

6.2.0

*CORPORATE
SERVICES*

6.2.i

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
ACTIVITY:	BUSINESS UNIT SUMMARY

Overall Objectives

- (a) Optimise corporate effectiveness in the delivery of a range of customer focussed internal services. Some of these services may also be delivered on a cost recovery basis to our LATEs and Council Funded organisations. These are outlined in more detail under the Internal Support Services Output.
- (b) To provide policy advice and manage the Council's Energy Efficiency Show Home and the Energy Advisory Service.

Key Changes***Contributions towards the \$10M Net Rates Savings Targets***

- Following the Computer Disposal Process Review (August 2002), the PC Installation and Disposals Officer position has been disestablished. (\$81,760)
- Plant and Vehicle monthly hire charges have been reduced for 2003/04. (\$166,000)
- Implementation of the recommendations of the Mail Room review. (\$200,000)

Restructuring of Budgets

From December 2002 the Corporate Services Unit takes over responsibility for the Civic Offices as head tenant/facility manager.

FROM**TO**

From Property Unit			To Corporate Services Unit		
	2002/03 \$	2003/04 \$		2002/03 \$	2003/04 \$
Civic Office rental, electricity, coal supply and maintenance.	0	(\$3,046,610)	Following the Property Review, Corporate Services will take the position of head tenant/facilities manager of Civic Offices.	0	\$3,046,610
TOTAL	\$0	(\$3,046,610)	TOTAL	\$0	\$3,046,610

6.2.1

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	OUTPUT SUMMARY

OUTPUT EXPENDITURE		2002/2003 BUDGET \$	2003/2004 BUDGET \$
INTERNAL SUPPORT SERVICES			
Internal Support Services	Page 6.2.2	6,935,267	8,942,372
Plant Hire Services	Page 6.2.5	2,539,925	2,142,019
ENERGY PROGRAMMES			
Clean Air and Energy Efficiency Programmes	Page 6.2.6	22,000	20,000
Energy Advisory Service	Page 6.2.7	55,505	67,457
TOTAL EXPENDITURE		<u>9,552,696</u>	<u>11,171,848</u>
OUTPUT REVENUE & RECOVERIES			
INTERNAL SUPPORT SERVICES			
Internal Support Services	Page 6.2.2	6,935,267	8,942,372
Plant Hire Services	Page 6.2.5	2,752,600	2,385,576
ENERGY PROGRAMMES			
Clean Air Project & Energy Efficiency	Page 6.2.6	0	0
Energy Advisory Service	Page 6.2.7	0	12,090
TOTAL REVENUE & RECOVERIES		<u>9,687,867</u>	<u>11,340,038</u>
TOTAL NET COST		<u>(135,171)</u>	<u>(168,190)</u>
COST OF CAPITAL EMPLOYED		227,189	254,875
PLANT PURCHASES (NET)		1,148,864	1,647,040
MISCELLANEOUS FIXED ASSETS		21,500	30,000

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : INTERNAL SUPPORT SERVICES

Description

This output includes a wide range of internal support services supporting the core business of other Council business units. In some cases these services are also made available to other local authorities and CCHL subsidiary companies for which a fee is recovered.

Services include purchasing policy and systems support, contracts and purchasing support, management of inventory, storage of customer goods, disposal of non-property assets and services, copier, printer and imaging provision and management, management of security contracts, Committee and meeting room management, catering, building evacuation planning, energy management and the Facilities Management of the Civic Offices.

Objectives for 2003/04	Performance Indicators
1. Conduct surveys to monitor and provide feedback on the standards of services being provided to Council units.	• Report annually on the outcomes of customer surveys and the development of user groups.
2. Report on the major contracts entered into by the Procurement Team during 2003/04.	• Report to the Annual Monitoring Meeting of Strategy and Finance Committee on the major contracts entered into during the year by the Procurement Team.
3. Implement initiatives and cost saving measures of the Council's Energy Management programme for 2002/03.	• Report to the Annual Monitoring Meeting of Strategy and Finance Committee on the main energy management initiatives carried out during the year.

