

Thursday, 5 March 2026

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council

Strategy and Policy Committee Meeting

Kaupapataka

Agenda

Te Rā Hui:
Meeting date: **Thursday, 5 March 2026**

Te Wā:
Time: **1:00 PM**

Te Wāhi:
Venue: **Council Chamber
Ground Floor
Civic Administration Building
Lyndon Road East
Hastings**

Te Hoapā:
Contact: **Democracy and Governance Services
P: 06 871 5000 | E: democracy@hdc.govt.nz**

Te Āpiha Matua:
Responsible
Officer: **Interim Group Manager: Strategy - Gus Charteris and Manager
Strategy: Lex Verhoeven and Manager 'Business Projects'
Planning and Delivery - Dean Ferguson**

Strategy and Policy Committee – Terms of Reference

Fields of Activity

The Strategy and Policy Committee will develop all strategic, policy and planning frameworks for approval by the Committee or Council as required. The general purpose of this Committee is to oversee the strategic policy and long term planning direction of Council and activities associated with that, including but not limited to:

- 1) Providing guidance to Council officers with regard to the drafting of the District Plan (or sections thereof) and consultation on discussion documents and drafts;
- 2) Providing guidance to Council officers in respect of the drafting of Council's new or revised bylaws and providing oversight of the Special Consultative Procedures;
- 3) Te Tira Toitū te Whenua – Hastings District Plan Cultural Values - to consider and advise Council how the cultural values of Wāhi Taonga and Wāhi Tapu are to be integrated within the District Plan.

Membership

- Mayor and 15 Councillors
- Chair appointed by the Mayor or Council (at the Mayor's discretion)
- Deputy Chair appointed by the Mayor or Council (at the Mayor's discretion).
- One (non-Council) member of the Heretaunga Takoto Noa Māori Standing Committee (HTNMSC) nominated by the HTNMSC Chair and appointed by Council.
- When the Committee is to consider District Plan matters, one additional (non-Council) member of the Heretaunga Takoto Noa Māori Standing Committee.
- One (non-Council) member of the Rural Community Board nominated by the Board and appointed by Council.

Quorum – 9 members

DELEGATED POWERS

- 1) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law or otherwise delegated to another committee) in relation to all matters detailed in this delegation.
- 2) Authority to exercise all of Council's powers, functions and authorities (except where prohibited by law) at any time when the Chief Executive certifies in a report that;
 - a) the matter is of such urgency that it requires to be dealt with, or
 - b) the matter is required to be dealt with, prior to the next ordinary meeting of the Council.
- 3) Establish strategic direction to deliver Council Objectives and District Vision.
- 4) Establish policies and guidelines for decision making to assist in achieving strategic outcomes.
- 5) Establish levels of service across Council services in line with strategic goals and priorities.
- 6) Develop and recommend the financial and infrastructure strategies and budgets for the Long-Term Plan, Annual Plan and Annual Report.
- 7) Develop the Rating Policy for recommendation to Council for adoption.
- 8) Develop Funding Policies for recommendation to Council for adoption.
- 9) Review and provide comment on draft new or reviewed District Plan provisions and to recommend to the Council the adoption of drafts for consultation.
- 10) Review and provide comment on draft new or reviewed bylaws, and to recommend to the Council the adoption of drafts for consultation.
- 11) Hear and consider all submissions received in respect of any bylaw proposal and to recommend the Council's responses to submitters.
- 12) Recommend to Council the final wording of any new or reviewed bylaw for adoption by the Council.
- 13) Making submissions on behalf of Council to proposals by other organisations/authorities (Local and Regional).

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Hastings District Council

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Agenda

Koromatua

Chair: Councillor Heather Te Au-Skipworth

Ngā KaiKaunihera

Councillors: Alwyn Corban, Siiam Daniel, Michael Fowler, Steve Gibson, Kellie Jessup, Yvonne Lorkin, Elisha Milmine (Deputy Chair), Hana Montaperto-Hendry, Simon Nixon, Derek Nowell-Usticke, Henare O'Keefe, Nick Ratcliffe, Callum Ross and Kevin Watkins

Mematanga:

Membership:

Mayor Wendy Schollum

Hastings District Rural Community Board Appointee: Abby Morley

1 Heretaunga Takoto Noa Māori Standing Committee Appointee:

1 Heretaunga Takoto Noa Māori Standing Committee Appointee when considering District Plan Matters:

Tokamatua:

Quorum:

9 members

Apiha Matua

Officers Responsible:

Interim Group Manager - Strategy – Gus Charteris

Manager Strategy - Lex Verhoeven

Manager 'Business Projects' Planning and Delivery – Dean Ferguson

Te Rōpū Manapori me te

Kāwanatanga

Democracy &

Governance Services:

Lynne Cox (Extn 5632)

Te Rārangi Take

Order of Business

Apologies – Ngā Whakapāhatanga

- 1.0** An apology from Abby Morley has been received.
Leave of Absence had previously been granted to Councillor Fowler

2.0 *Conflict of Interest – He Ngākau Kōnatunatu*

Members need to be vigilant to stand aside from decision-making when a conflict arises between their role as a Member of the Council and any private or other external interest they might have. This note is provided as a reminder to Members to scan the agenda and assess their own private interests and identify where they may have a pecuniary or other conflict of interest, or where there may be perceptions of conflict of interest.

If a Member feels they do have a conflict of interest, they should publicly declare that at the start of the relevant item of business and withdraw from participating in the meeting. If a Member thinks they may have a conflict of interest, they can seek advice from the General Counsel or the Manager: Democracy and Governance (preferably before the meeting).

It is noted that while Members can seek advice and discuss these matters, the final decision as to whether a conflict exists rests with the member.

3.0 *Confirmation of Minutes – Te Whakamana i Ngā Miniti*

As this is the first meeting of the triennium, there are no Minutes to confirm

4.0 **Update on Strategic Work Programme** **9**

5.0 **Climate Action Framework** **19**

6.0 **Resilience and Climate Adaptation Work Programmes** **45**

7.0 **Changes to Hastings District Plan in response to the National Environmental Standard for Detached Minor Residential Units (Granny Flats)** **51**

8.0 Minor Items – *Ngā Take Iti*

9.0 Urgent Items – *Ngā Take Whakahihiri*

10.0 Recommendation to Exclude the Public from Items 11 and 12 **63**

11.0 Development Contributions Project Report

12.0 Update on Regional Coordination

Thursday, 5 March 2026

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Strategy and Policy Committee Meeting

Te Rārangi Take

Report to Strategy and Policy Committee

Nā:
From: **Nigel Bickle, Chief Executive**

Te Take:
Subject: **Update on Strategic Work Programme**

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of the paper is to provide the Strategy and Policy Committee with an update on the Strategic Work Programme underway to inform and support the development of the 2027 Long-Term Plan (LTP). The paper highlights progress that has been made on a number of key initiatives.
- 1.2 The Strategic Work Programme grouped around six improvement pillars that go to **what does better look like?**



- 1.3 Since officers last provided an update on the work programme in August 2025, the external environment has continued to evolve. There are currently several significant reforms that are either proposed or progressing, including:
 - **RMA reforms.** The replacement of the Resource Management Act will introduce a new regional spatial planning framework and nationally standardised zoning. This represents a significant shift in how growth, infrastructure, and environmental management decisions are made.

- **Simplifying Local Government proposal.** The proposed reforms would require Hawke’s Bay to develop and implement a regional reorganisation plan within 2 years from enactment. While the Combined Territory Board is one element, the deeper reform lies in redesigning regional structures, clarifying accountability, and aligning funding and delivery mechanisms. This will demand significant governance attention and organisational capacity. Transition costs and sequencing risks must be managed carefully, particularly alongside RMA reform, water services transition, and proposed rates capping.
- **Rates Capping.** A proposed 2–4 per cent cap from 2027 will materially constrain revenue growth. In a district facing recovery costs, infrastructure demands, and population growth, this will require sharper prioritisation, service level discipline, and stronger alternative revenue strategies.

1.4 The table below presents an update on key initiatives that have been advanced since the last update in August 2025. More detail is provided in section 5.

Initiative	March 2026 update
Review of Regional Structures	<ul style="list-style-type: none"> • Work continues with other Hawke’s Bay Council’s and PSGE/iwi partners on how best to support priority regional work programmes.
Annual Plan & LTP development	<ul style="list-style-type: none"> • Annual Plan adoption scheduled for 25 March.
Fees and charges	<ul style="list-style-type: none"> • Initial project scoping and research underway.
Section 17a reviews	<ul style="list-style-type: none"> • Curb side recycling contract review complete. • Professional Services review scheduled for Q3.
Strategic Reviews / Activity snapshots	<ul style="list-style-type: none"> • Three reviews have been substantively completed. These will inform the development of the 2027 LTP
Review of Development Contributions	<ul style="list-style-type: none"> • Detailed update provided in separate Agenda item.

2.0 Recommendations - *Ngā Tūtohunga*

That the Strategic and Recovery Committee receive the report titled Update on Strategic Work Programme dated 5 March 2026.

2.1 Council continues to face a challenging operating environment. This has been shaped by recent growth, a significant uplift in our capital works programme, and a range of factors, both external and internal.

2.2 Key strategic drivers facing Council include:

- A very significant capital works programme that has grown from around \$523m in the 2028 LTP to around \$2.1bn in the 2024 LTP. This is a 4-fold increase. We need to ensure we have the right systems, structures and capabilities in place to effectively and efficiently deliver this important programme of work for our communities.
- Ongoing fiscal and balance sheet constraints flowing from the provision of infrastructure to support growth and Cyclone recovery related expenditure.
- Limits to the community’s willingness and ability to pay.
- Demographic shifts, especially an ageing population, which will have wider ranging implications for the regional workforce and provision of services.

- Central government reforms pushing toward regional consolidation of activities. This will have significant implications for how we identify, advocate for, collaborate on, and deliver regional priorities into the future.
 - Central government proposal on rates capping.
 - The establishment of the new three waters entity is a very significant undertaking that is requiring detailed and robust implementation work.
 - Climate change adaptation and our regulatory role to identify and help to mitigate the impact of natural hazards. This is a complex and challenging space, particularly given the need to make room for growth and the preference of existing communities to protect, rather than retreat.
 - Government and community expectations of Council are evolving and changing. These range from 'stick to your lane' to 'wider wellbeing across communities'. This goes to our 'why' with a key question being, where do we want to be on the spectrum today from infrastructure and core community services through to a more expansive view of Council's role in promoting cultural, social, economic, and environmental wellbeing.
- 2.3 Regardless of which activities we choose to focus on we should be focusing on excellence in delivery and achieving outcomes. The two key parts of success are;
- delivery to specifications and budgets (output),
 - achieving purpose /outcome/s.
- 2.4 There are opportunities to be clearer about what success looks like (our key outcomes) and the important measuring and monitoring that is required to know if we are achieving these outcomes. Looking to the future, it is timely to ask ourselves what does fit for purpose look like now - across structures, processes and capabilities? How do we ensure effective programme and project delivery? How do we build and maintain an effective learning and adaptive organisation?
- 2.5 To help Council answer these questions, a strategic work programme was developed. On 19 August 2025, the previous Council's Strategy and Recovery Committee received the report '*Update on Strategic Work Programme*'. Building on the external and internal factors set out above, the report set out a work programme that was formed around six improvement pillars that go to '**what does better look like?**'



- 2.6 The six pillars focus on some of the big challenges and opportunities facing Council:
- **Better Decision** – a key decision point is coming on the sustainability of some of our aging assets.
 - **Better Pathways** – some parts of our business face new business risks and opportunities.
 - **Better Performance** – we need confidence that our capital programme is delivering optimal value and performance. The capital works contracts represent a large area of spend and offer opportunities for identifying cost savings and more effective ways of working.
 - **Better Value** - it is time to assess and question public value in some of our activities and the options to deliver them.

- **Better Prepared** – big things that are coming at us need a considered game plan.
- **Better Organised** - structures we create need to work for us and address a dynamic and changing context.

2.7 The report noted that officers had been advancing work to inform the key strategic conversations that Council will need to have as it develops the 2027 - 2037 LTP. The primary purpose of the Strategic Work Programme is to help Council step through complex issues as it grapples with the significant challenge of balancing capital investment needs (flowing from demands of a growing district and recovery from Gabrielle), the provision of key services and community facilities, and rating affordability.

2.8 Further, the 19 August report set out the key considerations with will inform these strategic conversations, including:

- **Capital programme and debt.** There will be some choices around timing of investment. Choices around the timing of recovery investment will need to be grounded in understanding of the time-limited Central Government funding that has been provided through to 2029. This funding has been provided to speed the pace of recovery. An implication of pushing recovery investment out would be that Council would be funding a much greater share of this cost. We also need to be clear about the implications of water related debt moving off the Council balance sheet.
- **Operational.** This will likely have 3 key aspects:
 - **Efficiencies.** Identifying any opportunities for efficiencies. Benchmarking will be a useful tool, noting that different Councils report and deliver activities in varying ways. The rapidly changing technological environment with the adoption and integration of AI is an important factor and opportunity for some areas of Council business.
 - **Service levels.** Identifying opportunities to consider service levels and the implications and trade-offs involved in these decisions.
 - **The role of Council in the provision of some activities.** Whether Council continues to do some activities that are not considered 'core'; or owns some assets (these reviews are underway).
- **Revenue opportunities.** There are some presenting opportunities in this space:
 - **Leaning into our strengths/comparative advantage in certain areas.** For example, IT and payroll where Council already provides shared services to other Councils. Other opportunities might respond to the broader strategic context pushing toward regional consolidation of activities, for example, a regional building consenting authority.
 - **Fees and charges.** Initial work suggests the broad policy framework is sound. There are, however, some potential opportunities in reconsidering the weighting between public and private contribution and in refreshing internal process to ensure fees and charges accurately reflect underlying cost changes.
 - **Corporate sponsorship and partnerships** (including with Central Govt). We are testing with potential partners whether there is appetite for a Hastings Partners Programme (along the lines of the New Plymouth Partners Programme). This is a partnership programme between New Plymouth District Council and key Taranaki businesses and other organisations. Together, these partnerships have enabled significant investment in key community assets over and above what the Council and the region's ratepayers could have achieved on their own).

