

18. TERMS OF REFERENCE FOR THE REVIEW OF THE WATER SUPPLY AND SEWERAGE SIGNIFICANT ACTIVITIES

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The purpose of this report is to present the proposed terms of reference for the review of the significant activities Water Supply and Sewerage.

BACKGROUND

The Budget Scrutiny and Audit Special Committee, while it was in existence, had approved a rolling programme of reviews of significant activities (as set out in the Annual Plan) and this review is part of that rolling programme. The responsibility for guiding this rolling programme has now transferred to the Strategy and Finance Committee with the dissolution of the Budget Scrutiny and Audit Special Committee.

It is anticipated that each review will generally address the following:

- Identification of current Council resolutions, strategy and policy relating to this and related activities.
- Analysis of three year forward budget expenditure and funding methods.
- Analysis of 10 year capital programme including the status of significant capital projects, implication of programme for operating costs and key drivers of the capital programme.
- Identification of statutory and discretionary activities.
- Projects, programmes and outputs where duplication may exist with other public sector providers, the not-for-profit sector and the private sector.
- Realistic options for changes to services and to levels of service.
- Review of service delivery arrangements, including any changes in the recent past, comparative/benchmark costs where available. Realistic options for methods of service delivery, including co-ordination with other Council services, joint service provision with other agencies.

The above is to be considered in the Council's policy framework for developing a sustainable city.

The base year for comparisons will be the current financial year (2003/04).

The issues identified through the review process will be reported to the Sustainable Transport and Utilities Committee for discussion. The final report on the review will be presented to the Sustainable Transport and Utilities Committee for their recommendations before the report is submitted to the Strategy and Finance Committee and then on to the Council for adoption.

The officer responsible for reporting review issues and outcomes to the Committee is the Unit Manager of the unit under review in conjunction with the Business Improvement Manager or his nominee.

WATER SUPPLY AND SEWERAGE

Background notes covering the outputs, funding, structures and issues relating to the Water Supply and Sewerage significant activities will be presented as part of the review process as will relevant Council resolutions, policy and strategy.

REVIEW OBJECTIVES

The review will report to the following objectives:

1. Review of the strategic direction of the Water Supply and Sewerage Significant Activities in terms of Council policy and strategy.
2. To identify the major cost (operational and capital) and revenue drivers for the next five financial years and based on these, to evaluate options to reduce costs and/or increase revenues.
3. To review each output to determine if there are options for alternative levels of service and service delivery methods.

PROJECT REVIEW TIME-FRAMES

The review is to commence in June 2003 and be completed by September 2003.

Staff

Recommendation: That the terms of reference for the review of the Water Supply and Sewerage Significant Activities be adopted.

Chairman's

Recommendation: That the above recommendation be adopted.