

FINANCIAL SERVICES

The first half of 1999/00 has been very challenging for all staff within the Unit.

Customer Centre

In December 1999, the ground floor Customer Centre opened for business. This was the culmination of many months of planning by Joan Blatchford, Shona Willis and the Project Team. Although the Centre is still in the development stage, the achievements to date include:

- Extended opening hours for walk-in-customers (8.00am to 5.00pm) and for telephone customers (8.00am to 6.00pm).
- The use of symposium software which is enabling the monitoring of all calls in terms of time of day and type of call. (This will assist with better service to our customers, with the day to day management of the Centre and with long term resource planning.)
- “Cross skilling” Customer Centre staff so that they can carry out all activities performed by the centre, i.e. telephones, cashiering and backroom activities.
- The development on line of frequently asked questions.

FAMIS

During the first half of 1999/00 a large number of staff from within the Unit have been involved in the FAMIS project. This involvement has included user acceptance testing, mapping, data conversion, training and form design.

This involvement will intensify with the go live for SAP planned for 1 March 2000 and with the GEMS go live dates to follow.

It is appropriate at this point to acknowledge the tremendous effort being made by key staff within the Unit to ensure a successful go live.

Accident Insurance

In the 12 monthly report last year, details of the accident insurance changes were outlined. While these are still currently in place, the Government has drafted amending legislation which may reverse these changes. While the Council did make a submission on the draft bill, there is uncertainty as to the content of the amending legislation.

Just prior to Xmas the Council received an ACC experience rating refund of \$382,000. Details of this are noted in the half yearly report.

Tax Settlement

During the period a settlement was reached with the Inland Revenue Department on the income tax dispute over the deductibility of interest expense related to the original investment by the Council in Christchurch Transport Limited. This settlement resulted in the Council having to pay only 50% of the amount originally sought. This means that \$384,000 of the provision previously made to cover these assessments can be written back.

Business Unit	Financial Services
Output Class	Accounting Services

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Payroll	196,665	207,547	180,711
Accounts Payable	224,325	296,632	239,476
Bank Reconciliation	38,451	48,636	58,896
Taxation	34,812	43,848	30,833
Asset Register	52,764	60,875	61,848
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	547,017	657,538	571,764
Revenue			
Payroll	(191,793)	(207,547)	(206,074)
Accounts Payable	(220,489)	(296,624)	(296,619)
Bank Reconciliation	(39,391)	(48,651)	(48,631)
Taxation	(46,303)	(43,844)	(43,842)
Asset Register	(46,047)	(60,875)	(60,964)
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	(544,023)	(657,541)	(656,130)
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Net Cost of Accounting Services	2,994	(3)	(84,365)

Commentary

Actual expenditure reflects staff time spent on the above outputs.

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	Cost to pay each employee no greater than.	\$177.50 per day.	\$175.61 based on 2,059 staff as at Dec 1999. (1998/99 : \$189.97 based on 2,100 staff)
2.1	Cost to pay each external invoice no greater than.	\$3.20 per invoice.	Actual \$4.16. Total invoices processed 57,500 (1998/99 - \$3.51: 61,000 invoices processed)
3.1	Reconcile bank account to ledgers at end of each month.	End of each month.	Ongoing measure.
4.1	Prepare income taxation and other taxation returns and pay by due dates.	Pay by due dates.	Achieved. No penalties incurred.
5.1	Ensure fixed assets register is maintained during the year and balanced with general ledger within two months of end of financial year.	30 August 1999	Achieved on 1 September 1999. One day later than target.

Business Unit	Financial Services
Output Class	Customer Services

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Cashiering/Banking	233,564	200,400	225,005
Telephone and Information Services	0	149,606	103,160
Mail	20,667	21,917	15,994
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	254,231	371,923	344,159
Revenue			
Cashiering/Banking	(130,044)	(113,520)	(111,632)
Telephone and Information Services	0	(129,647)	(126,417)
Mail	(26,412)	(21,917)	(21,915)
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	156,456	265,084	(259,964)
Net Cost of Counter Services	-----	-----	-----
	97,775	106,839	84,195

Commentary

Actual expenditure reflects staff time spent on the above outputs.

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	No complaints on the level of service, promptness and helpfulness of staff	No complaints	No complaints received received to date.
2.1	Improvement from the previous year of the percentage of residents satisfied with the speed of service the last time they telephoned the Council	73%	End of year measure. (Derived from the Annual Citizen Survey)
3.1	Council business units satisfied with timeliness of distribution of mail and internal correspondence	Satisfaction and timeliness	End of year measure.

