

UNCLASSIFIED

Hon Tracey Martin, Minister Responsible for Internal affairs

Proactive release of Cabinet material regarding Preserving the Nation's Memory

25 June 2020

These documents have been proactively released:

***8 April 2020, CBC-20-MIN-0025 Minute: Preserving the Nation's Memory***

***8 April 2020, Cabinet paper: Preserving the Nation's Memory***

***8 April 2020, Preserving the Nation's Memory Programme Business Case***

Some parts of this information would not be appropriate to release and, if requested, would be withheld under the Official Information Act 1982 (the Act). Where this is the case, the relevant sections of the Act that would apply have been identified. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

**Key to Redaction Codes:**

- **Section 9(2)(a):** information that is subject to protecting the privacy of individuals
- **Section 9(2)(ba)(i):** information that is subject to an obligation of confidence
- **Section 9(2)(b)(ii):** Information that would negatively impact the commercial position of an individual or organization/business
- **Section 9(2)(g)(i):** Information that would negatively impact the future ability and willingness to provide free and frank advice and opinions
- **Section 9(2)(i):** Information that would negatively impact the ability to carry out commercial activities
- **Section 9(2)(j):** Information that would negatively impact the ability to carry out commercial negotiations

*For Cabinet material and any public service departmental advice use this copyright statement*

[© Crown Copyright, Creative Commons Attribution 4.0 International \(CC BY 4.0\)](#)

UNCLASSIFIED

Office of the Minister for Internal Affairs

Chair  
Cabinet Business Committee



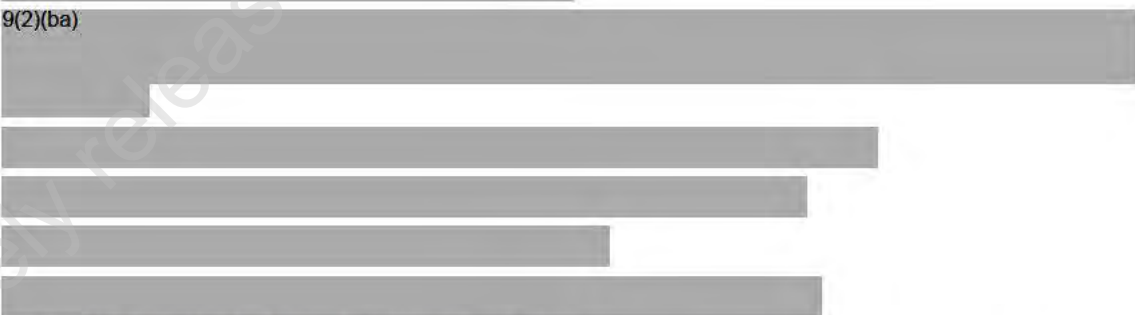
## **Preserving the Nation's Memory**

### **Proposal**

1. This paper seeks Cabinet's agreement to deliver the Preserving the Nation's Memory (PtNM) Programme, subject to funding being approved as part of Budget 2020.
2. The PtNM Programme seeks investment to upgrade and expand the physical infrastructure and storage capacity of Archives New Zealand (Archives), the National Library of New Zealand (National Library) and Ngā Taonga Sound and Vision (Ngā Taonga), to address urgent capacity issues and the aging property portfolio.

### **Executive summary**

3. Our national documentary heritage collections enable New Zealanders to see and experience our most precious founding documents and records. The Archives New Zealand and National Library of New Zealand collections are kept in perpetuity for their enduring value.
4. This is demonstrated with Te Tiriti o Waitangi, the Treaty of Waitangi which was rescued from a fire in 1842 by the then Colonial Secretary and remained in care and travelled south to Wellington in 1865. The precious content of the Waitangi sheet was assured by experimental photo-lithograph images, and the original documents recovered into state care in the early 1900's. Immediately following the February 2011 Canterbury earthquake, ground maps of Christchurch from 1850 proved to be vital tools to a range of groups involved in earthquake recovery. World War One records collected and preserved by Archives New Zealand and the Alexander Turnbull Library enabled extensive digital and physical content to be accessed and used by many New Zealanders for the national commemorations and events around the recent WW100, New Zealand's First World War Centenary.
5. As the official guardians of New Zealand's documentary heritage and record of government since 1840, Archives and the National Library hold irreplaceable taonga for the nation, valued in excess of \$1.7 billion and growing. The Department of Internal Affairs (the Department) has obligations and statutory responsibilities under the Public Records Act 2005 and the National Library of New Zealand Act 2003 to ensure the effective stewardship of New Zealand's record of government, documentary heritage and taonga.
6. Fundamental to the role of Archives and the National Library is providing fit for purpose buildings to house the collections. In 2015, the property project Preserving the Nation's Memory commenced to look at options for addressing a number of issues within the property portfolio. Two key objectives are to provide fit for purpose facilities for the storage of our physical documentary heritage and to materially increase storage capacity.

