of health funding.

As already highlighted the properties are not suitable for use as residential rehabilitation accommodation. There would be considerable outlay for any provider or interested leasehold in converting the properties to an acceptable standard to compete with the residential accommodation already provided in Christchurch by specialist providers.

Summary

Of the nine submissions received the majority were in favour of the disposal of the land. Only one submitter was opposed to the sale.

That submitter presented an option of retaining the land for the provision of accommodation and rehabilitation services. However, the properties in Armagh Street have been converted to small office spaces and because of their internal layout are neither suitable for use as residential rehabilitation accommodation nor would they meet standards required for the provision of these services.

One other submitter, although in favour of the disposal of land, wished to place restrictions on the sale. Specifically, the submitter considered that the properties could provide 'affordable housing' for low socioeconomic groups and should be offered to agencies willing to provide these services rather than sold on the open market. As discussed earlier in this document, as a Crown Entity, the Canterbury DHB must follow legislative requirements under the Public Works Act 1981 and the Ngai Tahu Claims Settlement Act 1998.

It is important to note that of those nine responses received only one was in opposition to the sale, with the rest in support of the disposal of the surplus land. It is not unreasonable to make the assumption, from the lack of responses in opposition, that these particular properties are not seen as fundamental to the provision of health and disability services by the Canterbury DHB's resident population.

A recommendation will now be made to the Board of the Canterbury District Health Board with regard to this proposal and if the Board decides to proceed with the sale an application will be made to the Minister of Health for approval for the sale.

References:

Canterbury District Health Board, Proposal for the Sale of Surplus Land 258-262 Armagh Street – Consultation Document, March 2004.

Canterbury District Health Board, Recommendations Plan from the Review of Residential Accommodation and Respite Care Services in Canterbury, May 2003.

Canterbury District Health Board, Report to Canterbury District Health Board on the Review of Specified Accommodation and Respite Services in the Canterbury District, January 2003.

New Zealand Public Health and Disability Act 2000, December 2000.