The Strategic Work Programme, as presented in August 2025, is attached as **Attachment 1**.

2.9 Officers have been advancing the work programme with a particular focus on areas where Council has sought further advice and analysis on key matters relating to development of the 2027 – 2037 LTP. Since the last update, the external environment has changed considerably. Several significant Government reforms have been advanced along with several new proposals, including:

- **RMA reforms**

Resource Management reforms continue through the further advancement of the two Bills that will replace current legislation – the Planning Bill, and the Natural Environment Bill. In effect, the Planning Bill focuses on the built environment, and the Natural Environment Bill focuses on the natural environment. The reforms propose a number of significant changes including, among others:

- The development of a Regional Spatial Plan. This presents the opportunity for cohesive and integrated spatial planning, providing clarity and clearly articulating investment need. These plans will need to integrate (among others) the transport system, knowledge regarding known hazards, and climate change scenarios. Given the scale of such a plan, this will require significant time and resources.
- Introduction of standard zones and provisions. A nationally standardised zoning system to provide consistency. This may have implications across the District in several scenarios. However, the Minister will retain the right to approve a bespoke zone.
- Introduction of regulatory relief where Councils may have to compensate landowners for a constraint placed on developments e.g. heritage. If triggered, these scenarios will result in additional cost for Council and ultimately Ratepayers. It will be essential that the full implications are understood in detail with necessary mitigations to reduce any additional financial burden.

The reforms represent one of the most significant changes to Council’s core regulatory framework in a generation. Resource management sits at the centre of how Hastings enables housing supply, industrial development, infrastructure investment, environmental protection, and climate adaptation. The new planning system will shape the long-term direction of the district and materially influence economic growth, community wellbeing, and environmental outcomes. Council’s engagement in this reform process is therefore fundamental to achieving its broader strategic objectives.

- **Simplifying Local Government**

The proposed reforms signal a substantive reset of regional governance. While the Combined Territory Board is one element, the central requirement is the development of a mandatory regional reorganisation plan within two years of enactment.

This will require Hawke’s Bay to examine how regional functions are governed, delivered, and funded, and to clarify accountability across councils. Done well, this reform presents an opportunity to strengthen regional coordination, improve transparency of responsibility, and better align long-term investment decisions. The effectiveness of the reform will depend on the quality of the regional design process, democratic legitimacy, and how Māori representation and Treaty commitments are addressed.

- **Rates Capping**

Government has signalled legislation to cap annual rates increases within a 2–4 per cent range from 2027. This represents a structural constraint on revenue growth at a time when the district faces ongoing recovery costs, infrastructure investment pressures, and population change.

If implemented as proposed, rates capping will require sharper prioritisation, careful sequencing of capital investment, and clear choices around service levels and alternative revenue opportunities. These trade-offs will sit at the centre of the 2027–2037 Long-Term Plan.

- **Regional Structures**

Work is progressing across Hawke’s Bay to clarify how regional priorities are governed, coordinated, and delivered. This includes the future role of the Regional Recovery Agency, the Matariki Governance Group, and regional economic development arrangements.

The focus is on establishing streamlined structures that support a small number of shared regional priorities, with clear accountability and effective implementation. The Mayoral Forum continues to provide a practical platform for collaboration and decision-making and may form the foundation for any future governance arrangements required under the Simplifying Local Government reforms.

The objective is to move from overlapping and sometimes fragmented arrangements toward a more coherent regional model that strengthens coordination while maintaining local voice and mandate.

- **Embedded and cohesive Council**

Following the 2025 local elections, Hastings has a new Mayor, Deputy Mayor, and a significant number of newly elected members. Since that time, Council has completed an extensive induction process and worked through the 2026 Annual Plan.

Council has now established its ways of working and is operating with increasing cohesion and clarity of direction. This provides a stable platform to advance the Strategic Work Programme and to engage in the substantive trade-offs required through development of the 2027–2037 Long-Term Plan.

- 2.10 Taken together, these reforms and shifts materially shape the environment in which Council must make decisions. They influence how we plan for growth, manage risk, fund infrastructure, and define our role. The Strategic Work Programme is designed to ensure Council approaches the 2027–2037 Long-Term Plan with clarity about these constraints and opportunities, and with a disciplined focus on outcomes for Heretaunga Hastings.
- 2.11 The table below provides a status update on the Strategic Work Programme and outlines next steps for initiatives that have progressed materially since August 2025.

Some workstreams continue as part of ongoing business activity, while others have been completed. The focus now is on those initiatives that will directly inform development of the 2027–2037 Long-Term Plan.

Initiative	What it is	March 2026 update	Next steps
Review of Regional Structures	Review of the governance and delivery arrangements that support regional priorities across Hawke’s Bay, including recovery, economic development, and coordination functions.	Engagement continues with Hawke’s Bay councils and iwi partners to clarify future regional arrangements. Work has focused on simplifying structures, clarifying accountability, and aligning effort around a defined set of shared regional priorities.	Ongoing discussion through the Mayoral Forum, Matariki Governance Group, and Council tables. Alignment with any requirements arising from the Simplifying Local Government reforms.
Annual Plan & LTP development	Statutory planning processes under the Local Government Act 2002, including setting levels of service, capital investment, and funding decisions.	Council has completed workshops on the draft Annual Plan and reached alignment on the consultation position. LTP development process will commence in March.	Adopt draft Annual Plan for consultation on 25 March. Commence detailed development of the 2027–2037 Long-Term Plan.
Fees and Charges operating framework	Review of Council’s approach to fees and charges to ensure an appropriate balance between user contribution and general rates, and alignment with underlying costs.	Project scoping and benchmarking underway across selected activity areas.	Progress analysis through 2026 to inform LTP funding decisions.
Reviews of effectiveness and efficiency (Section 17a Reviews)	Statutory reviews of service delivery arrangements to assess cost-effectiveness and quality under the Local Government Act 2002.	Kerbside recycling contract review completed. Current delivery model confirmed as providing best value.	Commence review of professional services panel contract in Q3 2026.
Strategic Reviews / Activity snapshots	Targeted reviews of selected Council activities to assess strategic alignment, public value, service levels, and delivery options.	Three reviews completed in draft form. Additional reviews initiated in early 2026.	Consider scope and options as part of LTP deliberations, including potential service level adjustments or alternative delivery models.
Review of Development Contributions Policy	Review of the Development Contributions Policy to ensure growth-related infrastructure costs are allocated equitably and transparently.	Improvement areas identified. Workstreams progressing. Separate agenda report provides detail.	Integrate policy changes into the LTP development process.

Attachments:

1 [↓](#) Summary Strategic Framework 11-03-25

CG-18-03-00011

Attachment A: Strategic work programme priorities

Strategic Focus Areas	Work Programme Priorities	Strategic Pillar/s	Description	Group Lead	Role of D&S	Manager/officer Lead	Timeframe	
1. Effective regional structures	Review of Regional Structures	Better Organised	A review of the role of Matariki Governance Group (MGG) and the delivery agents/mechanisms that the region may require to succeed and respond to Central Govt reforms pushing toward regional consolidation of activity.	Democracy & Strategy	Lead	Manager, Special Projects	Draft report scheduled for mid-March 25	
2. A resilient Hastings	Natural Hazard work programme	Better Prepared	This involves changes to the District Plan and regulatory approaches to better identify and help to mitigate the impacts of natural hazards.	Planning & Regulatory Services	Active support and Watching brief	Manager, Environmental Policy	Ongoing	
	Emergency Management	Better Prepared	Implementing the HB CDEM Transformation Strategy. This imposes significant investment, work programmes and accountabilities on Council as an independent entity and as a partner entity with other Councils, agencies and mana whenua.	Office of Chief Executive	Active support	Chief Risk Officer GM, Democracy & Strategy	Over next 3 years	
3. Future planning & Pre/Post election preparation	Pre-election Report	Better Prepared	Will provide a common understanding of the challenges and opportunities facing Council activities and areas of responsibility.	Democracy & Strategy	Lead	Strategy Manager	Scheduled for May 25	
	Briefings for incoming Council	Better Prepared	Comprehensive briefing of incoming Council.	Democracy & Strategy	Lead	Chief Executive	Post-election 25	
	Long Term Plan & Annual Plan Development	Better Value, Better Decisions	Strategic Plan that outlines our activities and goals over the next 10 years. It explains the services and projects we aim to provide and how they will be funded, managed, and delivered.	Democracy & Strategy	Lead	Strategy Manager	Annual and every 3 years	
4. Council efficiency & effectiveness	Council General Management and lifting Council's capability to deliver outcomes	Better Organised	Build capability to assist the CE with General Management of Council with an emphasis on continuous improvement and organisation development. General Management is the process of overseeing and coordinating all operational aspects of Council to achieve its goals and objectives efficiently and effectively. Intention is to build better capability relating to – situational awareness; policy development; major project oversight and control; and monitoring and evaluation. This is likely to be a mix of different types of training, tools and templates, and clearer expectations on managers.	Democracy & Strategy	Lead	Deputy Chief Executive GM, Democracy & Strategy	Ongoing	
	Palmer Review (Planning)	Better Pathways	Implementing recommendations of Palmer Review.	Planning & Regulatory Services	Watching brief	GM, Planning & Regulatory Services	3 rd and final stage complete by end of 2025	
	Palmer Review (Growth)	Better Pathways	Implementing recommendations of Palmer Review.	Growth & Development	Watching brief	Director, Growth & Development	Continuing implementation	
	Fees and charges Operating Framework	Better Performance, Better Value	Project scoping underway. Will apply learning and recommendations from Fees and Levies Audit.	Community Wellbeing & Services	Watching brief	Community Strategies Manager	Dec 2025	
	Project and programme review and assistance, including: - Contract reviews - Section 17A reviews - Activity snapshots (true cost of business) - Assets and shareholdings NB: Where possible benchmarking will be considered to provide additional insights.		Better Performance	Contract reviews. This work would review key high spend/impact contracts. Examples: design panel, roading maintenance contract, 3-waters maintenance contract, and recreational services contract.	Asset Management	Active support	GM, Asset Management	First review: Dec 2025
			Better Value	s17A reviews. This work will inform the 2027 LTP.	Democracy & Strategy	Lead	Manager, Strategic Projects	To be sequenced
			Better Decisions, Better Value	Activity snapshots. A range of activity snapshots in key areas are proposed to inform future Council decision making – in particular the 2027 LTP. This work will also inform the issue of stranded overheads as a result of the possible creation of a new Three Waters entity.	Finance	Active support	Chief Financial Officer	To be sequenced
			Better Organised	Council assets and shareholdings. Further work is required to understand future Council ownership position and investment needs.	To be confirmed	Lead	To be confirmed	To be sequenced
Management of bespoke Strategic and Significant Operational Projects	Better Organised	Major initiatives we undertake to improve our organisation (internal focus) and respond well to operational environment change and opportunities (external focus) to move Council in the direction of our long-term strategy. For example, next steps with 3-Waters.	Democracy & Strategy	Lead	As required			
5. Finance, IT, Infrastructure	Development Contributions	Better Pathways	Understanding the true cost of growth; how this fits into a Development Levy system; and how best we transition to the new system.	Democracy & Strategy	Lead	Strategic Programme Lead	By June 2026	
	Infrastructure Strategy Update	Better Prepared	This is a legislative requirement. It requires a fit for purpose future review and links to DC policy and other strategic matters identified.	Democracy & Strategy	Lead	Strategy Manager	Feb 2026	
	Stranded Overhead Strategy	Better Pathways	LWDW and other regional aggregation efforts could lead to stranded assets. We need to understand impact and options to manage and mitigate impact.	Finance	Active support	Chief Financial Officer	June 2026	
	Project Genesis	Better Performance	A major organisational project to upgrade Council's main information database.	Finance	Watching brief	Chief Information Officer	June 2027	

Thursday, 5 March 2026

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Strategy and Policy Committee Meeting

Te Rārangi Take

Report to Strategy and Policy Committee

Nā:
From: **Graham Palmer, Project Manager**

Te Take:
Subject: **Climate Action Framework**

1.0 Executive Summary – Te Kaupapa Me Te Whakarāpopototanga

- 1.1 The purpose of this report is to present the Climate Action Framework (Framework) for endorsement by the Strategy and Policy Committee.
- 1.2 The Framework establishes a clear structure for Council’s work on climate change across two core areas: mitigation (reducing emissions) and adaptation (managing climate risks). It brings together existing and emerging work programmes under a single strategic lens to improve coordination across Council groups, support consistent decision-making, and embed climate considerations into planning, asset management and service delivery. It also enables Council to clearly articulate a cohesive and transparent story about its climate response - what we are doing, why it matters, and how the different pieces of work connect.
- 1.3 The Framework has been deliberately designed to be agile. It is built around the fundamental pillars of mitigation and adaptation, allowing it to evolve over time in response to legislative change, funding and resourcing considerations, and improved information about climate risk and organisational capacity.
- 1.4 The Framework itself does not require additional resourcing and does not commit Council to new capital or operational expenditure. It provides governance structure and strategic alignment. Any future initiatives arising from the Climate Action Work Programme (CAWP) will be assessed through established Long-Term Plan and Annual Plan processes.
- 1.5 The Framework is supported by the CAWP, which outlines actions Council is progressing across mitigation and adaptation. The CAWP will continue to evolve as projects mature and new information informs future stages of work. Further development is required to strengthen monitoring and evaluation, and officers will report back to the Strategy and Policy Committee with proposed reporting and oversight arrangements.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Policy Committee receive the report titled Climate Action Framework dated 5 March 2026.
- B) That the Committee endorse the Climate Action Framework to provide strategic direction for Council's climate response across mitigation and adaptation.
- C) That the Committee note that the Climate Action Work Programme (CAWP) will continue to evolve and will be refined over time as projects mature, further information becomes available, and national direction develops.
- D) That the Committee direct officers to develop and bring back to the Strategy and Policy Committee a strengthened monitoring, reporting and governance framework for the CAWP. This would become the basis for ongoing reporting to the Performance and Monitoring Committee.
- E) That the Committee note that any funding or investment required to implement actions within the CAWP will be considered through the Long-Term Plan and Annual Plan processes.