7. Seed funding of \$10.1 million was approved as part of Budget 2017 to advance planning and prepare for a 2018 Budget initiative. The Programme was unsuccessful in securing ongoing funding in Budget 2018. In Budget 2019, \$25.480 million was approved for the PtNM Programme to continue with plans, design and associated projects.<sup>1</sup> (refer paragraph 28). The PtNM Programme has not been considered by Cabinet outside of the Budget process.
8. The PtNM Programme seeks to address the following critical property issues: sub-optimal facilities, storage capacity constraints, increased exposure to risk and cost-effectiveness. The Business Case has identified a preferred option for the full PtNM Programme which includes:
  - 8.1 A new purpose-built Wellington Archives Lease (AWL) facility and associated alterations to the National Library;
  - 8.2 A new Regional Shared Repository (RSR); and
  - 8.3 The rationalisation of the current property portfolio.
9. A lease arrangement for a new purpose-built Archives facility adjacent to the National Library will provide a once-in-a-lifetime opportunity to create a national documentary heritage precinct within the Thorndon area, with Parliament and most government agencies nearby. It also presents the opportunity for shared services and co-location of the three institutions; Archives, the National Library and Ngā Taonga.
10. 9(2) (ba) and (i) and (j)  

11. A number of phased funding options were prepared for Budget 2020 and Cabinet supported a 'Phased Option'. This option provides funding, in the form of tagged contingencies, for:
  - 11.1 The AWL construction and ongoing lease commitment;
  - 11.2 The RSR land purchase and design;
  - 11.3 The design and procurement process for the National Library alterations
12. 9(2)(ba)  

13. 9(2)(ba)  

14. The risks associated with this option include:
  - 14.1 Any significant seismic event will compound building issues for the Archives Mulgrave Street facility and put the contents at further risk;
  - 14.2 The Crown will continue to carry a high-risk profile until both the capacity and building quality issues are resolved for Archives and the National Library;

<sup>1</sup> Under the PtNM umbrella an additional \$9.623 million of funding was received through Budget 2019 for the Archival Integration Management System (AIMS) project. This is a repository management system which supports the development of key digital infrastructure for the replacement of core technology platforms crucial for the decant of the holdings which will enable Archives to track every item.



14.3 9(2)(ba)

15. The benefits this investment will achieve are:
  - 15.1 Minimise the risk to the Department of Internal Affairs and the Crown of loss or damage to our documentary heritage;
  - 15.2 Improved access to documentary heritage and record of government;
  - 15.3 Increased trust in government transparency and democratic accountability, and confidence in our constitutional infrastructure;
  - 15.4 Increased and stronger sense of national identity;
  - 15.5 Increased cultural and economic growth through knowledge creation; and
  - 15.6 Foster New Zealanders' trust and confidence in government to manage their information well.

#### **Our documentary heritage is important**

16. Documentary heritage is integral to our country culturally, constitutionally, and economically. It helps to ensure the government is held accountable, and also to keep our unique history alive so that we pass on our documented culture, traditions, and heritage to future generations. Providing access to our cultural and heritage information increases the visibility of New Zealand's national and cultural identity.
17. Our documentary heritage includes irreplaceable pieces of Māori knowledge documented by both Māori and non-Māori. These taonga are treasured possessions of the nation and represent a unique and authoritative source of our history. They are a valuable resource that has contributed to Treaty settlement research, Māori language revitalisation, and iwi, hapu and whānau history.
18. Our collective memory contributes to a sense of belonging through knowledge and understanding of our history and culture. A vibrant cultural and national identity helps to give a collective sense of belonging. Our people benefit through the social capital that our documentary heritage, symbols of national identity and culture make tangible.
19. This investment directly links to the Treasury Living Standards Framework and the domains impacted include:
  - 19.1 Cultural identity – strengthening national identity so New Zealanders are enriched and inspired by who we are as a nation, our history and identity;
  - 19.2 Social connections – improved access to our documentary heritage through the creation of a documentary heritage precinct;
  - 19.3 Knowledge and skills – improved long-term preservation and protection of invaluable taonga that can be accessed by all New Zealanders for a variety of purposes; and
  - 19.4 Civic engagement and government – increased trust in government transparency and democratic accountability and constitutional infrastructure.