6.2.2

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : INTERNAL SUPPORT SERVICES	2002/2003 BUDGET \$	2003/2004 BUDGET \$
COSTS		
- Corporate Support	80,068	73,243
- Facilities Management		
Civic Offices Rentals	0	3,045,697
Cleaning Services	309,820	343,197
Tenants' Representative	13,346	3,720
Tea Nook Servicing	146,312	172,519
- Procurement	868,751	556,596
- Stock Management	2,908,624	2,316,595
- Storage	21,201	39,973
- Disposals	70,912	79,842
- Pc Installation & Disposals	81,760	0
- Copying And Printing Services	1,174,404	1,346,596
- Fundraising Coordination	11,712	5,547
- Security	39,645	110,145
- Secretarial Services	223,512	188,414
- Meeting Room And Catering	421,793	317,915
- Building Evacuation Services	46,781	46,039
- Corporate Energy Management And Advice	118,380	111,752
- Mail Room	398,244	184,582
TOTAL COSTS	6,935,267	8,942,372

6.2.3

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : INTERNAL SUPPORT SERVICES	2002/2003 BUDGET \$	2003/2004 BUDGET \$
REVENUE		
- Facilities Management		
Civic Offices Rentals	0	3,045,697
Cleaning Services	309,820	343,197
Tenants' Representative	13,346	3,720
Tea Nook Servicing	146,312	172,519
- Procurement	142,800	135,500
- Stock Management	2,908,624	2,316,595
- Storage	21,201	39,973
- Disposals	1,000	0
- Pc Installation & Disposals	81,760	0
- Copying And Printing Services	1,174,404	1,346,596
- Secretarial Services	223,512	188,414
- Meeting Room And Catering	415,543	310,340
- Building Evacuation Services	46,781	46,039
- Corporate Energy Management And Advice	118,380	111,752
- Mail Room	398,244	184,582
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TOTAL REVENUE	6,001,729	8,244,923

6.2.4

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : INTERNAL SUPPORT SERVICES	2002/2003 BUDGET \$	2003/2004 BUDGET \$
CORPORATE OVERHEAD RECOVERY		
Corporate Support	80,068	73,243
Procurement	725,951	421,096
Disposals	69,912	79,842
Fundraising Coordination	11,712	5,547
Security	39,645	110,145
Meeting Room And Catering - Data Show Projectors In Meeting Rooms	6,250	7,575
	-----	-----
TOTAL CORPORATE OVERHEAD RECOVERY	933,538	697,449
	-----	-----
NET COST INTERNAL SUPPORT SERVICES	0	0
	=====	=====

6.2.text.5

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : PLANT HIRE SERVICES

For text refer to page 6.2.text.2

6.2.5

MONITORING COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : PLANT HIRE SERVICES	2002/2003 BUDGET \$	2003/2004 BUDGET \$
DIRECT COSTS		
Operating Costs	1,476,673	975,372
	-----	-----
TOTAL DIRECT COSTS	1,476,673	975,372
ALLOCATED COSTS		
Unit Overhead	143,252	156,974
Corporate Services - Overhead Project	0	59,673
Depreciation	950,000	950,000
Gain on Disposal	(30,000)	0
	-----	-----
TOTAL ALLOCATED COSTS	1,063,252	1,166,647
	-----	-----
TOTAL COSTS	2,539,925	2,142,019
REVENUE		
Internal Hire & Sundry Recoveries	2,752,600	2,385,576
	-----	-----
	2,752,600	2,385,576
	-----	-----
NET COST - PLANT HIRE SERVICES	(212,676)	(243,557)
	=====	=====

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

**OUTPUTS : CLEAN AIR AND ENERGY EFFICIENCY PROGRAMME
ENERGY ADVISORY SERVICE**

Description

- **Energy Advisory Service** - The provision of independent energy advice services to householders and the operation of the Christchurch energy efficiency show home.