Business Unit	Financial Services
Output Class	Financial Reporting

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Annual Report	140,680	143,303	136,278
Management Reports	111,156	327,970	324,569
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	251,836	471,273	460,847
Revenue			
Annual Report	(122,052)	(143,301)	(128,598)
Management Reports	(100,531)	(327,976)	(327,958)
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	(222,583)	(471,277)	(456,556)
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Net Cost of Financial Reporting	29,253	(4)	4,290

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	Prepare for audit before 30 September 1999 financial statements for the 1998/99 year for Christchurch City Holdings Limited and other Christchurch City Council LATEs	30 September 1999	Achieved.
1.2	Prepare for adoption before 30 November 1999 audited financial statements of Christchurch City Council for year ended 30 June 1999	30 November 1999	Achieved. Accounts adopted by the 30 November 1999.
1.3	Complete financial statistics and other financially related data by due dates	Due dates	Achieved. All financial statistics completed on time.
2.1	Produce monthly financial reports for unit managers within 10 working days of the end of each month except December and June	10 working days	Monthly financial reports for July 1999 not run until 27 August 1999 because of: - delays to finalising the budget and hence the Standing Journals for debt servicing corporate overheads, etc. - delays to finalising the asset revaluations and hence depreciation.
2.2	Present financial reports for the Council as required	Financial reports as required	Achieved.

Business Unit	Financial Services
Output Class	Advice and Support

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Financial Systems Support	213,047	270,795	180,680
Financial Management Advice	110,642	59,690	156,754
Trading Activities Monitoring	6,446	0	0
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	330,135	330,485	337,434
Revenue			
Financial Systems Support	(234,988)	(270,792)	(270,785)
Financial Management Advice	(88,473)	(59,696)	(59,682)
Trading Activities Monitoring	(11,292)	0	0
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	(334,753)	(330,488)	(330,467)
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Net Cost of Advice and Support	(4,618)	(3)	6,967

Commentary

Over expenditure on Financial Management Advice is more than offset by under-expenditure on other outputs.

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	Reconciliation of the database every working day.	Every working day	Achieved. Database kept in balance daily.
2.1	That unit managers are satisfied with the timeliness and quality of financial advice affecting their business units.	Satisfied timeliness and quality	This is an end of year measure.
3.1	That the Director of Finance is satisfied with the quality and timeliness of advice.	Satisfied quality and timeliness	This is an end of year measure.

Business Unit	Financial Services
Output Class	Funds Administration

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Accounting Advice - Corporate	13,433	10,467	82,106
Accounts Receivable	200,674	210,421	170,966
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	214,107	220,888	253,073
Revenue			
Accounting Advice - Corporate	(12,357)	(11,258)	(11,256)
Accounts Receivable	(211,506)	(210,912)	(214,436)
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	(223,863)	(222,170)	(225,692)
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Net Cost of Funds Administration	(9,756)	(1,282)	27,381

Commentary

Over expenditure on accounting advice reflects time spent on this output and is more than compensated by under-expenditure elsewhere in the Unit.

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	Complete reports on time.	On time	Complete on time (1998/99:On time).
2.1	Collect (by value) Council invoiced debts on the following basis: By 20th of month following - 75%	75%	77% achieved for 30 Dec 1999 (1998/99 – 75% achieved).
2.2	Collect (by value) Council invoiced debts on the following basis: Within two months of invoicing - 90%	90%	90% achieved for 30 Dec 1999 (1998/99 – 93% for year).
2.3	Collect (by value) Council invoiced debts on the following basis: Within three months of invoicing - 95%	95%	97% achieved for 30 Dec 1999 (1998/99 – 96% for year).
2.4	Unpaid invoice reports in the hands of Unit Manager or designated person within four working days of the end of the month	Four working days	Target met at the end of most months. Any delays due to other work commitments.

Business Unit	Financial Services
Output Class	Rating Services

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Land Administration	984,745	954,497	775,924
Rates Administration	1,296,149	1,274,169	1,166,609
Water Billing	114,963	141,893	132,454
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	2,395,858	2,370,559	2,074,988
Revenue			
Land Administration	(984,745)	(954,486)	(775,924)
Rates Administration	(1,286,213)	(1,295,636)	(1,299,844)
Water Billing	(137,540)	(139,207)	(139,209)
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	(2,408,499)	(2,389,329)	(2,214,977)
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Net Cost of Rating Services	(12,641)	(18,770)	(139,990)

Commentary

The very favourable variance reflects in part some valuation charges which had not come to charge as at 31 December 1999.

Performance Indicator		Target	Actual
1.	Ensure all maintenance on the property database is actioned.	Within 4 working days.	All name changes, notice of sale and address changes actioned within 4 days. Other changes longer than 4 days.
2.	Complete a full transfer of building consents to Quotable Value NZ Ltd.	By 30 June 1999.	End of year measure.
3.	Have the client service agreement (contract) with Quotable Values NZ Ltd signed and in place by 1 August 1999.	1 August 1999	Contract signed on 15 November 1999.
4.	Ensure that the cost per assessment is less than \$22.50 per annum	<\$22.50	Cost per assessment to date \$8.64 Number of properties paying rates as at 30 Dec 1999 approx 135,000 (Total cost \$1,166,609 ÷ 135,000 assessments = \$8.64)
5.	Rate arrears from current rates	No more than 4% at year end.	End of year measure.
6.	Increase the number of ratepayers using direct debiting.	27,000 by 30 June 2000	The number of direct debit users by 31 December 1999 – 26,375.
7.	Collect (by value) invoiced charges on the following basis: 95% of current charges within the 1999/00 year. (Water A/c's)	95%	End of year measure.
8.	Minimise the arrears balance as at 30 June. (Water A/c's)	<\$250,000	End of year measure.