3.0 Background – Te Horopaki

- 3.1 In 2021 Council adopted the Eco-District Strategy, signalling a commitment to a low-emissions and climate-resilient future for Hastings District. Since then, climate-related work has progressed across multiple business groups, including asset management, planning, infrastructure, waste minimisation, energy efficiency and regional adaptation initiatives.
- 3.2 However, this work has developed across different programmes and governance streams. As climate risks increase, and national direction continues to evolve, Council requires a clear organising structure to align mitigation and adaptation activity, support coordinated decision-making, and provide greater visibility of priorities.
- 3.3 The Climate Action Framework responds to this need. It establishes an integrated approach to Council's climate response across two core areas:
- **mitigation** - reducing Council's emissions and energy exposure
 - **adaptation** - strengthening the resilience of Council assets, services and development planning
- 3.4 The Framework is structured around three pillars:
- **Pillar 1 - Mitigation (emissions reduction).** This focuses on reducing Council's operational emissions through development of an Emissions Reduction Plan, energy transition initiatives, fleet transition, waste minimisation and integration of carbon considerations into procurement.
 - **Pillar 2 - Adaptation (Council assets).** This focuses on embedding climate risk awareness into asset management planning, investment sequencing, and service continuity planning to reduce long-term disruption and financial exposure.
 - **Pillar 3 – Adaptation (development and planning).** This focuses on hazard-informed spatial planning, growth management and coordination with regional partners to reduce maladaptation and support sustainable development outcomes.
- 3.5 The Framework is supported by a Climate Action Work Programme (CAWP), which captures current and emerging actions across these pillars. The CAWP will continue to evolve as projects mature, new information becomes available, and legislative settings develop.

3.6 Endorsement of the Framework does not commit Council to specific capital or operational expenditure. Any funding or investment decisions will continue to be considered through established Long-Term Plan and Annual Plan processes.

4.0 Discussion – *Te Matapakitanga*

- 4.1 Climate change is increasing the severity and frequency of extreme weather events across Hawke’s Bay and Aotearoa. These events disrupt communities, damage infrastructure, and create long-term financial pressures well beyond the immediate response and recovery phase.
- 4.2 For local government, climate change is an important risk management issue. Council owns and manages significant infrastructure assets with long service lives. Increasing climate risk has implications for asset renewal cycles, insurance affordability, debt exposure, and the timing and scale of capital investment.
- 4.3 International analysis, including recent reporting from the World Economic Forum, reinforces that delayed adaptation increases long-term cost. Early and proportionate investment in resilience is consistently shown to be more cost-effective than reactive recovery expenditure.
- 4.4 Council also has clear statutory responsibilities in relation to climate change under:
- **Local Government Act 2002** - promoting the social, economic, environmental and cultural wellbeing of communities, now and in the future
 - **Resource Management Act 1991** - managing natural hazards and the effects of climate change
 - **Climate Change Response (Zero Carbon) Amendment Act 2019** - having regard to the National Adaptation Plan.
- 4.5 The Auditor-General has also emphasised the need for councils to adopt structured, long-term approaches to climate risk, supported by clear governance and monitoring arrangements.
- 4.6 Within Council, climate-related activity is progressing across multiple work programmes, including asset management, infrastructure planning, spatial planning and energy management. Without a unifying structure, there is a risk of fragmented prioritisation, inconsistent decision-making, or reactive investment responses.
- 4.7 The Framework provides the governance discipline required to coordinate this work. It creates a consistent structure for managing emissions reduction and climate adaptation, strengthens oversight, and supports more deliberate and financially prudent long-term decision-making.
- 4.8 The Framework does not commit Council to specific expenditure. Rather, it establishes the structure within which future business cases and investment decisions can be assessed transparently through established Long-Term Plan and Annual Plan processes.
- 4.9 Endorsing the Framework:
- Improves visibility of climate-related activity and strengthens reporting to elected members.
 - Supports more deliberate and financially prudent decision-making by linking climate risk to asset management, planning and investment processes.
 - Reduces the risk of duplication, inconsistent prioritisation or reactive investment decisions.
 - Strengthens Council’s ability to demonstrate compliance with statutory obligations and evolving national direction.
 - Emphasises the need for Officers to maintain coordination, reporting and oversight arrangements.
 - May increase expectations from some stakeholders regarding the pace or scale of climate action.

5.0 Next steps – *Te Anga Whakamua*

5.1 Subject to endorsement of the Framework, officers will progress refinement of the Climate Action Work Programme (CAWP) across mitigation and adaptation.

Mitigation – Emissions Reduction Plan

5.2 Officers will undertake further assessment to determine the most appropriate pathway for development of Council's Emissions Reduction Plan (ERP). This assessment will consider:

- Council's financial capacity and whether proposed initiatives can deliver long-term operational cost savings. Any significant investments would be supported by robust business cases and assessed through established financial processes.
- Alignment with national direction, reporting expectations and evolving legislative requirements.
- Lessons from comparable New Zealand councils, including scale, sequencing and proportionality of approach.
- The suitability of Council's existing financial, asset and data systems to support accurate emissions measurement, monitoring and reporting without creating disproportionate administrative burden.

5.3 This staged approach will inform whether Council progresses:

- a science-aligned ERP linked to recognised external standards, or
- a proportionate in-house ERP focused on priority emissions reductions while remaining adaptable to future requirements.

5.4 Officers will report back to the Strategy and Policy Committee with a recommended ERP pathway, implementation approach and any associated financial implications.

Adaptation – Coordination and oversight

5.5 Officers will establish a Climate Adaptation Planning group to coordinate adaptation activity across asset management, infrastructure, and development planning functions.

5.6 The group will:

- improve visibility of climate-related risks and workstreams
- support integration of climate risk into asset and investment planning
- monitor evolving legislative requirements, including the National Adaptation Plan
- support consistent reporting to governance.

Monitoring and reporting

5.7 Further work is required to strengthen monitoring and evaluation of the CAWP. Officers will develop a structured reporting framework, including proposed performance measures and governance oversight arrangements.

5.8 Progress updates will be provided to the Performance and Monitoring Committee, with key strategic matters reported to the Strategy and Policy Committee as required.

5.9 Any funding or capital investment proposals arising from the CAWP will be considered separately through Long-Term Plan and Annual Plan processes.

Attachments:

[1](#) Climate Action Framework

STR-08-06-03-24-3

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

[Link to the Council's Community Outcomes](#) – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the environmental and economic wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

The Framework recognises the importance of mana whenua perspectives in climate mitigation and adaptation. Ongoing engagement will occur through development of the Climate Action Work Programme, including supporting informed participation in adaptation planning and resilience outcomes.

Sustainability - *Te Toitūtanga*

The Framework embeds climate risk considerations into core business, supporting long-term environmental and financial sustainability. It promotes proactive risk management rather than reactive recovery.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

The Framework itself does not commit Council to new capital or operational expenditure.

Future initiatives arising from the Climate Action Work Programme may require investment. These will be assessed through robust business cases and considered through Long-Term Plan and Annual Plan processes alongside other Council priorities.

Targeted investment in resilience or energy transition initiatives may reduce long-term operating costs and exposure to price volatility. Conversely, delayed or uncoordinated action may increase future capital and recovery costs.

Significance and Engagement - *Te Hiranga me te Tūhonotanga* This report has been assessed under Council's Significance and Engagement Policy as being of moderate significance.

The Framework establishes governance structure and direction. Any future investment or policy changes arising from the Climate Action Work Programme will be assessed separately for significance and engagement requirements.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

The Framework has been developed in consultation with officers across multiple Council groups to ensure it is practical and aligned with existing work programmes.

Regional collaboration continues through climate risk assessment and adaptation planning initiatives.

Further consultation will occur as specific projects or policy decisions are progressed.

Risks

The principal risk addressed by the Framework is fragmented management of climate-related risk.

Key delivery risks include organisational capacity constraints, evolving legislative settings and maintaining effective cross-Council coordination. These will be managed through structured reporting and governance oversight.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
Improved oversight of long-term climate and financial risk. More deliberate and coordinated investment planning. Greater transparency and clarity for elected members and the community. Strengthened compliance assurance.	Competing organisational priorities may limit pace of implementation. Monitoring and reporting arrangements will require further development. Legislative reform may alter expectations or requirements over time.

Rural Community Board – *Te Poari Tuawhenua-ā-Hapori*

The Framework supports a coordinated approach to reducing emissions and strengthening resilience across the district, including rural communities. Rural impacts and priorities (such as access, infrastructure resilience, land-use risk and community preparedness) will be considered through development of the CAWP and future adaptation planning processes, including engagement with the Rural Community Board as required.



Climate Action Framework



Climate Action Framework

Policy expert	Graham Palmer – Project Manager
Document owner	Graham Palmer – Project Manager
Owner Group	Strategy
Received by Council	5 March 2026
Version	1.0
Review date	5 March 2029

Change History

Amendment (s)	Date	Updated by and authority

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PURPOSE

Climate change poses a growing and long-term threat to the functioning of communities, businesses, infrastructure, and local government. This Climate Action Framework (Framework) establishes how Hastings District Council (Council) will respond strategically to climate change by focusing on mitigation and adaptation, and by embedding climate considerations into governance, planning, and investment decision-making.

The welfare of communities across the district must be at the core of Council's climate response. Improving the sustainability, efficiency and resilience of Council managed assets and infrastructure, plus climate conscious development planning will all contribute to community resilience.

This Framework seeks to ensure that understanding of climate risk is shared with communities in a timely, accessible and culturally aware manner. It should support individuals to participate in place-based decision making and to make informed personal choices through a deepened understanding of evolving climate risks.

This Framework outlines key statutory requirements plus the need for ongoing cooperation between local and regional authorities. It emphasises the need for consistent internal coordination within Council that breaks down silos, creates a sense of collective ownership, identifies the lead groups for each aspect and provides a consistent high-level overview of Council's climate response.

A Climate Action Work Programme (CAWP) will be the delivery mechanism of this Framework. It includes:

- An Emissions Reduction Plan (ERP) consistent with national emissions goals.
- Coordinated adaptation strategies consistent with the National Adaptation Plan (NAP).

This Framework provides a structure for prioritisation, coordination, and accountability, but does not prescribe specific projects or commit Council to unfunded expenditure. Detailed actions, targets, timeframes, and resourcing will be determined through the CAWP and considered through established Long-Term Plan (LTP) and Annual Plan processes alongside other statutory and service delivery priorities.

BACKGROUND

Scientific consensus has shown that greenhouse gas (GHG) emissions from human activities are responsible for the recent multi-decadal trend of global warming and climate change. Continuing at the current rate of emissions will have devastating and long-lasting impacts. Acute threats include an increasing frequency and intensity of extreme weather events such as cyclones, floods, wildfires and heat waves. Slow-onset threats such as sea-level rise, ocean acidification, biodiversity loss, water scarcity and ambient temperature shifts will threaten human health and may disrupt essential production and supply chains across the human, built, natural and economic domains.

COUNCIL'S CURRENT STATE

Council recognises that it has a moral and legislative responsibility to reduce its greenhouse gas emissions and to adapt to climate change in order to minimise future impacts on Council-managed assets, services, and communities.

Over the past two decades, Council has pursued a range of sustainability and climate-related initiatives, including adoption of the District Development Strategy and Eco District Strategy in 2021. While these initiatives represent progress, climate-related activity has largely developed within individual policy, service, and planning areas rather than through a single, organisation-wide approach.

Emissions

Council's activities generate greenhouse gas emissions from a range of sources. To quantify these emissions, Council commissioned two verified organisational carbon inventories (Carbon Footprint) for the financial years ending 30 June 2022 and 30 June 2023. These inventories show that Council activities produced an average total of 12,332.65 tonnes of carbon dioxide equivalent per year, comprising direct (Scope 1), indirect (Scope 2), and supply-chain (Scope 3) emissions.

These averaged 2022/2023 (Baseline) measurements provide an evidence base for understanding Council's emissions profile and will inform the development of its ERP. They also indicate the scale of emissions reductions required to align with national targets under the Climate Change Response (Zero Carbon) Amendment Act 2019.

Many Council operations continue to rely on gas, petrol and diesel, which are high-emissions energy sources. These fuels are among the most expensive to operate and maintain, driven by volatile fuel prices, higher maintenance costs, and increasing regulatory and market pressures. Without planned transition pathways, this creates financial and emissions-related risks for Council and ratepayers.

Adaptation

Council owns and maintains a wide range of assets and infrastructure that are increasingly exposed to climate-related hazards, including flooding, coastal processes, heat, and extreme weather events. Cyclone Gabrielle in 2023 highlighted the scale of disruption and financial impact such events can have on Council services, infrastructure, and communities.

Council must manage these risks within a constrained fiscal environment, balancing long-term asset management, adaptation investment, and financial sustainability. Climate change also has implications for future development patterns requiring spatial and district planning decisions that avoid increasing exposure to risk or creating maladaptive outcomes.

