

INTERNAL SERVICE PROVIDERS

The Cost of Service Statements for three significant activities which provide services to other Council business units on a user charge/ internal recovery basis are set out below and on the next page.

All three activities operate on a full cost recovery basis at externally competitive rates and charges. Services provided are: design and implementation of development projects; maintenance of buildings; provision and maintenance of mobile plant and equipment; and the carrying out of physical fieldwork.

These activities are directed towards the following Council Strategic Objectives: D5, D6, D8, D9 and D11 (see pages 21-27).

More detailed information on the cost of these services, and the service objectives and performance indicators for 1997/98, may be obtained from the Council's Draft Corporate Plan : 1997 Edition which is available for inspection at the Civic Offices and Service Centres.

City Design, Plant and Building Services and Works Operations Units are business units of the Christchurch City Council for the purposes of, among other things, competing for minor and ancillary works. They are subject to competitive pricing procedures. Payment of Transfund assistance is made to these Units under S27 of the Transit New Zealand Act 1989 (as amended) in accordance with the requirements of the Ministerial Determination for the Formation and Operation of Service Units.

The 1997/98 surplus shown in the cost of service statements reflects an 8% return on capital employed.

CITY DESIGN Cost of Proposed Services

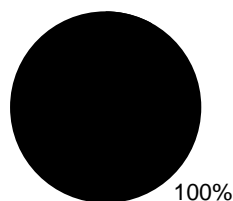
Budget 1996/97		Gross	Budget 1997/98	Net
Gross	Operational	Cost	Revenue	Cost
Cost	Outputs	Cost	Revenue	Cost
\$		\$	\$	\$
	CONSULTING SERVICES			
378,890	Structural/Mechanical/Electrical Consulting Services	393,052	(393,052)	0
1,267,786	Roading Consulting Services	1,287,170	(1,313,682)	(26,512)
847,046	Drainage Consulting Services	1,073,463	(1,073,463)	0
641,655	Legal Surveying Consulting Services	664,107	(664,107)	0
332,244	Architectural Consulting Services	299,704	(299,704)	0
318,002	Landscape Consulting Services	415,406	(415,406)	0
147,755	Quantity Surveying Consulting Services	96,208	(96,208)	(0)
177,875	Plan Records & Printing Consulting Services	234,940	(234,940)	0
210,754	Computerised Mapping Consulting Services	230,235	(230,235)	0
135,620	Project Management	165,897	(165,897)	0
4,455,627	Cost of Service	4,860,182	(4,886,694)	(26,512)
=====		=====	=====	=====

Note: The above Cost of Service Statement includes a depreciation provision for 1996/97 of \$126,000 and in 1997/98 of \$141,130.
The Cost of Capital charge for 1996/97 is \$26,512 and in 1997/98 is \$26,512.
Revenue for 1997/98 includes external revenue of (\$230,015).

Projected Net Cost 1998/1999	(27,042)
Projected Net Cost 1999/2000	(27,583)

1996/97	Capital Outputs	1997/98
\$		\$
113,600	Renewals & Replacements	115,400
0	Asset Improvements	0
40,000	New Assets	40,800
153,600		156,200
=====		=====

Sources of Funding



**User Charges/
Internal Recoveries**

INTERNAL SERVICE PROVIDERS

PLANT & BUILDING SERVICES

Cost of Proposed Services

Budget 1996/97		Budget 1997/98		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
165,000	Mechanical Services	200,000	(200,000)	0
9,762,485	Plant Hire Services	10,145,549	(11,540,132)	(1,394,583)
3,404,183	Building Services	3,066,831	(3,066,831)	0
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13,331,668	Cost of Service	13,412,380	(14,806,963)	(1,394,583)
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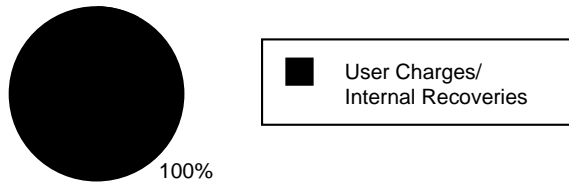
Note: The above Cost of Service Statement includes a depreciation provision for 1996/97 of \$3,578,690 and in 1997/98 of \$3,719,158. The cost of capital charge for 1996/97 is \$1,344,104 and in 1997/98 is \$1,394,583. Revenue for 1997/98 includes external revenue of (\$87,700).

1996/97	Capital Outputs	1997/98
\$		\$
5,904,600	Renewals & Replacements	5,904,600
0	Asset Improvements	
40,000	New Assets	343,000
(681,163)	Plant Sales	(983,360)
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5,302,985		5,264,240
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Projected Net Cost 1998/1999	(1,422,475)
Projected Net Cost 1999/2000	(1,450,924)

The 1996/97 Capital Outputs include a carry forward of plant purchases from 1995/96 of \$908,540.

Sources of Funding



WORKS OPERATIONS

Cost of Proposed Services

Budget 1996/97		Budget 1997/98		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
CONTRACTING SERVICES				
32,456,069	Services To Council Units	32,229,136	(32,229,136)	0
3,289,708	Services To CCC LATEs	3,980,875	(3,980,875)	0
1,405,286	Services to Public & Others (Excluding CCC LATEs)	1,330,562	(1,345,052)	(14,490)
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37,151,063	Cost Of Service	37,540,572	(37,555,062)	(14,490)
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Note: The above Cost of Service Statement includes a depreciation provision for 1996/97 of \$44,273 and in 1997/98 of \$43,290. The Cost of Capital charge for 1996/97 is \$14,400 and in 1997/98 is \$14,490. Revenue for 1997/98 includes external revenue of (\$5,315,436).

Projected Net Cost 1998/1999	(14,780)
Projected Net Cost 1999/2000	(15,076)

1996/97	Capital Outputs	1997/98
\$		\$
29,000	Renewals & Replacements	89,000
0	Asset Improvements	0
0	New Assets	0
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29,000		89,000
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Sources of Funding