Objectives for 2003/04	Performance Indicators
1. To contribute to the improved energy efficiency of Christchurch houses and the reduction of winter air pollution by maintaining an energy efficiency show home and by providing energy advice services to the people of Christchurch.	<ul style="list-style-type: none"> • Report to Strategy and Finance Committee on the operation of the show home and energy advisory service.

6.2.6

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

	2002/2003 BUDGET \$	2003/2004 BUDGET \$
OUTPUT : CLEAN AIR AND ENERGY EFFICIENCY PROGRAMME		
DIRECT COSTS		
Wind Energy Subsidy	22,000	20,000
	-----	-----
TOTAL DIRECT COSTS	22,000	20,000
ALLOCATED COSTS		
	-----	-----
TOTAL COST	22,000	20,000
EXTERNAL RECOVERIES		
	-----	-----
NET COST CLEAN AIR AND ENERGY EFFICIENCY PROGRAMM	22,000	20,000
	=====	=====

6.2.text.7

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

OUTPUT : ENERGY ADVISORY SERVICE

For text see page 6.2.text.7.

6.2.7

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

			2002/2003 BUDGET \$	2003/2004 BUDGET \$
OUTPUT : ENERGY ADVISORY SERVICE				
DIRECT COSTS				
Administration Costs			0	335
TOTAL DIRECT COSTS			0	335
ALLOCATED COSTS				
Allocated O/Head - Rent			15,392	14,400
Management Suspense Holding A/C			38,908	50,726
Alloc O/Head - Output Corporate Overheads Cost Centre			1,205	1,997
TOTAL COST			55,505	67,457
EXTERNAL RECOVERIES				
Sponsorship (EECA)			0	12,090
NET COST ENERGY ADVISORY SERVICE			55,505	55,367

6.2.8

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	CAPITAL OUTPUTS

	2003/2004	2004/2005	2005/2006	2006/2007	2007/2008	
RENEWALS & REPLACEMENTS						
Light Vehicles	1,971,000	1,971,000	1,971,000	1,971,000	1,971,000	
Trucks & Trailers	33,000	139,000	41,000	37,000	51,000	
Small Plant	47,090	50,800	37,290	46,000	45,000	
Medium Plant	18,400	128,900	6,780	41,400	47,000	
Heavy Plant	68,000	120,000	68,000	155,000	101,000	
Specialist Plant	70,000	70,000	70,000	65,000	68,000	
	2,207,490	2,479,700	2,194,070	2,315,400	2,283,000	
Office Furniture & Equipment	30,000	34,500	34,500	34,500	34,500	
TOTAL RENEWALS & REPLACEMENTS	\$2,237,490	\$2,514,200	\$2,228,570	\$2,349,900	\$2,317,500	
TOTAL CAPITAL EXPENDITURE	\$2,237,490	\$2,514,200	\$2,228,570	\$2,349,900	\$2,317,500	
SALE OF ASSETS	(\$560,449)	(\$582,670)	(\$1,361,707)	(\$1,373,840)	(\$1,370,600)	
TOTAL CAPITAL EXPENDITURE	\$1,677,040	\$1,931,530	\$866,863	\$976,060	\$946,900	
Annual Plan 2002/2003	\$1,170,364	\$950,536	\$1,129,636	\$1,030,901	\$1,072,652	\$1,038,175

6.2.9

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	CAPITAL OUTPUTS

	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
RENEWALS & REPLACEMENTS	1,084,777	1,084,777	1,084,777	1,084,777	1,084,777
Renewals & Replacements - Plant Hire	1,413,642	1,283,768	1,495,202	1,326,413	1,379,756
	<u>\$2,498,419</u>	<u>\$2,368,545</u>	<u>\$2,579,979</u>	<u>\$2,411,190</u>	<u>\$2,464,533</u>
Sale of Plant	(\$1,416,009)	(\$1,377,393)	(\$1,396,303)	(\$1,382,404)	(\$1,367,029)
	<u>\$1,082,410</u>	<u>\$991,152</u>	<u>\$1,183,675</u>	<u>\$1,028,786</u>	<u>\$1,097,504</u>
Annual Plan 2002/2003	1,156,662	1,065,404	1,257,927	1,103,038	

