

9.7.0

Draft Corporate Plan
2003/04 Edition

CITY
SOLUTIONS

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS GROUP:	CITY SOLUTIONS
ACTIVITY:	BUSINESS GROUP SUMMARY

Overall Objectives

City Solutions' business intent is to enhance the well-being of the people who live, work and play in Christchurch, and any other urban areas of New Zealand, by creating spaces and places:

- that look beautiful and enhance the quality of the urban environment;
- that provide opportunities for fun, sport, recreation, art and culture;
- that make people feel good;
- that are convenient, efficient and effective;
- that give the ratepayers and the local authority business unit managers recognisably good value for their investment;
- that contribute to environmental sustainability and by providing services that no other consultant can offer.

Key Changes

Contributions towards the \$10M Net Rates Savings Targets

- The 2003/04 draft budget for the City Solutions Unit is \$211,186 less than the approved net direct cost projections. This represents the Unit contribution towards the \$10M net rates savings target which was established by the Council on 16 July 2002. (\$211,186)

RESPONSIBLE COMMITTEE::	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CITY SOLUTIONS
OUTPUTS:	OUTPUT SUMMARY

		2002/2003 BUDGET	2003/2004 BUDGET
		\$	\$
NET COST SUMMARY			
CONSULTING SERVICES			
City Solutions Consulting Services	Page 9.7.2	(73,800)	(80,000)
TOTAL NET COST CITY SOLUTIONS		----- -73,800	----- -80,000
OUTPUT EXPENDITURE			
CONSULTING SERVICES			
City Solutions Consulting Services	Page 9.7.2	8,874,673	8,992,085
TOTAL EXPENDITURE		----- 8,874,673	----- 8,992,085
OUTPUT REVENUES & RECOVERIES			
CONSULTING SERVICES			
City Solutions Consulting Services	Page 9.7.2	8,948,473	9,072,085
TOTAL REVENUE & RECOVERIES		----- 8,948,473	----- 9,072,085
NET COST OF OUTPUTS		----- -73,800	----- -80,000
COST OF CAPITAL EMPLOYED		9,326	8,991
CAPITAL OUTPUTS		102,500	65,000

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS GROUP:	CITY SOLUTIONS
OUTPUT:	CONSULTING SERVICES

OUTPUT : CITY SOLUTIONS OUTPUTS

Description

- Carry out engineering and environmental survey and design including preparation of reports, drawings, specifications and contract documents for a wide range of client work such as buildings, bridges, reservoirs, retaining walls, culverts, frames, roads, traffic management, public and cycle transport, car parks, subdivisions and housing developments, airports, sports facilities, waterway and coastal systems, sewer and stormwater reticulation, pumping stations, retention basins, land boundary definitions, plan and title searches, offsetting and reinstatement of survey works, precise benchmark levelling, civic amenities, urban parks, foreshore developments, ecological areas, restorations schemes, full project management, heating and ventilation, air-conditioning, street lighting, escalators and lifts and the like.
- Carry out contract administration, site supervision, and associated services.
- Carry out miscellaneous tasks requested by clients such as feasibility studies, reports, project co-ordination, cost estimates, economic evaluations, maintenance inspections, safety inspections, foundation investigations, provision of producer statements and the like.

Objectives for 2003/04	Performance Indicators		
		Actual 2001/02	Budget 2003/04
1. Add value to clients' projects and desired outcomes.	• Satisfied clients	Achieved	> 99%
2. Increase external revenue profit by 1%.	• Increase in gross external revenue	12.6%	5.4%
3. Excess external revenue after costs to be 10% (\$80,000). All other internally generated revenue is at zero margin.	• Profit on external revenue	10%	11%

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MONITORING COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CITY SOLUTIONS
OUTPUT CLASS:	CONSULTING SERVICES

	2002/2003	2003/2004
	BUDGET	BUDGET
	\$	\$
OUTPUT : CITY SOLUTIONS CONSULTING SERVICES		
OUTPUT COSTS		
Allocated Holding Account	8,865,716	8,981,605
Alloc O/Head - Output Corporate Overheads Cost Centre	8,957	10,480
	-----	-----
TOTAL COST	8,874,673	8,992,085
	-----	-----
REVENUE		
External Revenue	410,000	750,000
Internal Recoveries	8,538,473	8,322,085
	-----	-----
NET COST - CITY SOLUTIONS OUTPUTS	(73,800)	(80,000)
	=====	=====