A number of existing work programmes already contribute to adaptation and resilience, including asset management planning, the Future Development Strategy (FDS), coastal hazard planning, flood resilience initiatives, and regional collaboration projects.

Risk Assessment

In 2025, the Climate Action Joint Committee (CAJC) commissioned Hawke's Bay's first Regional Climate Change Risk Assessment (CCRA). The assessment aligns with national guidance under the

NAP and provides a science-based evaluation of climate risks across the region and its districts. Key risks identified in the Hastings District include coastal flooding, river and rainfall flooding, landslide and isolation, plus risks to communities and the primary sector industry from increasing temperatures. Key data gaps such as wildfire, ponding, overland flow and groundwater modelling are under investigation by Council and partner agencies. In addition to physical risks, Council faces strategic risks associated with climate change, including reputational, financial, legal, compliance, and service delivery risks.

PROBLEM DEFINITION

Taken together, the current state shows that Council's climate response is constrained not by a lack of activity or commitment, but by fragmentation and inconsistent integration of climate considerations into core decision-making.

While mitigation and adaptation initiatives are underway, they are not consistently aligned within a single strategic structure that connects governance, asset management, spatial planning, and financial planning. This creates a risk that climate action is reactive, duplicative, or insufficiently embedded in long-term investment and regulatory decisions. The absence of a unifying framework also limits Council's ability to clearly articulate priorities, manage trade-offs, monitor progress, and provide transparent accountability to governance and the community.

This Framework responds to that constraint by establishing a shared structure for prioritisation, coordination and accountability by embedding climate considerations into business-as-usual (BAU).

GUIDING THE LOCAL GOVERNMENT RESPONSE

The 2024 Auditor-General's report "*How Well Four Councils Are Responding To A Changing Climate*" evaluates the climate change responses of Environment Canterbury, Christchurch City Council, Nelson City Council, and Whanganui District Council. The report shows that these councils have initiated actions to address climate change impacts, such as coastal adaptation planning, infrastructure resilience and mapping climate risks. However, the report notes that while climate change is identified as a strategic priority, this has not always translated into planning, governance, and performance monitoring.

The Auditor General report emphasizes the need for councils to establish clear, long-term climate strategies with defined objectives, prioritisation, and robust performance measures. Effective governance structures and transparent reporting are also critical to ensure accountability and maintain community support.

The report offers five recommendations to enhance and guide councils' climate responses:

- Collaborate to understand climate impacts,
- Clarify climate strategy objectives,
- Strengthen performance measures,
- Define governance arrangements,
- Report publicly on climate progress.

STATUTORY AND LEGISLATIVE CONTEXT

Local government has a critical role in Aotearoa's climate change response. This role is reflected across a range of legislation, national policy instruments, and statutory obligations that collectively require councils to consider climate change mitigation, adaptation, and risk management in decision-making.

To effectively respond to climate change, local government must be supported by clear, durable and non-partisan legislative authority. Council will continue to advocate for consistent and enduring central government frameworks for climate change mitigation and adaptation, particularly in relation to land-use planning, natural hazard management, and long-term infrastructure resilience. Legislative clarity and consistency are essential to enable timely decision-making, reduce maladaptation, and protect communities from escalating climate risk.

The legislative environment for climate change and natural hazard management is currently undergoing significant reform. This includes the replacement of the Resource Management Act 1991 and ongoing updates to national direction, such as National Policy Statements and National Environmental Standards plus the introduction of the National Adaptation Framework (NAF) with its sixteen actions. While this reform introduces a level of short-term uncertainty, it also reinforces the need for councils to adopt flexible, outcome-focused approaches that remain effective across changing statutory frameworks.

Accordingly, this Framework is designed to be legislatively adaptive. It establishes enduring principles, priorities, and delivery mechanisms that can be given effect under current legislation and transitioned seamlessly to successor legislation as it comes into force. The Framework focuses on what Council must achieve in responding to climate change, rather than prescribing fixed regulatory tools that may change over time.

Current Legislative Context

Council's climate responsibilities are informed by the following key statutes and national direction instruments (until replacement legislation is fully implemented):

Climate Change Response (Zero Carbon) Amendment Act (ZCA) 2019

- Part 1A – Establishes New Zealand's emissions reduction targets and carbon budgeting framework.
- Section 5ZS – Requires central and local government to have regard to the NAP.

Resource Management Act (RMA) 1991

- Section 7(i) – Local authorities must have particular regard to the effects of climate change.
- Sections 30, 31 – Regional councils and territorial authorities' functions include management of natural hazards and effects of climate change.
- Section 74(2)(d) and (e) – When preparing or changing a district plan, a territorial authority shall have regard to any ERPs and NAP made in accordance with the Zero Carbon Act.

Local Government Act (LGA) 2002

- Section 14(1)(h) – Requires local authorities to take a sustainable development approach, including consideration of social, economic, environmental, and cultural wellbeing, now and in the future.

National Policy Statements (NPS)

- National Policy Statement for Freshwater Management (NPS-FM)
- National Policy Statement on Urban Development (NPS-UD)
- National Policy Statement on Natural Hazards (NPS-NH), and successor instruments as they are introduced

Legislative Transition and Ongoing Alignment

As national resource management and planning legislation evolves, Council will regularly review and update the Framework and associated implementation plans to ensure ongoing alignment with statutory requirements and national direction. This includes:

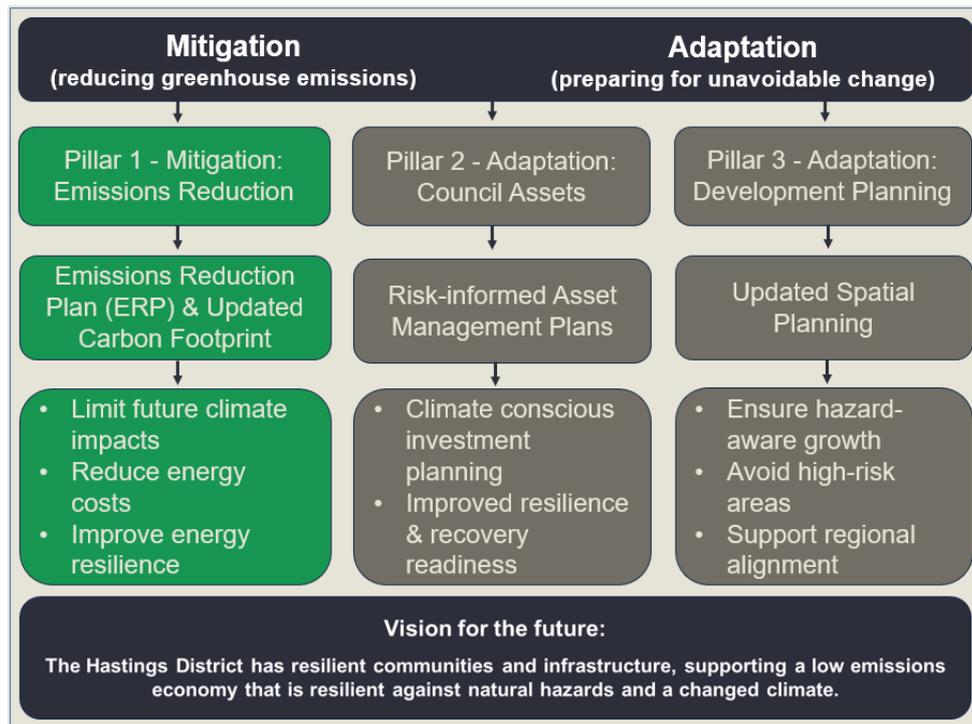
- Monitoring legislative reforms and new national policy instruments
- Updating planning, asset management, and governance processes as required
- Ensuring that mitigation and adaptation actions remain legally sound, evidence-based, and fit-for-purpose

This approach ensures the Framework will remain current, effective, and enforceable, while providing continuity and certainty for communities, partners, and decision-makers during periods of legislative change.

PILLARS OF ACTION

Climate change presents complex and interconnected challenges that, if not prioritised, risk overwhelming Council's resources. To ensure the climate response remains focused, fit-for-purpose, and aligned with legislative obligations and the Auditor-General's recommendations, this Framework establishes a clear set of priority actions.

Council's climate response is structured around mitigation and adaptation as its two fundamental components. Adaptation is further divided into two areas for manageability and clear accountability. Together, these elements form the three pillars of action that guide development of the CAWP.



PILLAR 1 - MITIGATION: EMISSIONS REDUCTION

The Role of GHG

GHG reductions are critical to the climate response and are sought as the outcome of the Paris Agreement, of which New Zealand became a signatory in 2016. The agreement seeks to limit global temperature rise to no more than 1.5°C above the pre-industrial average. The Intergovernmental Panel on Climate Change (IPCC) states that emissions from all sources must reach net-zero by 2050. Achieving this target is the goal of the Zero Carbon Act.

Required Actions

Effective mitigation requires a combination of gross emissions reductions and net offsets. Gross emissions are those that introduce new carbon into the atmosphere, primarily through the combustion of fossil fuels or via land-use changes for agriculture and urban sprawl. Net offsets (Sequestration) describe a range of long-term or permanent carbon removals via actions like tree planting or other forms of carbon capture. It is critical that gross emissions are steadily reduced so that the process of Sequestration has time to stabilise and eventually reduce atmospheric carbon.

Using 2020 as a reference (the year after the Zero Carbon act became law), the net-zero target requires an average emission reduction of 16.6% in each five-year period between 2020 and 2050. These figures underline the urgent need to progress a work programme of high-impact projects in the short-term while a comprehensive plan is in development.

An ERP should be developed to set emissions budgets, targets, and assessment milestones for the Council's emissions reduction programme. These targets should be based on the Council's emissions profile established in the Baseline carbon footprint.

The ERP will prioritise projects that deliver the greatest GHG reductions for financial and resource investment, including nature-based solutions to increase Sequestration. It may be internally developed or science-based aligned with guidance from the Local Government Funding Agency (LGFA).

If resources are limited, the ERP may be developed in phases, initially covering Scope 1 and Scope 2 emissions, with Scope 3 added when feasible. Either plan will be prepared in close consultation with managers and staff across relevant areas to ensure targets are resourced, achievable, and both environmentally and financially sustainable over the long term.

Key focus areas of an ERP will likely include:

- Planned transition away from natural gas at Council facilities.
- Improving energy efficiency and investment in renewable energy at Council facilities.
- Transitioning Council's vehicle fleet to low-emissions alternatives.
- Ongoing implementation of waste minimisation initiatives.
- Contractor emissions reporting and consideration of embodied carbon in the procurement of services, capital investment, maintenance and tendering processes.
- Promote urban intensification and infilling to reduce land-use change and transport emissions.
- Develop options to reduce wastewater treatment emissions.

Emissions reduction should be embedded into BAU practices to ensure consistent operational planning and implementation. The Finance, Procurement and Asset Management Groups will all be strongly involved in planning and implementation of Council's mitigation work programme. It is recommended that substantive papers going before Council should include a climate impact statement that clearly identifies any risks and opportunities arising from the content of the paper. Verification of reductions will be achieved through ongoing Carbon Footprint measurements tested against KPIs and Baseline metrics.

Incentives & Opportunities

- In addition to reducing carbon emissions, actions to phase down fossil gas use will help insulate Council and ratepayers from the financial risks of increasing gas prices and supply volatility. This supports long-term fiscal prudence and enhances economic resilience.
- The LGFA offer reduced interest loans that incentivise councils to advance a wide range of climate related activities. Development of a science-based ERP will help unlock access to cheaper borrowing and may reduce financial strain on the wider organisation.
- Emerging or novel technologies such as digital cloud storage and the uptake of Artificial Intelligence (AI) present opportunities that can create efficiencies for Council operations. However, these need to be managed strategically to avoid adding to Council's emissions profile or contributing to unintended environmental or social impacts, such as driving water scarcity in the regions where they are based. Consideration of risks from such emerging opportunities should be included in strategic planning to maximise their benefit and minimise their harm.

Desired Outcomes

Achieving emissions reductions will not end climate change. However, they will collectively serve to limit the severity of its impacts and allow natural systems and communities more time to adjust. A successful mitigation work programme will deliver measurable, staged reductions of Council's carbon footprint which are consistent with the net-zero target, while also delivering reduced operational energy costs and increasing energy independence.

Monitoring and KPI Setting

KPIs will be developed as part of the ERP and will be linked to a timeline for their implementation which is consistent with the Zero Carbon Act and other relevant legislation.

Measuring the effectiveness of the ERP will involve regular verified carbon footprint measurements which will provide a robust system for tracking and reporting Council's GHG across scopes 1, 2 & 3.

Baseline metrics will be established to provide context to fluctuations in measured emissions totals. These should consider emissions against variables such as:

- Changes in emissions per capita or the number of rateable properties served.
- Significant changes to levels of service provided.
- Significant changes in the structure or operational boundaries of the organisation.
- External factors including emissions attributable to recovery from a natural disaster or other event outside the control of Council.

Periodic reassessment of Council's Baseline emission measurements may be necessary to ensure alignment with updated emissions data and/or organisational boundaries.

PILLAR 2 - ADAPTATION: COUNCIL ASSETS

Understanding The Risk

While local government is already well accustomed at making investment and planning decisions for decades to come, climate change introduces new uncertainties. Council is seeking to understand how climate change may affect its ability to maintain assets and deliver services at timespans from 2035 out to 2050 and 2100. Council officers participated in the LGFA led-work to produce the Local Government Sector Climate Scenarios which can be used to stress-test council strategies, infrastructure investment, and financial planning against a range of plausible climate and socio-economic futures to support robust, adaptive decision-making. These scenarios combined with the CCRA and other sources of risk information will serve an important role in asset management decision making.

