

Definitions and Interpretations

Advocate

Council acts as an advocate when it represents the views and interests of the community to a range of organisations, including Government agencies and the Regional Council.

Asset

An asset is an item of value owned by the Council on behalf of the people of Horowhenua. Examples include bank accounts, amounts owing by debtors, roads, land, buildings, vehicles, computers, and the water, wastewater and stormwater networks.

Asset Management Plan (AMP)

A plan developed for the management of one or more infrastructure assets that combines technical, financial and other techniques over the life of the asset to provide an agreed Level of Service to the Community at optimum cost.

Capital Expenditure

Money spent with effect on the long-term rather than the short-term. Examples include to buy or build a new asset or to improve the potential of an existing asset. Capital Expenditure is generally expected to lead to a higher level of service to the community.

Capital Value

This is the value of a piece of land plus any improvements that have been made to it such as the construction of a dwelling. For rating purposes, Council contracts Quotable Value New Zealand to assess the capital value of all properties every three years.

Community Outcomes

These are statements which set out the outcomes that Council is working to achieve in meeting the current and future needs of the community, for good quality local infrastructure, local public services and performance of regulatory functions.

Council Controlled Organisation (CCO)

An organisation that manages facilities and/or provides services on behalf of the Horowhenua community, in which Council directly or indirectly controls more than 50% of either the votes or the appointments of directors or trustees.

Depreciation

The allocation of the cost of an asset over its estimated useful life.

District Plan

The plan prepared by Council under the Resource Management Act 1991 that manages potential adverse environmental effects of subdivisions and land use on the environment through objectives, policies, and rules.

Financial Year

Council's financial year starts on 1 July in each year and ends on 30 June of the following year.

Funding Impact Statement

An explanation of how Council's funding requirements are planned to be met through various mechanisms such as rates.

Governance

The way that Council engages with the community, how it makes decisions and the way in which ratepayers and residents can influence these processes.

Infrastructure

Assets that form physical links between, or within, communities. Examples include the roading network, water supply systems, wastewater disposal systems and stormwater drainage systems.

Land Value

The value of land excluding any improvements (e.g. a dwelling). For rating purposes, Council contracts Quotable Value New Zealand to assess the land value of all properties every three years.

Level of Service (LoS)

The quality of service a Council Activity is committed to provide to the Community.

Liability

Financial debts to third parties. Current liabilities are those due for payment within one financial year, and non-current liabilities are those due in the longer-term.

Long Term Plan (LTP)

Council's key strategic planning document outlining the Council's financial situation as well as the Level of Service Council is committed to for the activities it undertakes and capital work programme for at least ten years.

Operating Costs

The costs of running Council in the short-term. Examples include the costs of maintaining assets, employing staff, and the interest costs of loans.

Performance Target

A measure that shows how well Council is doing in achieving the goals that it set for itself.

Projected Financial Statement

The 10 year plan for Council's revenue and expenditure, cash flows and borrowing.

Rates

Property taxes collected by Council which help fund the services that the Council provides to the community.

Renewal Expenditure

The cost of replacing components of existing assets to restore them to their original condition. For example the replacement of old water mains and the resealing of roads.

Revenue

Council's income e.g. rates, dog registration fees, building permit fees, subsidies, rental income and interest on investments.

Separately Used or Inhabited Part (SUIP)

Some of Council's targeted rates are set using SUIP's. Generally where there is more than one SUIP, each SUIP will attract a separate targeted rate set using fixed charges. Council's definition of a SUIP can be found in the Funding Impact Statement.

Significance

The degree of importance of an issue, proposal, decision, or matter under consideration, as assessed by Council in terms of its likely impact on and likely consequences for the current and future wellbeing of the community.

Stormwater

Surface water that runs off properties and roads.

Sustainability

The use of natural, social and physical resources in such a way that takes care of our current needs while allowing for the ongoing use of those resources by future generations.

Targeted Rates

Any rate (other than a general rate) targeted at users or beneficiaries of a particular service. Targeted rates are used for solid waste, water supply, swimming pools, library, and representation and community leadership.

Uniform Annual General Charge (UAGC)

A fixed-sum rate payable by all properties as part of their contribution to general rates. Council has chosen not to set a rate using a UAGC, instead opting to rate some targeted rates using Fixed Charges. There are statutory rules whereby the UAGC and Fixed Charges are set on contiguous properties – where two or more properties are next to each other, owned by the same ratepayer, used for a common purpose and provided they are vacant (i.e. do not contain a house defined under Council's definition of Separately Used or Inhabited Part of rating units). There is also a statutory limit of 30% of all rates on the use of UAGC's and Fixed Charges where they are set at the same amount across the District.

Wastewater

The liquid and solid waste (i.e. sewage, grey water and trade waste) carried away from a property by drains.