6.2.10

RESPONSIBLE COMMITTEE:		STRATEGY & FINANCE COMMITTEE				
BUSINESS UNIT:		CORPORATE SERVICES				
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
Storage Rental						
Storage Rental per m2	\$0.25	\$1,000	\$0.25	\$1,000		
Stock Management Recoveries		\$575,000		\$850,000		
Mail Room		\$4,000		\$4,000		
Tender Documents (excluding postage/courier costs)						
Up to 50 A4 Sides	\$10.00		\$10.00			
50 to 100 A4 Sides	\$20.00	\$4,500	\$20.00	\$500		
Over 100 A4 Sides	\$30.00		\$30.00			
Other Documents for Sale of Goods	None		None			
Brokerage Fees & Rebates	Various	\$258,480		\$247,952		
EECA Grant		\$0		\$12,090		
Plant Hire Services						
Warranty/Repairs	Full Cost Recovery					
Misc receipts	Full Cost					
Petrol Duty Refund	Recovery					
Other Income	% of costs incurred	\$0				
TOTAL		\$842,980		\$1,115,543		

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT: PLANT HIRE SERVICES

Description Provision of mobile plant, generally the white car fleet, and fleet management for Council plant which is then 'hired' to the user Units.

Benefits Council owned plant is managed to best advantage to both minimise the capital cost whilst meeting the client needs particularly availability.

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 user clients 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**

Costs shall be recovered from user charges, including provision for a return on capital.

Control Negative Effects

6.2.funding.5

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	INTERNAL SUPPORT SERVICES

OUTPUT : PLANT HIRE 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	2,142,019	-	-	-	-		2,142,019 TableC
0.00% Negative Effects	-	-	-	-	-		- 0
<i>Total Costs</i>	2,142,019	-	-	-	-	-	2,142,019
<i>Modifications</i>							
Transfer User Costs to Rating	243,557	(175,374)	(47,090)	(6,423)	(14,669)		- CapValAll
Non-Rateable	-	(11,240)	(3,018)	(412)	14,669		- CapValGen
<i>Total Modifications</i>	243,557	(186,614)	(50,108)	(6,835)	-	-	-
Total Costs and Modifications	2,385,576	(186,614)	(50,108)	(6,835)	-	-	2,142,019

Funded By

111.37% User Charges	2,385,576						2,385,576
0.00% Grants and Subsidies		-	-	-	-		- 0
0.00% Net Corporate Revenues		-	-	-	-		- 0
-11.37% Capital Value Rating	-	(186,614)	(50,108)	(6,835)	-	-	(243,557)
0.00% Uniform Annual Charge		-	-	-			-
Total Funded By	2,385,576	(186,614)	(50,108)	(6,835)	-	-	2,142,019

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

OUTPUT: CLEAN AIR AND ENERGY EFFICIENCY PROGRAMMES

Description The administration of grants to householders who replace open fires and coal burners with approved cleaner forms of heating and who have insulation installed by suppliers registered with the program.

Benefits Reduction in wintertime air pollution in Christchurch.

Strategic Objectives A3, C1 - C4 **CCC Policy** City Plan - Part 3 Energy - Public awareness, energy efficiency

Allocation of Costs of Benefits Pursuant to Section 122E(1)(a)**General Benefits (Section 112F(b))**

The output benefits the whole community and therefore Capital Values are used as a proxy for the distribution of benefits.

Nature and Distribution of General Benefits

General benefits are considered to accrue in the same proportion as stakeholders' interests in the City.