Required Actions

Safeguarding Council managed assets against climate risks will reduce impacts on public services and the financial burden on ratepayers. Development of AMPs should consider future climate risk and be led by asset managers and staff with support from Strategy Group. These should include reviews of existing level of service as is appropriate. Climate adaptation and GHG mitigation considerations should become part of BAU AMP and form part of LTP budget bids and annual plans. These actions will be prioritised and refined through the CAWP, as outlined in the Next Steps section.

AMPs must be informed by the best available hazard data to assess exposure over asset lifetimes and set clear and reasonable risk reduction strategies. These processes will support long-term decision making on individual assets or groups of assets. AMPs should consider nature-based solutions where practical. Asset adaptation projects should be planned to coincide with any works related to Pillar 1 objectives to help maximise the value of capital spend and minimise cost and disruption.

AMPs should include hazard-informed recovery pathways to support rapid decision making in a post-disaster recovery scenario. Pre-defined recovery pathways assist post-event asset repair, renewal, and investment decisions. They will accelerate recovery, provide decision clarity during high-pressure conditions, and ensure recovery actions align to long-term resilience and adaptation objectives.

A resilience and adaptation planning group will be established to support coordination internally across all business areas on key aspects of pillars 2 and 3. Adaptation will be prioritised based on risk severity, service criticality, and cost-effectiveness, recognising that not all risks can or should be mitigated.

Desired Outcomes

Asset adaptation strategies will not eliminate all climate impacts, but they can make them more manageable. Effective adaptation will see climate risks and opportunities embedded into business-as-usual asset management, resulting in reduced service disruption, faster recovery following events, and more manageable costs. Asset financing will be planned within existing maintenance and renewal cycles to optimise asset lifetimes.

Assessing the effective asset adaptation will be achieved through a mix of vulnerability assessments, reduced service disruption, plus reductions in climate event recovery timeframes and associated costs.

PILLAR 3 - ADAPTATION: DEVELOPMENT PLANNING

Understanding The Risk

A changing climate means the types and levels of risk facing the district's communities will continue to evolve. Planning decisions for future development must account for existing and foreseeable hazards, as well as changing demographics and infrastructure constraints. Effective adaptation depends on consistent, non-partisan legislative direction from central government. However, ongoing legislative reform and uncertainty risk delaying robust adaptation planning and, if not addressed, may result in insurance providers effectively shaping adaptation outcomes.

Required Actions

Councils are required under the RMA (currently under reform) to update District Plans to manage natural hazards and emerging climate risks. Climate risk information is therefore central to reviews of the District Plan (DP) and the FDS, which guide development away from locations subject to significant natural hazard risk. The NAF introduces the identification of priority risk areas through spatial plans and requires development of adaptation plans to be undertaken by local government.

In managing both new and existing development, it is essential that protective measures (such as flood protection or seawalls) do not unintentionally enable further development or maladaptation. Internal and regional collaboration through initiatives such as the FDS, Reimagining Flood Resilience, drainage scheme reviews, and the Coastal Hazards Strategy is critical to establishing coherent district and regional adaptation pathways. Community engagement will focus on informed choice and shared understanding of risk, including circumstances where continued protection or retreat may not be viable over the long term. Council should continue to advocate for an enduring legislative framework that supports these goals via consistent, clear direction and delegation of authority and establish an internal resilience and Climate Adaptation Planning group (CAP) to support coordination across these issues.

Development strategies that promote urban intensification and infill can also support emissions reduction under Pillar 1 by limiting land-use change and new infrastructure demand. However, intensification must account for increased stormwater runoff and urban heat effects. Development planning and building design should therefore consider higher ambient temperatures, water and energy efficiency, multimodal transport, and incorporate permeable surfaces, stormwater detention, nature-based solutions, tree-lined corridors, and green space amenities.

Contingency plans for disaster recovery should be developed in advance and embed adaptation measures from the outset. This approach reduces future risk, strengthens long-term resilience, and avoids restoring assets and communities to pre-disaster conditions.

Desired Outcomes

Supported by clear legislative direction, hazard- and constraint-informed updates to spatial planning and the District Plan will help prevent inappropriate development and maladaptation. While adaptation planning cannot eliminate all climate and natural hazard risks, it should result in well-connected, attractive, and sustainable development in locations where communities and businesses can thrive, supported by resilient infrastructure and lower exposure to risk.

MONITORING THE PILLARS OF ACTION

Robust monitoring and reporting against the three pillars of action is essential to ensure that Council's climate response remains effective, transparent, and responsive to changing risks, evidence, and circumstances. Monitoring under this Framework is intended to enable governance oversight, inform decision-making, and enable learning and adaptation over time.

Progress against this framework will be monitored through a set of Key Performance Indicators (KPIs) aligned to each of the three pillars of action. These KPIs will be confirmed and refined through development of the CAWP and associated implementation plans.

Where possible, monitoring will draw on quantitative measures, particularly in relation to emissions reduction under Pillar 1. For adaptation actions under Pillars 2 and 3, monitoring will incorporate a mix of quantitative and qualitative indicators that reflect changes in risk exposure, preparedness, and organisational capability.

Monitoring and reporting will be integrated into existing Council processes wherever practicable, including Long Term Plan, Annual Plan, and Asset Management Plan reporting cycles. This approach supports business-as-usual delivery and avoids the creation of parallel reporting systems.

Monitoring is not solely intended to track progress, but to enable timely response where performance is not meeting expectations or where circumstances change. Where monitoring identifies that:

- agreed targets or milestones are not being met,
- climate risks are increasing or materialising faster than anticipated, or
- assumptions underpinning the Framework or associated plans are no longer valid,

Council will consider appropriate responses. These may include reprioritisation of actions within the CAWP, adjustment of targets or timeframes when supported by evidence, identification of additional resourcing or funding through LTP or Annual Plan processes, or escalation of significant risks and trade-offs to governance for direction.

Governance will retain oversight of strategic priorities, trade-offs, and investment decisions, while operational delivery and coordination will be managed through existing delegated arrangements.

Reporting on progress and emerging risks under this Framework will be provided to Council and relevant governance forums at appropriate intervals, consistent with existing reporting cycles.

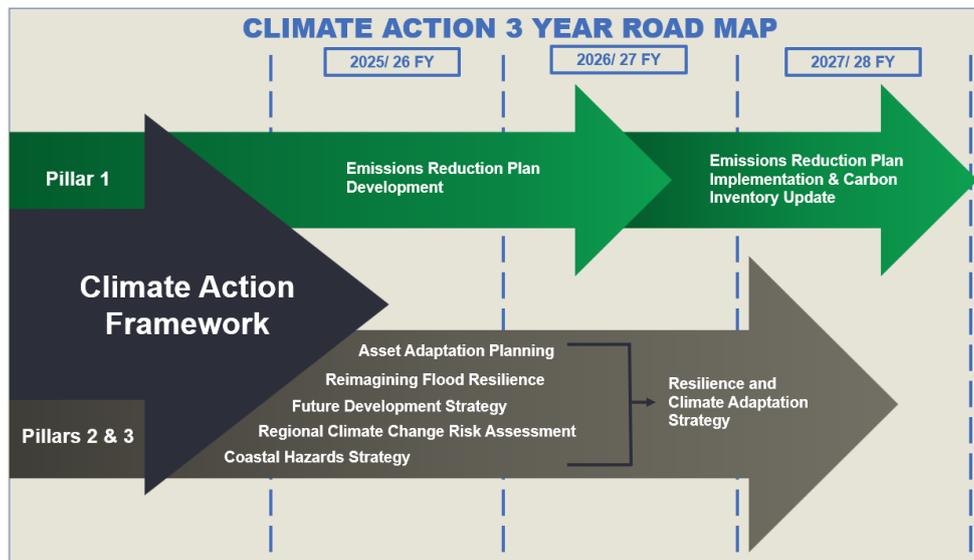
This Framework is intended to operate in a context of uncertainty. Lessons learned from implementation, extreme weather events, updated climate science, legislative change, and community feedback will inform periodic review of the Framework and associated strategies.

Formal review of the Framework will occur within three years of drafting, or earlier if significant changes in risk, legislation, or Council priorities warrant it. This ensures the Framework remains current, credible, and fit-for-purpose over time.

FRAMEWORK SUMMARY & REVIEW

This Framework establishes a clear, coordinated foundation for Council's climate response. It responds directly to the previously identified challenge of fragmented climate activities by providing a shared structure for prioritisation, integration, and accountability across mitigation and adaptation.

The Framework will be implemented through development of a Climate Action Work Programme, supported by an Emissions Reduction Plan and adaptation strategies aligned to the National Adaptation Plan and coordinated by a resilience and Climate Adaptation Planning group. These will translate the Framework's three pillars into prioritised actions, targets, timeframes, and resourcing, and embed climate considerations into business-as-usual decision-making across governance, planning, asset management, and investment.



Delivery of the Framework will rely on strong coordination, clear ownership, transparent governance reporting, and consistent monitoring through KPIs aligned to each pillar. These will be integrated into existing Long-Term Plan, Annual Plan, and asset management processes.

Success will be demonstrated by climate considerations being embedded in Council decisions, improved alignment across mitigation and adaptation, and investment decisions being informed by an improved understanding of climate risk.

Council will continue to advocate for clear, durable legislative direction from central government and remain committed to collaboration with regional partners, mana whenua, community groups, and other stakeholders. These partnerships are essential to delivering place-based, culturally grounded responses and to supporting informed community participation in adaptation decision-making.

While climate action now cannot prevent all future impacts, this Framework supports earlier, more deliberate decisions that reduce risk, avoid maladaptation, and strengthen resilience. Expected benefits

include lower operational emissions and energy costs, more resilient infrastructure and services, improved recovery from extreme events, and greater community confidence in long-term planning.

This Framework is intended to be a living document. It will be given effect through the CAWP and will evolve in response to lessons learned, new climate science and extreme events, legislative change, and community feedback. A formal review will occur within three years of drafting, or earlier if significant changes in risk, legislation, or Council priorities require it.

NEXT STEPS AND CAWP OUTLINE

A critical next step in Council's climate response is determining what constitutes a reasonable, proportionate, and achievable level of action, particularly in relation to adaptation. This requires balancing scientific evidence, risk, affordability, organisational capacity, and Council's statutory role.

An important part of this work is establishing clear and consistent design standards for how climate and natural hazard risks are accounted for in planning, asset management, and investment decisions. This includes agreeing a common language, defining appropriate event return periods for design and renewal, and determining which climate information and guidance should be relied upon, such as Representative Concentration Pathways, Shared Socioeconomic Pathways, or nationally recognised climate modelling and datasets. These standards will need to account for different levels of climate change across multiple time horizons extending into 2100.

Where practicable, it is preferred that these standards are developed and adopted at a regional scale, to support consistency, reduce duplication, and provide a more robust basis for long-term decision-making across the Hawke's Bay region.

Key considerations in setting these standards include the selection of appropriate climate scenarios, the relevance of local government sector climate scenarios, resource and capability constraints, and the availability and quality of risk and hazard information. These considerations are interdependent and will continue to evolve over time.

Addressing these matters is both an outcome of the Climate Action Work Programme and a key contributor to its implementation. As actions are delivered, they will improve the evidence base, clarify risk tolerances, and strengthen organisational capability, enabling Council to refine its approach and adjust the scale and timing of future actions. This iterative approach supports timely decision-making while reducing the risk of maladaptive outcomes.

More broadly, ongoing refinement of the CAWP will tease out bespoke actions, timeframes, ownership and resource requirements through ERP implementation and strengthening of adaptation strategies via the CAP.

Tables 1-3 on the following pages outline the initial CAWP and will undergo refinement to ensure they can deliver on objectives. While these tables are not final and do not commit Council to unfunded delivery, they do provide an indication of key steps in Council's response. Resourcing and prioritisation of the CAWP will be progressed for consideration through the LTP and Annual Plan processes.