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RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE				
BUSINESS UNIT:	CITY SOLUTIONS				
OUTPUT CLASS:	CAPITAL OUTPUTS				
Description	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008
RENEWALS & REPLACEMENTS					
Office Furniture & Equipment	15,000	15,000	15,000	15,000	15,000
Computing Upgrades					
Business Software	35,000	20,000	20,000	20,000	20,000
Survey Equipment Upgrades					
Total Station		17,500			17,500
Digital Survey Level	15,000				
Unspecified	0				
TOTAL RENEWALS & REPLACEMENTS	65,000	52,500	35,000	35,000	52,500
ASSET IMPROVEMENTS					
TOTAL ASSET IMPROVEMENTS	0	0	0	0	0
NEW ASSETS					
Unspecified					
TOTAL NEW ASSETS	0	0	0	0	0
TOTAL CAPITAL EXPENDITURE	65,000	52,500	35,000	35,000	52,500
Annual Plan 2002/2003	\$102,500	\$60,000	\$50,000	\$60,000	\$32,500
				\$77,500	

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RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CITY SOLUTIONS
OUTPUT CLASS:	CAPITAL OUTPUTS

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
RENEWALS & REPLACEMENTS					
Unspecified	35,000	35,000	52,500	35,000	35,000
TOTAL RENEWALS & REPLACEMENTS	35,000	35,000	52,500	35,000	35,000
ASSET IMPROVEMENTS					
Unspecified					
TOTAL ASSET IMPROVEMENTS	0	0	0	0	0
NEW ASSETS					
Unspecified					
TOTAL NEW ASSETS	0	0	0	0	0
TOTAL CAPITAL EXPENDITURE	35,000	35,000	52,500	35,000	35,000
Annual Plan 2002/2003	\$77,500	\$77,500	\$77,500	\$77,500	

RESPONSIBLE COMMITTEE:		STRATEGY AND FINANCE COMMITTEE				
BUSINESS UNIT:		CITY SOLUTIONS				
ACTIVITY:		FEES SCHEDULE				
Fees Description	2002/2003 Present Charge	2002/2003 Revenue from Present Charge	2003/2004 Proposed Charge	2003/2004 Projected Revenue From Proposed Charge	2003/2004 Projected Revenue as a percentage of Total Cost	Notes
DESIGN FEES	Charged on an hourly basis. (includes all overhead costs)		Charged on an hourly basis. (includes all overhead costs)			
Total External Income (DESIGN)		\$410,000		\$750,000	100.00%	
TOTAL		\$410,000		\$750,000		

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CITY SOLUTIONS
OUTPUT CLASS:	CONSULTING SERVICES

OUTPUT: CITY SOLUTIONS CONSULTING SERVICES

Description Provision of design, contract, and project management services to Council on a competitive basis.

Benefits Council is able to access the wide range of services required through teams focused on our unique needs.

Strategic Objectives F1 to 7 **CCC Policy**

Allocation of Costs of Benefits Pursuant to Section 122E(1)(a)

General Benefits (Section 112F(b))

Nature and Distribution of General Benefits

Direct Benefits (Section 112F(c))

The clients of the services are the direct beneficiaries

Control Negative Effects (Section 112F(d))

Modifications Pursuant to Section 12

Funding of Expenditure Needs Pursuant to Section 122E(1)(c)

General Benefits

Direct Benefits

Direct benefits shall be funded by clients. Any shortfall will be covered by net surpluses arising from other internal service providers.

Control Negative Effects

9.7.funding.2

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CITY SOLUTIONS
OUTPUT CLASS:	CONSULTING SERVICES

OUTPUT : CITY SOLUTIONS CONSULTING SERVICES

	<i>Customer</i>	<i>Residential</i>	<i>Commercial</i>	<i>Rural</i>	<i>Institutions</i>	<i>Grants</i>	<i>Total Method</i>
Costs and Modifications							
<i>Costs</i>							
0.00% General Benefits	-	-	-	-	-	-	- 0
100.00% Direct Benefits	8,992,085	-	-	-	-	-	8,992,085 TableC
0.00% Negative Effects	-	-	-	-	-	-	- 0
<i>Total Costs</i>	8,992,085	-	-	-	-	-	8,992,085
<i>Modifications</i>							
Transfer User Costs to Rating	80,000	(58,143)	(15,783)	(2,137)	(3,937)	-	0 CapValAll
Non-Rateable	-	(3,009)	(817)	(111)	3,937	-	- CapValGen
<i>Total Modifications</i>	80,000	(61,152)	(16,600)	(2,248)	-	-	0
Total Costs and Modifications	9,072,085	(61,152)	(16,600)	(2,248)	-	-	8,992,085

Funded By

100.89% User Charges	9,072,085						9,072,085
0.00% Grants and Subsidies		-	-	-	-		- 0
0.00% Net Corporate Revenues		-	-	-	-		- 0
-0.89% Capital Value Rating	-	(61,152)	(16,600)	(2,248)	-	-	(80,000)
0.00% Uniform Annual Charge		-	-	-			-
Total Funded By	9,072,085	(61,152)	(16,600)	(2,248)	-	-	8,992,085