Direct Benefits (Section 112F(c))**Control Negative Effects (Section 112F(d))****Modifications Pursuant to Section 12****Funding of Expenditure Needs Pursuant to Section 122E(1)(c)****General Benefits**

General benefits shall be funded by capital value rating on properties liable for general rates, as capital value best represents stakeholder interest in the City.

Direct Benefits**Control Negative Effects**

Corporate Services

6.2.funding.6

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

OUTPUT : CLEAN AIR AND ENERGY EFFICIENCY PROGRAMMES

	<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>							
100.00% General Benefits	-	14,401	3,867	527	1,205		20,000 CapValAll
0.00% Direct Benefits	-	-	-	-	-		- 0
0.00% Negative Effects	-	-	-	-	-		- 0
<i>Total Costs</i>	-	14,401	3,867	527	1,205	-	20,000
<i>Modifications</i>							
Transfer User Costs to Rating	-	-	-	-	-		- 0
Non-Rateable	-	923	248	34	(1,205)		- CapValGen
<i>Total Modifications</i>	-	923	248	34	(1,205)	-	-
Total Costs and Modifications	-	15,324	4,115	561	-	-	20,000

Funded By

0.00% User Charges	-						-
0.00% Grants and Subsidies		-	-	-	-		- 0
0.00% Net Corporate Revenues		-	-	-	-		- 0
100.00% Capital Value Rating	-	15,324	4,115	561	-	-	20,000
0.00% Uniform Annual Charge		-	-	-			-
Total Funded By	-	15,324	4,115	561	-	-	20,000

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

OUTPUT: ENERGY ADVISORY SERVICE

Description The provision of independent energy advice services to householders and the operation of an energy efficient show home.

Benefits Reduction in wintertime air pollution in Christchurch.

Strategic Objectives A3, C1 - C4 **CCC Policy** City Plan - Part 3 Energy - Public awareness, energy efficiency

Allocation of Costs of Benefits Pursuant to Section 122E(1)(a)***General Benefits (Section 112F(b))***

The output benefits the whole community and therefore Capital Values are used as a proxy for the distribution of benefits.

Nature and Distribution of General Benefits

General benefits are considered to accrue in the same proportion as stakeholders' interests in the City.

Direct Benefits (Section 112F(c))***Control Negative Effects (Section 112F(d))******Modifications Pursuant to Section 12******Funding of Expenditure Needs Pursuant to Section 122E(1)(c)******General Benefits***

General benefits shall be funded by capital value rating on properties liable for general rates, as capital value best represents stakeholder interest in the City.

Direct Benefits***Control Negative Effects***

Corporate Services

6.2.funding.7

RESPONSIBLE COMMITTEE:	STRATEGY & FINANCE COMMITTEE
BUSINESS UNIT:	CORPORATE SERVICES
OUTPUT CLASS:	ENERGY PROGRAMMES

OUTPUT : ENERGY ADVISORY SERVICE

	<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>							
100.00% General Benefits	-	48,573	13,042	1,779	4,063		67,457 CapValAll
0.00% Direct Benefits	-	-	-	-	-		- 0
0.00% Negative Effects	-	-	-	-	-		- 0
<i>Total Costs</i>	-	48,573	13,042	1,779	4,063	-	67,457
<i>Modifications</i>							
Transfer User Costs to Rating	12,090	(8,706)	(2,338)	(319)	(728)		- CapValAll
Non-Rateable	-	2,555	686	94	(3,335)		- CapValGen
<i>Total Modifications</i>	12,090	(6,151)	(1,652)	(225)	(4,063)	-	-
Total Costs and Modifications	12,090	42,422	11,391	1,554	-	-	67,457

Funded By

17.92% User Charges	12,090						12,090
0.00% Grants and Subsidies		-	-	-	-		- 0
0.00% Net Corporate Revenues		-	-	-	-		- 0
82.08% Capital Value Rating	-	42,422	11,391	1,554	-	-	55,367
0.00% Uniform Annual Charge		-	-	-			-
Total Funded By	12,090	42,422	11,391	1,554	-	-	67,457