TABLE 1 - MITIGATION: EMISSIONS REDUCTION WORK PROGRAMME

Action	Description & Objective	Lead Group	Start	End	Frequency/ Review	Resourcing	Milestones
Develop ERP informed by Baseline footprint (Scope 1 & 2 initially with Scope 3 to follow)	Establish emissions pathway with budgets, targets, KPIs aligned to national net-zero target by 2050	Strategy	Q4 2025	Q4 2026	One-off, then 5-year review	HDC Staff Resource / supported by Climate Action Work Programme	ERP adopted by Council Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years or as required
Promote ERP implementation across Council	Embed climate action into BAU supported by staff training to achieve cross-department buy-in	Strategy	Q1 2026	Ongoing	Annual check-ins	HDC Staff Resource	Training/awareness delivered Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years or as required
Facility electrification and renewable energy uptake	Reduce emissions, energy costs and supply risk exposure by replacing fossil fuels with electric alternatives and install renewable generation (Solar)	Infrastructure / Waste, Parks & Cemeteries	Q1 2026	Q4 2030	ERP 5-year cycles	Supported through Climate Action Work Programme	Aligned to targets to be developed in the ERP. Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Identify opportunities to improve energy efficiency of facilities	Energy audits to inform retrofit or upgrade buildings to cut energy demand, emissions and costs	Infrastructure / Waste, Parks & Cemeteries	Q1 2026	Q4 2030	ERP 5-year cycles	HDC Staff Resource / supported by Climate Action Work Programme	Matched to energy type and emissions reduction targets Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Transition vehicle fleet to low-emission alternatives	Reduce fleet emissions and costs with transition to predominantly EV/PHEV fleet supported by new charging infrastructure	Finance/ Procurement	Q1 2026	Q4 2035	ERP 5-year cycles	Supported through Climate Action Work Programme	Aligned to targets to be developed in ERP. Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Implement Waste Minimisation Plan (WMMP)	Deliver on WMMP goals to reduce landfill emissions	Waste	Current	Ongoing	WMMP cycles	Joint HDC/NCC Staff Resource	Annual waste reduction targets achieved Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Integrate carbon considerations into procurement/tendering	Require/encourage key suppliers to demonstrate carbon-conscious practices + emissions reporting	Procurement/ Dept Leads	Q1 2026	Ongoing	Ongoing	HDC Staff Resource	Procurement policy updated Monitoring: Annual reporting & KPIs; Independent life-cycle assessments (LCA) verification where applicable; Reviewed every 3 years
Wastewater Treatment Review	Support and identify opportunities to reduce WWTP emissions	3-Waters	Q4 2026	Ongoing	ERP 5-year cycles	HDC Staff Resource	Reviewed every 3 years
Organisational carbon footprint (Scopes 1-3)	Measure and verify progress transparently	Strategy	Q2 2027	Ongoing	Every 5 years (or annually if required)	Supported through Climate Action Work Programme	Verified footprint published Monitoring: Annual reporting & KPIs; Independent verification tied to ERP requirements

TABLE 2 - ADAPTATION: COUNCIL ASSETS WORK PROGRAMME

Action	Description & Objective	Lead Group	Start	End	Frequency/ Review	Resourcing	Milestones
Asset adaptation coordination	CAP to support coordinated adaptation and resilience planning across business areas and ensure compliance with regulatory changes	Strategy	Q4 2025	Ongoing	Annual updates	HDC Staff Resource	Reporting to Governance as necessary on individual or relevant groups of issues.
Assessment of asset risk exposure	Utilise available hazard data to inform understanding of critical asset risk exposure and develop bespoke adaptation strategies guided by Dynamic Adaptive Pathways Planning (DAPP) cycles	Strategy / Risk	Q1 2026	Q4 2032	Every 6 years	Supported through Climate Action Work Programme	Priority asset risks identified Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Refine asset adaptation assumptions, thresholds, and investment signals	Progressively resolve key assumptions relating to climate scenarios, risk tolerance, service criticality, levels of service, and affordability to define decision thresholds and adaptation pathways for Council assets. Establish the basis for proportionate investment and recovery decisions	Strategy / Risk	Q2 2026	Ongoing	Ongoing	HDC Staff Resource	Outputs embedded in AMPs and funding through LTP & AP Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Embed climate risk and adaptation into AMPs and funding decisions	Apply agreed adaptation assumptions, thresholds, and pathways through AMPs, with funding prioritised via LTP and Annual Plan processes as part of BAU delivery	Infrastructure / Waste, Parks & Cemeteries	Q1 2026	Ongoing	Annual	HDC Staff Resource	Priority asset risks identified and funding secured in LTP Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years
Hazard-informed recovery pathways	Consider develop of pre-defined recovery pathways for critical assets prior to hazard events to support repair, replacement, or managed retreat where reinstatement may not be appropriate post-event. Optimised to reduce reliance on ad-hoc decisions, and help prevent maladaptive outcomes over asset lifecycles	Infrastructure / Waste, Parks & Cemeteries	Q1 2026	Ongoing	AMP cycles	HDC Staff Resource	AMPs updated with recovery pathways for adaptation Monitoring: Annual reporting & KPIs; Independent verification where applicable; Reviewed every 3 years

TABLE 3 - ADAPTATION: DEVELOPMENT PLANNING WORK PROGRAMME

Action	Description & Objective	Lead Group	Start	End	Frequency/ Review	Resourcing	Milestones
Adaptation planning coordination	CAP to support coordinated adaptation and resilience planning across business areas and ensure compliance with regulatory changes	Strategy	Q4 2025	Ongoing	Annual updates	HDC Staff Resource	Reporting to Governance as necessary on individual or relevant groups of issues.
Contribute to inaugural Hawkes Bay Regional Spatial Plan (RSP)	Meet RSP requirements regarding mapping hazards and associated land development policy decisions; incorporate knowledge and directions from the existing Future Development Strategy (FDS)	Growth & Development	TBC by legislation	TBC by legislation	Every 3 years (TBC by legislation)	HDC Staff Resource and consultant expert advice	<ul style="list-style-type: none"> Information and data on climate related hazards full and complete so to inform RSP development Independent verification where applicable Draft RSP complete and released for engagement Climate-related hazard spatial implications agreed by decision makers, via adoption of RSP Annual monitoring and reporting
Transition from DP to Land Use Plan (LUP)	DP replaced by a LUP chapter within the new Regional Combined Plan (RCP)	Planning & Regulatory	TBC by legislation	TBC by legislation	Every 10 years	HDC Staff Resource	LUP recommended by Independent Hearings Panel & approved by Territorial Authorities Monitoring: results published & reviewed no less than 5 years; reviewed every 10 years
Natural Hazard Layer Updates	Support risk aware adaptation planning with updates to hazard layers in DP	Planning & Regulatory	Current	Q4 2026	Ongoing	HDC Staff Resource	Updated hazard overlays applied to DP for current Category 3 areas in Esk Valley and Tangoio
Identify Priority Areas and develop Adaptation Plans	Specific objectives and timeframes to be determined with legislative update	Planning & Regulatory	TBC by legislation	TBC by legislation	TBC by legislation	HDC Staff Resource	Adaptation Plans approved for implementation in line with amended Climate Change Response Act
Embed adaptation layers into development	Provide developers with hazard mapping and requirements	Planning & Regulatory	Q2 2026	Ongoing	Ongoing	HDC Staff Resource	Hazard overlays published Monitoring: Annual reporting & KPIs; independent verification where applicable
Regional collaboration on climate adaptation strategies	Coordinate with regional partners on development of adaptation design standards and pathways such as the Coastal Hazards Strategy, HBRC led Flood Protection, Reimagining Flood Resilience, Coastal Groundwater mapping, drainage scheme review	Strategy	Current	Ongoing	Ongoing	Supported through Climate Action Work Programme	Joint projects delivered Monitoring: Annual reporting & KPIs linked to specific projects; Independent verification where applicable
Risk assessment, data gaps and communications	Coordinate with partner agencies on improving understanding of climate risks locally & regionally. Communicate risk info for informed decisions and ensure mana whenua and community voices help shape adaptation	Strategy	Current	Ongoing	Review every 3 years, update every 6 years	Supported through Climate Action Work Programme	Adopt new national climate hazard and risk datasets when they are released and review local hazard and risk assessments in line with LTP cycles

Ref: STR-08-06-03-24-3

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**HERETAUNGA
HASTINGS** DISTRICT COUNCIL

TE KAUNIHERA Ā-ROHE O HERETAUNGA
HASTINGS DISTRICT COUNCIL
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Thursday, 5 March 2026

Te Hui o Te Kaunihera ā-Rohe o Heretaunga

Hastings District Council: Strategy and Policy Committee Meeting

Te Rārangi Take

Report to Strategy and Policy Committee

Nā:
From: **Dean Ferguson, Manager - Strategic Projects**

Te Take:
Subject: **Resilience and Climate Adaptation Work Programmes**

1.0 Purpose and summary - *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to provide the Strategy and Policy Committee with a consolidated update on three key workstreams that form part of the regions' wider climate resilience programme following Cyclone Gabrielle.
- 1.2 The workstreams include:
 - Hawke's Bay Regional Council (HBRC) Flood Protection-Led Projects
 - Reimagining Flood Resilience (HBRC led)
 - Clifton to Tangoio Coastal Hazards Strategy – Community Engagement Update
- 1.3 These projects support the Council's long-term adaptation planning, strengthen strategic partnerships, and improve the district's readiness for future climate-driven events through regional collaboration.
- 1.4 Given the importance of the climate resilience programme, regular updates will be provided at each Strategy and Policy Committee meeting as a standing item.

2.0 HBRC Flood Protection Led Projects

- 2.1 **Strategic Overview:**
- 2.2 Hawke's Bay Regional Council (HBRC) is delivering 11 major flood risk mitigation projects across the region under the North Island Weather Events (NIWE) programme, with a total Crown funding envelope of \$254 million. These projects align closely with the objectives of Hastings District Council's

climate resilience work and directly contribute to Cyclone Gabrielle recovery and long-term protection of communities and critical infrastructure.

2.3 Key Projects within the Hastings District include:

- **Pākōwhai (\$50M):** The Pākōwhai Flood Resilience Project has progressed into the procurement and delivery phase, subject to finalising land acquisition and resource consent, expected in early February. The Pākōwhai North works (separable portions 4–5) remain in market with tenders closing mid-January. In parallel, a contractor has been appointed to design and construct replacement pump stations at Pākōwhai and Awatoto, with construction scheduled for mid-year following design completion, strengthening system capacity, reliability, operational resilience, and environmental performance.
- **Ōhiti / Ōmāhu (\$10M):** The Ōhiti stopbank and Ōhiti Road raise are nearing completion, with works expected to finish by the end of February, and utility relocation upgrades by Unison and Chorus now complete. At Ōmāhu, vegetation clearance and site preparation have been completed, with construction of the new stopbank and upgrades to the existing stopbank commencing, alongside the upcoming raising and realignment of Taihape Road. Planning for the wider Ōmāhu stopbank upgrade is progressing, with tender documentation going to market this month, resource consent targeted for March, and construction proposed for late Autumn 2026.
- **Waiohiki (\$10M):** The Waiohiki flood resilience work programme is well underway, with physical construction in full swing and approximately one-third of the stopbank and associated works complete as of the latest update. Stopbank building continues with ongoing compaction testing, material deliveries, and drainage installation, while the planned stream diversion works are progressing with bank shaping and hydroseeding and the backfilling of the old channel. These works form part of the project’s delivery to improve flood protection along the Tūtaekurī River and have supported the recategorisation of properties to lower risk, demonstrating measurable progress toward enhanced community resilience.
- **Whirinaki (\$23M):** The Whirinaki Flood Resilience Project is advancing to plan, with the State Highway 2 road raise nearing completion and stopbank construction preparation underway. The stockpile site design has been refined to reduce its footprint and include stabilised working areas, improving environmental management, reducing community impacts, and supporting more efficient delivery.

Other Projects:

- Stopbank level-of-service upgrades near Fernhill Bridge.
- Planned pump station upgrades (funding constrained).
- Regional telemetry upgrades to enhance flood monitoring and response.
- Targeted Flood Protection Scheme reviews in areas including Haumoana, Karamū, and Esk/Whirinaki underway.

3.0 Reimagining Flood Resilience (HBRC Led)

3.1 The Reimagining Flood Resilience Project (Reimagining Project) is in response to recommendations from the Hawke’s Bay Independent Flood Review – Pae Matawai Parawhenua (“**HBIFR**”) which sought to investigate the circumstances and contributing factors that led to the flooding in the Hawke’s Bay region during Cyclone Gabrielle.

3.2 The Reimagining Project aims to comprehensively review and enhance regional flood risk management in collaboration with iwi, territorial authorities, and community stakeholders. It represents a coordinated, multi-agency response to the evolving challenges associated with climate change, community resilience, and land use pressures.

- 3.3 The Reimagining Project has entered a strategically significant phase. Governance foundations are now embedded, with Steering Group Terms of Reference confirmed and detailed scheme reviews underway. Strong participation in the Stakeholder Reference Groups demonstrates community investment in shaping future resilience settings. Positioned within the broader regional flood risk framework, the project is expected to directly influence infrastructure priorities and the 2027 Long Term Plan.
- 3.4 Engagement is evolving from broad information-sharing to considerations around potential trade-offs. Community feedback across both catchments consistently identifies human safety as the top priority, while discussions increasingly centre on balancing levels of service, affordability, and long-term risk management.
- 3.5 The project will culminate in two key outputs: Community Vision for Flood Resilience and a Technical Advisory Group-led Action Plan to inform prioritisation decisions for the 2027 Long Term Plan. These documents are expected to translate community values into defined investment pathways and implementation sequencing.
- 3.6 Engagement is also being broadened through awa-based focus groups, integration of Mātauranga Māori perspectives, rangatahi outreach, and a region-wide survey. A key theme emerging from both engagement and independent review processes is the need to move away from expectations of “100% protection” toward explicit management of residual risk within economic constraints.
- 3.7 While expenditure to date has been met through reprioritised budgets, forward funding certainty remains unresolved, elevating this as a strategic consideration. Decisions emerging over the next 6–12 months are therefore likely to shape the long-term flood resilience posture of the region for decades.
- 3.8 A specific group of Transportation representatives (Waka Kotahi/ NZTA, KiwiRail, Napier City Council, Hastings District Council & Hawke’s Bay Regional Council) has been setup. Its initial focus was in regard to road and rail links across the rivers near the Awatoto mouth. This group has also requested more information in regard to potential transport connection resilience implications of potential flood management proposals.
- 3.9 Future decisions will require transparent balancing of affordability, levels of service, and residual risk, recognising that both action and inaction carry long-term social, economic, environmental and reputational consequences for the region.

4.0 Clifton to Tangoio Coastal Hazards Strategy (HBRC Led)

- 4.1 The Clifton to Tangoio Coastal Hazards Strategy 2120 (Strategy) is a long-term, regionally coordinated response to increasing coastal hazard risk across Hawke’s Bay, involving both Hawke’s Bay Regional Council and the territorial authorities.
- 4.2 The Strategy seeks to provide a structured framework for managing coastal risk, adaptation pathways, funding mechanisms, and implementation timeframes over the coming century, recognising the scale and urgency of climate change impacts.
- 4.3 However, the shared statutory responsibilities between regional and district councils have at times created complexity and community uncertainty, particularly where planning, funding, and delivery roles are not clearly understood. Governance arrangements are being strengthened through re-established project governance and advisory structures to ensure clearer accountability, coordinated decision-making, and alignment between councils as the region progresses long-term coastal resilience planning.
- 4.4 Following receipt of the proposed Strategy in August 2024, HBRC resolved in January 2025 to defer implementation and undertake a year-long community engagement process to test proposed outcomes, costs and funding approaches.
- 4.5 A structured engagement framework has since been established, including a 34-member Community Reference Group, focus groups across Bay View, Westshore, Haumoana and Te Awanga, and a

Mātauranga Māori workstream to embed tangata whenua perspectives. Engagement remains active, with input also sought from strategic partners and the wider community.