#### **Critical issues for Archives and the National Library**

20. The PtNM Programme seeks to ensure the effective management of New Zealand's documentary heritage and taonga by addressing:
  - 20.1 **Storage capacity constraints** – Archives has exceeded capacity at its Wellington repository and in 2017 instituted an indefinite suspension on the transfer of government archival records to the Wellington facility. The National Library will reach capacity in 2030.



- 20.2 **Sub-optimal facilities** – over 60 per cent of the North Island property portfolio is at the end of its economic life and in need of a major upgrade. The Archives Mulgrave Street Wellington facility and the National Library's Wairere House Whanganui facility are of particular concern. Seismic resilience for the Mulgrave Street building is rated at 45-55 per cent of IL3 and Wairere House is 40 per cent of IL3.<sup>2</sup> Despite judicious asset management many of the building assets have reached the end of their service life. For example; mechanical plant breakdowns which impact humidity levels for the preservation of records, water and wastewater leaks, asbestos, lack of insulation and airtightness issues.
- 20.3 **Increased exposure to risk** – our documentary heritage is at risk of loss or damage as a direct consequence of the sub-standard building conditions. The current facilities offer limited protection from natural or man-made disaster such as earthquake, flooding or failure of building services. Under legal deposit requirements, the National Library houses two copies (an access and a preservation copy) of all published materials originating in New Zealand.<sup>3</sup> The copies are stored in adjacent Wellington buildings. In the event of a major natural disaster, there is a risk of losing New Zealand's entire publishing history from a single hazard event.
- 20.4 **Cost-effectiveness** – the property portfolio is not cost-effective due to the condition of the properties, their age, inefficient footprint and energy solutions. Public sector organisations currently carry the costs for the long-term storage of high value public records while they are not able to be transferred to the Archives facility in Wellington.

### Physical and digital context

21. Our physical documentary heritage is held in perpetuity to support our public responsibilities and to meet international standards of transparency, open government and conservation of national treasures. The Official Information Act 1982, the Privacy Act 1993 and the Public Records Act 2005 form our legislative framework which is recognised as best practice internationally and is evidenced with New Zealand's rating by Transparency International as a '*high trust, high integrity society*'.<sup>4</sup>
22. The Public Records Act 2005 requires disposal or transfer of public records after 25 years. Agencies are able to defer the transfer of public records (with agreement from the Chief Archivist). The reality of this is that many of the records to be transferred are much older. As a consequence, the demand for physical storage is expected to be maintained until 2030, and thereafter slow to 2045, by which time born-digital material will overtake physical material.
23. Archives and the National Library are at the onset of a 10-15 year journey of digitally transforming their services and systems. The PtNM Programme establishes the foundations on which the paper and analogue record of government and society can be protected for generations, alongside concentrating efforts to accelerate future digital services.
24. The transition from paper has been underway since the 1990s. Up to 75% of the physical records forecast to be transferred to Archives have already been created by Government agencies. Digitisation does not replace the need to retain heritage documents as the physical form of the original is integral to the value and the authenticity of the material.

<sup>2</sup> IL3: Importance Level 3 – Buildings of a higher level of societal benefit or importance, or with higher levels or risk-significant factors to building occupants. These buildings have increased performance requirements because they may house large numbers of people or fulfil a role of increased importance to the local community or to society in general. IL3 is rated at 130 per cent of the New Zealand Building Code New Building Standard.

<sup>3</sup> The National Library collections include all New Zealand published books, newspapers, manuscripts, magazines, journals, photographs, letters, diaries and taonga.

<sup>4</sup> <https://www.transparency.org/cpi2019?/news/feature/cpi-2019>

25. For the properties within the scope of the PtNM Programme the existing physical collections currently total 209,000 liner metres, of which 60 percent of the properties are not fit for purpose. The forecast capacity required to 2030 is 302,000 linear metres, this equates to approximately 9,000m<sup>2</sup> storage capacity for growth. This is in addition to the current storage of 11,500m<sup>2</sup> that requires replacement.

