

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 Volume 1).

More detailed information on the cost of these services, and the service objectives and performance indicators for 1998/99, may be obtained from the Council's Corporate Plan : 1998 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 S28 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 1998/99 surplus shown in the cost of service statements reflects an 8.3% return on capital employed.

CITY DESIGN

Cost of Proposed Services

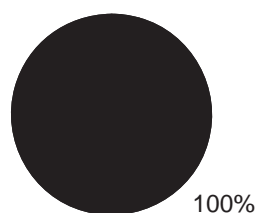
Budget 1997/98		Budget 1998/99		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
CONSULTING SERVICES				
403,716	Structural/Mechanical/Electrical Consulting Services	402,562	(402,562)	0
1,320,162	Roading Consulting Services	1,524,492	(1,552,908)	(28,416)
961,618	Drainage Consulting Services	979,543	(979,543)	0
681,527	Legal Surveying Consulting Services	755,272	(755,272)	0
295,539	Architectural Consulting Services	304,292	(304,292)	0
449,872	Landscape Consulting Services	484,250	(484,250)	0
143,666	Plan Records & Printing Consulting Services	142,050	(142,050)	0
238,370	Computerised Mapping Consulting Services	185,325	(185,325)	0
248,906	Project Management Consulting Service	339,122	(339,122)	0
161,534	Mechanical/Electrical Consulting Services	304,215	(304,215)	0
4,904,909	Cost of Service	5,421,121	(5,449,537)	(28,416)

Note: The above Cost of Service Statement includes a depreciation provision for 1997/98 of \$143,600 and in 1998/99 of \$163,800. The Cost of Capital charge for 1997/98 is \$26,512 and in 1998/99 is \$28,416. Revenue for 1998/99 includes external revenue of (\$238,889).

Projected Net Cost 1999/00	(28,984)
Projected Net Cost 2000/01	(29,564)

Sources of Funding

1997/98	Capital Outputs	1998/99
\$		\$
115,400	Renewals and Replacements	78,948
0	Asset Improvements	0
40,800	New Assets	41,616
156,200		120,564



■ User Charges / Internal Recoveries

INTERNAL SERVICE PROVIDERS

PLANT & BUILDING SERVICES

Cost of Proposed Services

Budget 1997/98		Budget 1998/99		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
200,000	Mechanical Services	285,000	(285,000)	0
10,119,824	Plant Hire Services	11,070,625	(12,652,477)	(1,581,852)
3,066,364	Building Services	2,857,889	(2,857,889)	0
13,386,188		14,213,514	(15,795,366)	(1,581,852)
=====		=====	=====	=====

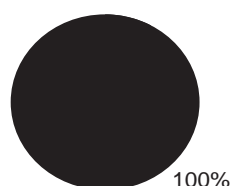
Note: The above Cost of Service Statement includes a depreciation provision for 1997/98 of \$3,719,158 and in 1998/99 of \$4,170,859. The cost of capital charge for 1997/98 is \$1,419,924 and in 1998/99 is \$1,581,852. Revenue for 1998/99 includes external revenue of (\$90,600).

1997/98	Capital Outputs	1998/99
\$		\$
6,516,240	Renewals and Replacements	5,790,901
0	Asset Improvements	0
183,000	New Assets	185,000
(983,360)	Plant Sales	(926,782)
5,715,880		5,049,119
=====		=====

Projected Net Cost 1999/00	(1,554,329)
Projected Net Cost 2000/01	(1,526,256)

The 1997/98 Capital Outputs include a carry forward of \$611,640.

Sources of Funding



■ User Charges/
Internal Recoveries

WORKS OPERATIONS

Cost of Proposed Services

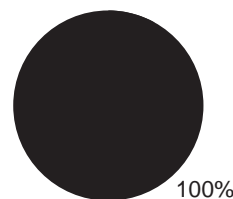
Budget 1997/98		Budget 1998/99		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
CONTRACTING SERVICES				
32,710,539	Services To Council Units	27,706,245	(27,706,245)	0
3,974,374	Services To CCC LATEs	3,882,547	(3,882,547)	0
1,337,501	Services to Public and Others (Excluding CCC LATEs)	1,261,793	(1,276,283)	(14,490)
38,022,414		32,850,585	(32,865,075)	(14,490)
=====		=====	=====	=====

Note: The above Cost of Service Statement includes a depreciation provision for 1997/98 of \$43,290 and in 1998/99 of \$43,290. The Cost of Capital charge for 1997/98 is \$14,490 and in 1998/99 is \$14,490. Revenue for 1998/99 includes external revenue of (\$5,144,340).

Projected Net Cost 1999/00	(14,780)
Projected Net Cost 2000/01	(15,076)

Sources of Funding

1997/98	Capital Outputs	1998/99
\$		\$
89,000	Renewals and Replacements	29,000
0	Asset Improvements	60,000
0	New Assets	0
89,000		89,000
=====		=====



■ User Charges/
Internal Recoveries