- 4.6 Central to discussions is the trade-off between maintaining existing levels of service through ongoing maintenance and progressing alternative infrastructure responses, within the realities of targeted and general rating impacts.
- 4.7 The project has reached a key transition point, with Community Focus Groups (CFGs) having presented their advice to the Community Reference Group (CRG). The CRG will now refine and consolidate this input, with formal advice scheduled to be presented to Hawke's Bay Regional Council (HBRC) in April 2026. That advice is intended to inform the next Long Term Plan (LTP), enabling decisions on preferred options and funding approaches to proceed to consultation and positioning the Strategy for formal adoption through the Infrastructure Strategy and LTP process.
- 4.8 Key risks identified by the CRG include affordability, resource consent processes, tangata whenua engagement, technical uncertainty, and the risk of missing the LTP window. The CRG intends to present a united front to HBRC, emphasising proactive investment over reactive response, regional benefit, environmental protection, and long-term cost avoidance to strengthen the case for adoption and funding.
- 4.9 For Hastings District Council, non-adoption of the Strategy presents strategic risk. Continued uncertainty would limit clear land-use and infrastructure planning signals, increase reputational and financial exposure, and heighten the likelihood of reactive, short-term responses to coastal risk.
- 4.10 In addition, emerging Government reforms aimed at simplifying local government functions may well alter the allocation of natural hazard and infrastructure responsibilities between HBRC and territorial authorities. Without an agreed regional strategy in place, there is a risk of reduced local influence and misalignment across councils at a time of structural change.

Haumoana Shallow Ground Water Assessment

- 4.11 The proposal outlines a joint investigation into shallow groundwater conditions in Haumoana where elevated water tables may be affecting onsite wastewater systems, infrastructure performance, and future development decisions.
- 4.12 Growing uncertainty about how groundwater interacts with tidal, lagoon, and surface water processes has created risk for consenting, planning, and long-term asset management. The programme is designed to strengthen the evidence base through a phased approach combining desktop review, targeted monitoring, and integrated analysis. Its strategic purpose is to support consistent, risk-informed decision-making across councils and reduce future exposure to liability.
- 4.13 The expected outcomes include a clearer understanding of groundwater behaviour, identification of potential environmental and infrastructure risks, and practical recommendations for any further monitoring or policy response that may be required. The investigation will improve confidence in planning and consenting processes but will not in itself determine regulatory or engineering outcomes.
- 4.14 Key risks include ongoing uncertainty where groundwater drivers are complex and influenced by multiple factors, as well as the possibility that findings may necessitate additional workstreams or policy adjustments. Shared funding and governance arrangements will also require careful oversight to manage budget and delivery risks.

5.0 Recommendations - *Ngā Tūtohunga*

- A) That the Strategy and Policy Committee receive the report titled Resilience and Climate Adaptation Work Programmes dated 5 March 2026.
- B) That the Committee notes the ongoing work programmes and that these work programmes will be reported as a standing item at each Strategy and Policy Committee meeting going forward.

Attachments:

There are no attachments for this report.

Thursday, 5 March 2026

*Te Hui o Te Kaunihera ā-Rohe o Heretaunga***Hastings District Council: Strategy and Policy Committee Meeting***Te Rārangi Take*

Report to Strategy and Policy Committee

Nā:
From: **Tiffany Gray, Senior Environmental Planner - Policy**

Te Take:
Subject: **Changes to Hastings District Plan in response to the National Environmental Standard for Detached Minor Residential Units (Granny Flats)**

1.0 Executive Summary – *Te Kaupapa Me Te Whakarāpopototanga*

- 1.1 The purpose of this report is to seek the Committee’s approval of the proposed changes to the Hastings District Plan in response to the National Environmental Standards for Detached Minor Residential Units (NES-DMRU), or Granny Flats as they were also known. Section 44A of the Resource Management Act 1991 (RMA) directs a Council to amend a district plan to remove any conflict or duplication with a National Environmental Standard (NES).
- 1.2 The Council’s power to change the Hastings District Plan under s44A has not been delegated, either to officers or the Committee, and the decision to amend the Hastings District Plan as recommended in this report will ultimately need to be made by Council. However, The Committee’s review and comment is required as clause 9 of the Strategy and Policy Committee’s Terms of Reference provides for the Committee to “*review and provide comment on draft new or reviewed District Plan provisions and to recommend to the Council the adoption of drafts for consultation.*”
- 1.3 The Hastings District Plan already includes rules for Supplementary Residential Buildings (SRBs), which are similar to, but not the same as detached minor residential units (DMRUs). Because the two sets of rules overlap, there are situations where the Hastings District Plan could require consent for something the national standards allow. This is a conflict that must be fixed.
- 1.4 The most straightforward solution, as our recommendation, is to add a simple note to the relevant chapters of the Hastings District Plan. The note will clarify that when a proposal meets the NES-DMRU requirements, the national standards apply and override any conflicting District Plan rules. This keeps the plan accurate without needing a full plan change and still allows SRBs to be used where the NES does not apply.
- 1.5 If approved, the note can be added and the plan republished quickly.

2.0 Recommendations - Ngā Tūtohunga

- A) That the Strategy and Policy Committee receive the report titled Changes to Hastings District Plan in response to the National Environmental Standard for Detached Minor Residential Units (Granny Flats) dated 5 March 2026.
- B) That the Committee approves that the following note be added to the District Plan in each of the chapters identified in Table 1 (paragraph 3.4 of the report)-
- i. Note: Detached Minor Residential Units – the Resource Management (National Environmental Standards for Detached Minor Residential Units) Regulations 2025 (NES-DMRU) provides for certain Detached Minor Residential Units as a Permitted Activity. For the avoidance of doubt, the NES-DMRU requires compliance with certain rules and standards where they fall within Regulation 7(2) and (3). These may include some of the provisions below. Provided all requirements of the NES-DMRU are satisfied, the DMRU will be a Permitted activity.*

3.0 Background – Te Horopaki

- 3.1 National Environmental Standards (NES) are instruments that the Government can use to prescribe specific requirements for land use. The Government has used this tool for Commercial Forestry, Freshwater Management and Contaminated Land, for example. It allows for consistent standards to be implemented nationwide.
- 3.2 The NES-DMRU was approved on 15 December 2025 and came into force on 15 January 2026. The purpose of this NES is to improve housing outcomes by removing barriers, such as resource consenting costs, to make it easier and affordable to build small homes. The NES is also intended to compliment the changes to the building act which no longer require small standalone dwellings to obtain a building consent so long as certain criteria are met.
- 3.3 The NES-DMRU now enables DMRUs as permitted activities—activities not requiring resource consent—provided they comply with specified criteria. DMRUs are only permitted in residential, rural, mixed use, and Māori Purpose Zones, and must meet certain standards, such as having a floor area of less than 70 m², along with requirements relating to setbacks, and building coverage, and meeting various other requirements in the District and Regional Plans.
- 3.4 The references to zones are to zone names used in the National Planning Standards, which has not been adopted by Hastings at this stage. The equivalent district plan zones in the Hastings District Plan that are covered by the NES-DMRU are as follows:

1. *Table 1 Hastings District Plan Zones applicable to the NES-DMRU*

Rural Zone	Hastings Central Residential Commercial Zone	Tukituki Special Character Zone
Plains Production Zone	Havelock North General Residential Zone	Flaxmere General Residential Zone
Rural Residential Zone	Havelock North Character Residential Zone	Flaxmere Community Residential Zone
Plains Settlement Zone	Havelock North Village Mixed Zone	Medium Density Residential Zone
Nature Preservation Zone	Havelock North Rural Residential Zone	Clive-Whakatū Residential Zone
Hastings General Residential Zone	Iona Special Character Zone	Haumoana-Te-Āwanga Residential Zone

Hastings Character Residential Zone	Te Mata Special Character Zone	Haumoana-Te-Āwanga Deferred Residential
Coastal Settlement Zone	Waimārama Coastal Settlement Zone	

- 3.5 Some district plan provisions will continue to apply, as outlined in clauses 7(2) and 7(3) of the NES (these include matters such as subdivision, papakāinga, site-specific infrastructure, reverse sensitivity, and hazards), while others are expressly excluded under clause 7(4) (rules or standards relating to amenity values for example). There is also a requirement that the activity comply with the regional plan.
- 3.6 The Hastings District Plan currently provides for Supplementary Residential Buildings (SRBs) as permitted activities in many zones; however, there are several key differences between SRBs and DMRUs. These include differences in their definitions (for example, SRBs must be located within the curtilage of the principal dwelling and share vehicle access and services whereas DMRUs do not), differences in how gross floor area is calculated, and the fact that SRBs remain subject to all relevant Hastings District Plan provisions, including zone specific setbacks, building coverage, and other place-based standards.
- 3.7 When the NES-DMRU came into effect, Council released a media statement and [published a factsheet](#) on its website to inform the community of the associated Resource Management Act and Building Act changes. Despite this guidance, the introduction of the NES-DMRU has created an additional regulatory layer that sits alongside the existing SRB provisions in the District Plan.
- 3.8 As a result, the differences between SRBs and DMRUs can create confusion for applicants, particularly where there is an assumption that the two types of units are interchangeable or subject to the same planning requirements. It may also lead to conflict in that an activity that otherwise meets the requirements of the NES-DMRU and would be a permitted activity under that instrument requires consent under the Hastings District Plan as currently drafted. The RMA directs that such conflict be removed.

4.0 Discussion – Te Matapakitanga

- 4.1 Council must make sure the Hastings District Plan (Hastings District Plan) does not duplicate or conflict with section 44A of the RMA. These requirements apply when a District Plan rule overlaps with or contradicts a rule in an NES.
- 4.2 A conflict occurs when:
- the Hastings District Plan rule is more restrictive than the national standard (e.g. it requires consent for something the NES allows), and the NES does not say councils can be more restrictive; or
 - the Hastings District Plan rule is more lenient than the NES when the NES does not allow councils to be more lenient.
- 4.3 In this case, the NES-DMRU allows a district plan rule to be more lenient than the NES (Reg 9) but does not allow a district plan rule to be more stringent.
- 4.4 The Hastings District Plan uses the term Supplementary Residential Buildings (SRBs).
- 4.5 Although this definition is not exactly the same as the NES-DMRU definition of DMRUs, there is a significant overlap. This means there will be times when a SRB would require resource consent under the Hastings District Plan, even though the same activity would be permitted under the NES-DMRU. In those cases, the Hastings District Plan rule is more stringent than the NES-DMRU and is in conflict with the national standard.
- 4.6 Under section 43A(5) of the RMA:

- If a national environmental standard (like the NES-DMRU) says an activity is permitted, councils can include their own conditions only if they relate to effects not already covered by the NES.
- If the Council rules try to regulate the same effects as the NES, then the NES rules automatically override the Hastings District Plan.

4.7 Section 44A requires councils to fix any duplication or conflict:

- changes must be made without using the Schedule 1 plan change process, and
- changes must be made as soon as practicable after the NES came into force.

4.8 Because of conflicts described above, the RMA requires the conflict to be removed. Officers consider the most straightforward approach is to amend the Hastings District Plan so that it clearly states that the NES-DMRU will apply in full where applicable and that the NES overrides the rules on SRBs if they are otherwise covered by the NES.

5.0 Options – Ngā Kōwhiringa

5.1 In order to comply with the requirements of s44A as outlined above, it is recommended that the following wording is inserted into chapters that are relevant to the scope of the NES-DMRU –

Note: Detached Minor Residential Units – the Resource Management (National Environmental Standards for Detached Minor Residential Units) Regulations 2025 (NES-DMRU) provides for certain Detached Minor Residential Units as a Permitted Activity. For the avoidance of doubt, the NES-DMRU requires compliance with certain rules and standards where they fall within Regulation 7(2) and (3). These may include some of the provisions below. Provided all requirements of the NES-DMRU are satisfied, the DMRU will be a Permitted activity.

5.2 This note will sit above the rule table in the chapters identified in Table 1.

5.3 This note does not change any provisions in the District Plan, but it removes the duplication / conflict by clarifying that, where the requirements of the NES are met, any conflicting rule in the District Plan does not apply. It also leaves open a pathway for proposals that do not meet the requirements of the NES but may proceed as Supplementary Residential Buildings either as permitted activities or by seeking consent.

5.4 Other alternatives to removing conflict between the Hastings District Plan and NES-DMRU were considered, and are outlined below:

- Applying more lenient Hastings District Plan rules (NES regulation 9):

While The Hastings District Plan can apply more lenient standards than the NES, doing so in the context of the Hastings District Plan is not straightforward. The Hastings District Plan currently provides more generous gross floor area limits for SRBs (generally 80m² in residential zones and 100m² in rural zones), although the practical effect of this may be limited due to differing gross floor areas definitions between the Hastings District Plan and the NES. In contrast, Hastings District Plan standards for setbacks and building coverage are less permissive in residential zones (noting that in rural and mixed-use zones, Hastings District Plan standards apply regardless). Any attempt to apply a more lenient gross floor standard than the NES would need to be confined to gross floor area only, and the different gross floor area definitions may mean the Hastings District Plan version is not genuinely more lenient in practice.

- Addressing definitional mismatches between DMRU and SRB:

The definitions of DMRU and SRB do not fully align, creating further complications. This is partly because the Hastings District Plan has not been converted to National Planning Standards, which contains standard definitions used in the Hastings District Plan. Amending Hastings District Plan rules that apply to all SRBs could extend beyond simply giving effect to the NES requirements. Such changes would constitute a more substantive plan change, which would trigger a Schedule 1 process. Because the district plan is currently subject to a plan stop, initiating a Schedule 1 process is not possible at this time.

