

## 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

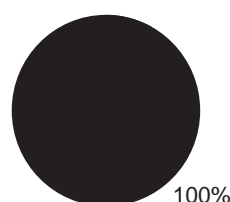
Budget 1997/98		Budget 1998/99		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
<b>CONSULTING SERVICES</b>				
403,716	Structural/Mechanical/Electrical Consulting Services	401,392	(401,392)	0
1,320,162	Roading Consulting Services	1,520,086	(1,548,502)	(28,416)
961,618	Drainage Consulting Services	976,705	(976,705)	0
681,527	Legal Surveying Consulting Services	753,073	(753,073)	0
295,539	Architectural Consulting Services	303,417	(303,417)	0
449,872	Landscape Consulting Services	482,844	(482,844)	0
143,666	Plan Records & Printing Consulting Services	141,893	(141,893)	0
238,370	Computerised Mapping Consulting Services	184,787	(184,787)	0
248,906	Project Management Consulting Service	338,128	(338,238)	0
161,534	Mechanical/Electrical Consulting Services	303,323	(303,323)	0
<b>4,904,909</b>	<b>Cost of Service</b>	<b>5,405,648</b>	<b>(5,434,064)</b>	<b>(28,416)</b>

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 (\$238,210).

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
<b>156,200</b>		<b>120,564</b>



■ User Charges/  
Internal Recoveries

## INTERNAL SERVICE PROVIDERS

### PLANT & BUILDING SERVICES

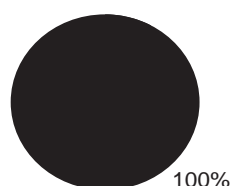
#### Cost of Proposed Services

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	11,088,504	(12,670,356)	(1,581,852)
3,066,364	Building Services	2,859,238	(2,859,238)	0
<b>13,386,188</b>		<b>14,232,741</b>	<b>(15,814,593)</b>	<b>(1,581,852)</b>
=====		=====	=====	=====

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)
<b>5,715,880</b>		<b>5,049,119</b>
=====		=====

#### Sources of Funding



■ User Charges/  
Internal Recoveries

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.

### WORKS OPERATIONS

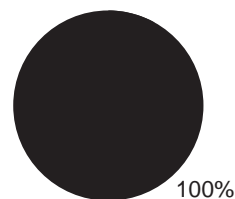
#### Cost of Proposed Services

Budget 1997/98		Budget 1998/99		
Gross Cost	Operational Outputs	Gross Cost	Revenue	Net Cost
\$		\$	\$	\$
<b>CONTRACTING SERVICES</b>				
32,710,539	Services To Council Units	31,351,542	(31,351,542)	0
3,974,374	Services To CCC LATEs	4,166,099	(4,166,099)	0
1,337,501	Services to Public and Others (Excluding CCC LATEs)	1,363,404	(1,377,894)	(14,490)
<b>38,022,414</b>		<b>36,881,045</b>	<b>(38,895,536)</b>	<b>(14,490)</b>
=====		=====	=====	=====

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 (\$5,533,503).

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

#### Sources of Funding



■ User Charges/  
Internal Recoveries

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