

WORKSHOP MATERIAL

Workshop: Risks Associated with Coastal Protection Structures on Council Land

Date: Thursday, 18 April 2024

Item	Released Information
1.	Managing Risks Associated with Coastal Protection Structures on Council Land – 18 April 2024 - PowerPoint Presentation

Managing risks associated with coastal erosion protection structures on Council land

18 April 2024



Thriving and resilient Tasman communities

 **tasman** district council | Te Kaunihera o **te tai o Aorere**

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Background

- Interim Coastal Protection Policy (2014) – mainly focused on Council-initiated protection works, excludes land subject to Reserves Act
- Consulted on draft policy – Coastal Erosion Protection Structures on Council Reserve Land
- No overarching policy covering private work on other Council land – e.g. roads, fee simple land etc

Proposal

- Confirm Coastal Protection Policy - for Council work on land not subject to Reserves Act
- Finalise the Coastal Erosion Protection Structures on Council Reserve Land Policy - for private work on coastal reserves
- Establish new policy - for private work on all other Council land
- Common approach to managing Council risks (e.g. insurance/bonds)

Scope: All Council-administered land alongside the District's coastline



Risk overview – the sea will always win!



General risks of works on Council land

Costs/risks associated with coastal protection structures include:

- Ongoing maintenance
- Deconstruction or removal if/when structure fails
- End wall effects on third parties and coastal environment



Tools for managing risk

- Covenants on record of title recording all landowner obligations (including indemnity liability) under Licence to Occupy - required in all cases
- Public liability insurance – required in all cases, as a condition of Licence to Occupy
- Breach of contract insurance – desirable but unlikely applicants could obtain from insurers
- Protection works management and maintenance plan
- **Bonds/security to support indemnity – see options on next slides**

Use of bond for maintenance of coastal protection structures not appropriate

- If Council uses bond money for maintenance, likely lead to a duty of care to ensure structural integrity on an ongoing basis

Deconstruction/removal of coastal protection structures

Options	Pros	Cons
Full bond	<ul style="list-style-type: none"> • Good Protection for Council • Transfers risk with landowner • Reasonable and justifiable upfront cost 	<ul style="list-style-type: none"> • Upfront cost for applicants
Partial bond	<ul style="list-style-type: none"> • Some protection for Council • Lower upfront cost for applicants 	<ul style="list-style-type: none"> • Council probably left with unbudgeted costs
No bond	<ul style="list-style-type: none"> • Financially easier for applicants 	<ul style="list-style-type: none"> • Council almost inevitably left with unbudgeted costs • Does not support realistic decision-making by landowners

End-wall effects of coastal protection structures

Options	Pros	Cons
Full bond	<ul style="list-style-type: none"> • Good Protection for Council 	<ul style="list-style-type: none"> • High cost for applicants • Hard to accurately quantify – need engineering reports
Partial bond	<ul style="list-style-type: none"> • Some protection for Council • Lower upfront cost for applicants 	<ul style="list-style-type: none"> • Council likely left with unbudgeted costs • Cannot use bond money from individual structure to develop a fund to deal with claims against Council in all locations • Exposes Council to risk/cost
No bond	<ul style="list-style-type: none"> • Financially easier for applicants 	<ul style="list-style-type: none"> • Council likely left with unbudgeted costs • Does not support realistic decision-making by landowners

Recommendations

	Full bond	Partial bond	No bond
Ongoing maintenance of coastal protection structure	Not recommended as high risk that Council assumes ownership	Not recommended as insufficiently deals with risks	Recommended as least risk to Council due to landowner motivation to protect their property via maintaining wall
Deconstruction and removal	Recommended as least risk option	Not recommended as insufficiently deals with risks	Not recommended as high-risk option
End-wall effects on third parties and environment	Recommended as least risk option	Not recommended as insufficiently deals with risks	Not recommended as high-risk option

Next steps

- Revise draft Coastal Erosion Protection Structures on Council Reserve Land Policy to provide a with/without bond option and take back to 2 May Council meeting for adoption
- Finalise interim Coastal Protection Policy* at 2 May meeting
- Later in 2024 - prepare and consult on general policy for providing landowner approval of coastal protection structures on all other types of Council-administered lands (including road reserve)

Edits to interim Coastal Protection Policy 2014*

- We suggest renaming the interim policy:
"Coastal Protection Policy for Council-owned assets, excluding those located on land subject to the Reserves Act"
- Some suggested edits to the policy wording are shown in the separate one-page document uploaded to Diligent

[Proposed Coastal Protection Policy for Council-owned assets, excluding those located on land subject to the Reserves Act 1977.docx](#)