- 5.5 Adding a clarifying note to the relevant Hastings District Plan chapters provides a more robust option to the two alternatives outlined above. It acknowledges the NES-DMRU where applicable, while still allowing SRBs to be considered under the Hastings District Plan where proposals fall outside the scope of the NES. This option avoids the need for substantive plan amendments during the plan stop and maintains clarity for applicants and staff.

6.0 Next steps – *Te Anga Whakamua*

- 6.1 If the Committee considers the clarifying note should be added to each of the relevant chapters in the District Plan, the next step would be for this to be reported to Council and, if confirmed, the additions to the relevant parts of the Hastings District Plan would then be made and then republished. This could be done relatively quickly.

Attachments:

[1](#) Building a Granny Flat Factsheet ENV-19-2-26-30

Summary of Considerations - *He Whakarāpopoto Whakaarohanga*

Fit with purpose of Local Government - *E noho hāngai pū ai ki te Rangatōpū-ā-Rohe*

The Council is required to give effect to the purpose of local government as set out in section 10 of the Local Government Act 2002. That purpose is to enable democratic local decision-making and action by (and on behalf of) communities, and to promote the social, economic, environmental, and cultural wellbeing of communities in the present and for the future.

[Link to the Council's Community Outcomes](#) – *Ngā Hononga ki Ngā Putanga ā-Hapori*

This proposal promotes the social and economic wellbeing of communities in the present and for the future.

Māori Impact Statement - *Te Tauākī Kaupapa Māori*

The proposed change will have a positive impact by making it clearer and easier to use the national rules for small homes. The existing pathways for papakāinga and Māori housing development remain unchanged.

Sustainability - *Te Toitūtanga*

The proposed change is administrative only and does not create new environmental effects. By reducing duplication and improving clarity, it supports more efficient planning processes without altering existing environmental standards or sustainability outcomes.

Financial considerations - *Ngā Whakaarohanga Ahumoni*

There are no significant financial implications arising from this change, as it is a minor administrative update to clarify how national standards apply. Any costs are limited to staff time required to update and republish the District Plan and can be managed within existing budgets.

Significance and Engagement - *Te Hiranga me te Tūhonotanga*

This decision/report has been assessed under the Council's Significance and Engagement Policy as being not of significance.

Consultation – internal and/or external - *Whakawhiti Whakaaro-ā-roto / ā-waho*

Information on the proposed new national direction was presented to Council at a workshop on 1 July 2025 and again at a meeting on 22 July 2025, as part of preparing Council’s submission. No external consultation is required.

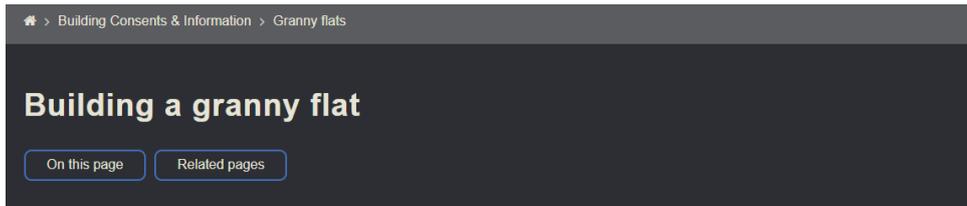
Risks

Opportunity: To provide clarity to users of the District Plan.

REWARD – <i>Te Utu</i>	RISK – <i>Te Tūraru</i>
Provides clarity for plan users without making any substantive changes to the district plan.	No risks.

Rural Community Board – *Te Poari Tuawhenua-ā-Hāpori*

This legislation enables rural landowners to build detached minor residential units without a resource consent so long as it complies with the standards outlined in the NES-DMRU.



New minor self-contained dwellings up 70 square metres

Government rules make it easier for people to build granny flats. The changes allow homeowners to build a new, small, stand-alone dwelling of up to 70 square metres without needing a Building Consent or Resource Consent, if all exemption criteria are met.

When do the changes apply from?

The rules apply now (from 15 January 2026).

Granny flats built under that comply with the new rules do not require a Building Consent and may not require a Resource Consent, provided all exemption criteria are met.

We strongly recommend contacting Council duty officer to discuss your project before proceeding. Call 06 871 5000 or email customerservice@hdc.govt.nz.

What is a granny flat and what is it called under the law?

A granny flat is a small, self-contained home located on the same property as a main dwelling. Anyone can live in a granny flat; they do not need to be related to the people living in the main house. Granny flats are referred to under the law as:

- **Building Act:** Small stand-alone dwelling
- **Resource Management Act (National Environmental Standards for Detached Minor Residential Units: NES-DMRU):** Detached minor residential unit

While the name differs depending on the legislation, both terms refer to the same type of building.

Planning to put a granny flat on your property? Read this first

Before starting any work, it is important to check whether your project meets all exemption criteria under:

- The Building Act
- The NES-DMRU or The Hastings District Plan

Important things to know before you start HDC change:

- **Building:** If your project qualifies for the Building Consent exemption, you must apply for a Project Information Memorandum (PIM) before starting work
- **Planning:** The NES-DMRU applies only in certain zones; it does not apply everywhere
- Other District Plan rules may still apply, including rules relating to:
 - natural hazards
 - papakāinga
 - earthworks
 - infrastructure
 - reverse sensitivity
- The PIM and planning rules apply whether the granny flat is built on site or built off-site and moved onto the property

Design rules for the Building Consent exemption

To qualify for the Building Consent exemption, all conditions must be met. Find out more [here](#).

Key design conditions include:

- the building must meet the New Zealand Building Code
- it is new and stand-alone
- it is single storey
- it is classified as Housing: Detached Dwelling (as defined by Clause A1 of the Building Code)

Before you build you must:

- apply to Council for a PIM; this must be issued before any building work start.

[Download the application form here.](#)

You can find the current charge for a PIM [here](#).

After you build you must:

- notify Council when the work is finished
- provide all required documents within 20 working days.

Who can do the work

- All design and building work must be carried out or supervised by Licensed Building Practitioners

Effluent systems

- If an on-site effluent treatment system (septic tank) is proposed, Hawke's Bay Regional Council rules apply and you will need to contact that council. View the HBRC website [here](#).

Planning rules and resource consent exemptions

You may not need a resource consent if your project fully complies with either:

- the National Environmental Standards for Detached Minor Residential Units (NES-DMRU), or
- the Hastings District Plan rules for your zone.

If your project does not fully comply with either the new NES-DMRU or the District Plan, a Resource Consent is required.

Key steps

1. Apply for a Project Information Memorandum (PIM)

A PIM provides you with information about your proposed building work and identifies features of the land, such as:

- natural hazards
- utility services
- infrastructure constraints

You must receive the PIM before any building work starts.

2. Council review through the PIM process

Council reviews the information provided and advises whether the project is likely, unlikely, or if it is unclear, that the proposed building work will have the characteristics required by clause 1 of Schedule 1A of the Building Act 2004.

Council does not check plans for Building Code compliance under the exemption.

If a Resource Consent is required, building cannot begin until that consent is granted.

What to do once you've finished building

Within **20 working days** of completing the work, you must provide:

- final plans
- Records of Work from Licensed Building Practitioners
- plumbing, drainage, gas and electrical certifications

These records are added to the property file and appear on future LIMs.

Council does not issue a Code Compliance Certificate under the exemption but does have enforcement powers over unsafe or non-compliant work.

Development Contributions

Development Contributions help fund the infrastructure needed to support growth, such as water, wastewater, stormwater, roading, footpaths, green spaces and community facilities. Granny flats are assessed for Development Contributions during the PIM process.

For a granny flat added to a property with an existing home in the urban area, the cost is likely to be between \$17,000 and \$30,000. In a rural residential area, it is likely to be between \$4000 and \$7000 – again dependent on size and area.

Any Development Contribution must be paid within 20 working days of completing the building work.

More information

For detailed information, including situations where exemptions do not apply, see:

- [Granny flats exemption: Guidance and resources | Building Performance](#)
- [National Environmental Standards for Detached Minor Residential Units 2025](#)
- [Step-by-step guide: a high-level overview of the steps to use the granny flat building consent exemption.](#)

You are advised to discuss your plans with Council early in your process to avoid costly redesigns. To make an appointment with a duty officer, phone 871 5000 or email customerservice@hdc.govt.nz.

FAQs

[When can I start building a granny flat under the new rules?](#)

If you want to build a 'granny flat' under the new rules, you must wait until Council has issued the Project Information Memorandum (PIM). Your project will need to meet the legislation's building and Resource Consent requirements.

[Do I need a Resource Consent to build a granny flat?](#)

Usually no; if your property is located within an applicable zone and your project meets the permitted activity standards in the National Environmental Standard for Detached Minor Residential Units (NES-DMRU) and relevant rules in the District Plan, such as hazard zone restrictions and earthworks. If it doesn't meet these rules, you will need a Resource Consent.

You may need a Building Consent and/or Resource Consent if your site is impacted, or could be affected, by natural hazards.

[Do I need a Building Consent for a granny flat?](#)

Usually no as long as your project meets the exemption conditions. You can access more information about the exemption conditions [here](#).

If it doesn't meet these conditions, you will need a Building Consent.

You may need a Building Consent and/or Resource Consent if your site is impacted, or could be affected, by natural hazards.

[What happens if I have an existing granny flat, will it comply with the new rules?](#)

If everything was done properly when it was built, it's covered by the consents issued at the time. The new rules under the Building Act and NES-DMRU won't affect it.

If you want to build a new granny flat, you'll need to follow the new rules and requirements.

[Can I upgrade my existing sleepout to meet the new exemption rules without needing consent?](#)

No; the exemption only applies to new granny flats. Your current sleepout is covered by its original Building Consent and/or Resource Consent. If you want to make changes, you may need another consent, depending on what those changes are.

[What happens if I start building a granny flat without a PIM being issued?](#)

If you build without a PIM being issued you are carrying out illegal building work under the Building Act. Council can issue a Notice to Fix, which is a formal legal notice requiring you to correct the situation.

This means you must stop work and take steps to comply with the law, which may include:

- getting a Certificate of Acceptance for what has already been built
- applying for a Building Consent and/or Resource Consent for what is still to be built
- removal of all/or some of the building work.

Ignoring a Notice to Fix can lead to further enforcement action and penalties.

[What is Council's role in enforcement and compliance for granny flats?](#)

We keep our usual powers to deal with any building work that is unsafe or does not comply with the rules.

[Do I need to connect my granny flat to Council services?](#)

If Council water, wastewater and stormwater services are available, your granny flat must be connected to them. Where services are not available, on-site systems may be used, subject to Hawke's Bay Regional Council rules and approvals.

Are the water, wastewater, and stormwater pipes on your property sized correctly to ensure there is enough capacity?

It is important to check whether the pipes on your property are of the correct size so there is capacity for the additional flows.

[Why does Council need to keep final plans, record of work and certificates for the building work?](#)

The information is added to the permanent record for the property and supplied when a LIM is requested.

[If I build a granny flat, will the rates for my property go up?](#)

Yes, you will pay extra rates for your separate dwelling.

[Why do I have to pay a Development Contributions?](#)

Development Contributions are used to help pay for the costs of additional infrastructure needed as new homes, including granny flats, are added to an area, including things like water services, green spaces and roads.

[Do I need to get additional approvals from Council before starting building work?](#)

You might need additional approvals from Council or other providers before you begin. These requirements are separate from the Building Act and must be factored into the planning and design of your granny flat - even if the building work doesn't require a building consent.

Common additional matters to consider include:

- Utility connections: water, wastewater, stormwater, electricity, or gas
- Vehicle crossings: new or altered access to the road or kerb
- Land use restrictions: easements, covenants, or consent notices that affect where and how you build

Contact Council and the relevant providers to confirm what applies to your site and project.

[Does the Council enforce restrictive private covenants?](#)

No. In some subdivisions, there are private covenants that restrict the number of residential units and where residential units are placed on a site. Council does not enforce these private covenants. If a person builds a granny flat (detached minor residential unit) on a site in breach of a private covenant, then it's a matter between the landowner and the person who takes the legal action.

HASTINGS DISTRICT COUNCIL
STRATEGY AND POLICY COMMITTEE MEETING
THURSDAY, 5 MARCH 2026

RECOMMENDATION TO EXCLUDE THE PUBLIC

SECTION 48, LOCAL GOVERNMENT OFFICIAL INFORMATION AND MEETINGS ACT 1987

THAT the public now be excluded from the following part of the meeting, namely:

- 11 Development Contributions Project Report**
- 12 Update on Regional Coordination**

The general subject of the matter to be considered while the public is excluded, the reason for passing this Resolution in relation to the matter and the specific grounds under Section 48 (1) of the Local Government Official Information and Meetings Act 1987 for the passing of this Resolution is as follows:

<i>GENERAL SUBJECT OF EACH MATTER TO BE CONSIDERED</i>	<i>REASON FOR PASSING THIS RESOLUTION IN RELATION TO EACH MATTER, AND PARTICULAR INTERESTS PROTECTED</i>	<i>GROUND(S) UNDER SECTION 48(1) FOR THE PASSING OF EACH RESOLUTION</i>
11 Development Contributions Project Report	Section 7 (2) (j) The withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage. To eliminate the risk of 3rd parties gaining advantage ahead of any proposed amendments to the DC Policy Framework..	Section 48(1)(a)(i) Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.
12 Update on Regional Coordination	Section 7 (2) (i) The withholding of the information is necessary to enable the local authority to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations). Direction may impact contractual relationships of parties..	Section 48(1)(a)(i) Where the Local Authority is named or specified in the First Schedule to this Act under Section 6 or 7 (except Section 7(2)(f)(i)) of this Act.