Business Unit	Financial Services
Output Class	Financial Planning

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Expenditure			
Administrative Support	45,491	0	0
Financial Planning Advice	15,137	13,863	26,422
Corporate Advice	14,262	13,863	21,596
Management Budgets	38,670	54,032	21,630
Corporate Plan	35,566	38,291	25,027
Annual Community Plans	27,905	76,449	91,363
Strategic Plan	26,651	5,561	227
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	203,682	202,059	186,265
Revenue			
Administrative Support	(53,639)	0	0
Financial Planning Advice	(24,552)	(27,720)	(27,429)
Management Budgets	(47,502)	(54,086)	(53,561)
Corporate Plan	(31,204)	(38,838)	(38,607)
Annual Community Plans	(57,599)	(79,155)	(79,151)
Strategic Plan	(23,658)	(5,561)	(5,557)
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	(238,154)	(205,360)	(204,305)
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Net Cost of Financial Planning	(34,472)	(3,301)	(18,040)

Service Delivery Performance

Performance Indicator		Target	Actual
1.1	Ensure that the Management Budgets are available for loading into the ledger	By 1 August 1999	Management Budgets available for loading into ledger after the Council meeting on 23 July 1999. Target met.
2.1	Have the printed copy of the draft Corporate Plan available after it has been adopted by the Council	15 days after the Council meeting	To be measured in final 6 months.
2.2	Have the published version of the final Corporate Plan available after it has been adopted	30 working days after the Council meeting	Council meeting Monday 23 July 1999. Corporate Plan printed and available prior to Friday 3 Sept. 1999. Target met.
3.1	Ensure that the Annual Planning procedures meet the approved timetable dates.	Comply with set dates.	Compliance achieved.
3.2	To make the published version of the final Annual Plan available	20 working days after the Council meeting	Council meeting Friday 23 July 1999. Plan printed and available Wednesday 20 August 1998. Target met.
3.3	Include in the Community Plan a listing of all local projects and cross reference these to a map.	Map based Plan.	Projects listed and cross referenced to ward maps.
4.1	2000 Planning Guidance Notes available in a timely manner.	Available for distribution no later than 30 September 1999.	Guidance Notes available Friday 17 September 2000.

4.2	Run two courses and brief the Management Group on 2000 Planning requirements	Complete in September 1999.	Two courses were held - Introductory Course on 20 September 1999. Update Course on 21 September 1999. Separate Briefing of the Management Group on 14 September 1999.
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Business Unit	Financial Services
Output Class	Capital Outputs

Financial Performance

	Last Year	Current Year	
	Actual	Budget	Actual
Net Cost of Capital Outputs	1,317	7,569	8,020

Business Unit: Financial Services
Financial Results to 31 December 1999

Output Class	Expenditure			Recoveries			Net Cost (Surplus)		
	Last Year Actual	This Year Budget	This Year Actual	Last Year Actual	This Year Budget	This Year Actual	Last Year Actual	This Year Budget	This Year Actual
Funds Administration	214,107	220,888	253,073	(223,863)	(222,170)	(225,692)	(9,756)	(1,282)	27,381
Rating Services	2,395,858	2,370,559	2,074,988	(2,408,499)	(2,389,329)	(2,214,977)	(12,641)	(18,770)	(139,990)
Plans	128,792	174,333	138,247	(159,963)	(177,640)	(176,876)	(31,171)	(3,307)	(38,628)
Advice	29,399	27,726	48,018	(24,552)	(27,720)	(27,429)	4,847	6	20,589
Management & Support	45,491	0	0	(53,639)	0	(21)	(8,148)	0	(21)
Accounting Services	547,017	657,538	571,764	(544,023)	(657,541)	(656,130)	2,994	(3)	(84,365)
Customer Services	254,231	371,923	344,159	(156,456)	(265,084)	(259,964)	97,775	106,839	84,195
Financial Reporting	251,836	471,273	460,847	(222,583)	(471,277)	(456,556)	29,253	(4)	4,290
Advice and Support	330,135	330,485	337,434	(334,753)	(330,488)	(330,467)	(4,618)	(3)	6,967
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	4,196,866	4,624,725	4,228,530	(4,128,331)	(4,541,249)	(4,348,112)	68,535	83,476	(119,582)

Capital	1,317	7,569	8,020	0	0	0	1,317	7,569	8,020
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