### **Ngā Taonga Sound and Vision**

26. In 2018, the National Archival and Library Institutions (NALI) Ministerial Group agreed to include Ngā Taonga within the scope of the PtNM Programme, as New Zealand's audio-visual archive. Investigations into opportunities for shared services, co-location and collaboration with Ngā Taonga are progressing. The PtNM Business Case reflects these opportunities and acknowledges the strategic alignment of the three documentary heritage institutions.
27. Ngā Taonga is a charitable trust that cares for New Zealand's audio-visual archive. Responsibility and care for the TVNZ audio-visual holdings was transferred to the Ministry for Culture and Heritage under the Public Records Act 2005. Ngā Taonga are contracted to manage these audio-visual holdings on their behalf. Ngā Taonga are an Archives approved repository.<sup>5</sup>

### **Planning and detailed analysis undertaken in 2017, 2018 and 2019**

28. A Single Stage Business Case was prepared for Budget 2017. A long list of options was developed. All options were assessed against the investment objectives and critical success factors. Options that did not sufficiently contribute to the project objectives were discounted. The short-listed options were:
- 28.1 Option 1 – Baseline funding – portfolio maintained 'as is'. No additional funding sought;
  - 28.2 Option 2 – Restack Mulgrave Street facility more efficiently so capacity is increased;
  - 28.3 Option 3 – (preferred option in 2017 Business Case) Refurbish Mulgrave Street and build a new remote repository;
  - 28.4 Option 4 – Build a new large repository and divest Mulgrave Street;
  - 28.5 Option 5 – Refurbish Mulgrave Street and improve other properties.
29. The Budget 2017 seed funding of \$10.1 million enabled a number of specialist and technical evaluations to be prepared on the Mulgrave Street facility to better understand geotechnical and seismic aspects of the redevelopment work. The funding also supported site specification work for the Regional Shared Repository site.
30. This expertise and analysis enabled a more comprehensive assessment of the programme of work associated with the delivery of the project, and in turn a more robust and accurate assessment of the associated costs.
31. This analysis established that Option 3 would fail to meet the required building performance levels and seismic resilience without a complete rebuild of the Mulgrave Street site. The project modified the delivery approach for the unsuccessful Budget 2018 submission.
32. The modified approach recommends a commercial lease for the Wellington Archives Lease facility avoiding high capital costs, significant service delivery interruption, prolonged project delivery and risk to the documentary heritage during multiple moves. The modified approach is the result of the Kaikoura earthquakes in 2016, where several vacant sites became available for development within the Thorndon precinct.

---

<sup>5</sup> An approved repository is an organisation authorised to accept the deposit of public archives for safekeeping.



33. The Budget 2019 submission was modified further to include upgrade works required to the National Library to ensure optimal functionality once the Archives facility adjacent to the National Library is linked by an airbridge. This submission also included the long-term property solutions for Ngā Taonga.
34. The PtNM Programme secured funding in Budget 2019. This comprised a two-year funding commitment of \$25.480 million to complete:
  - 34.1 Design work only for the Archives Wellington Lease facility (AWL) including the design component associated with the link to the National Library;
  - 34.2 New Regional Shared Repository (RSR) land identification, land selection and concept design work only;
  - 34.3 Mulgrave Street pre-decant activities; and
  - 34.4 Wairere House, Whanganui exit including pre-decant and decant activities.

### The full PtNM solution and delivery approach

35. To fulfil its obligations and future proof the delivery of services the Department will implement a solution that is multi-dimensional. The solution will address the urgent capacity issue and the aging property portfolio and achieve the optimal and most cost-effective solution. It is appropriate that the Department must divest itself of assets that are not fit for purpose and re-invest across the remaining property portfolio.
36. The PtNM Business Case supporting the Budget 2020 submission has identified the following preferred option for the full PtNM Programme:
  - 36.1 **A new lease facility for Archives Wellington Lease (AWL) is developed** – a lease arrangement for a new purpose-built facility at 2-12 Aitken Street, Thorndon, Wellington, with physical connectivity via an airbridge with the National Library's Molesworth Street facility. A Development Agreement for the design and construction and long-term commercial lease<sup>9(2)(b) and (ba)</sup> was signed with the landowner, PSPiB/CPPIB Waiheke Inc. in July 2019. All dealings have been through their New Zealand fund managers, AMP Capital Investors (AMP);
  - 36.2 **Alterations to the National Library Molesworth Street (NL)** – to physically connect to the AWL airbridge and for changes to enable the collaboration and co-location across both buildings to function effectively and create a documentary heritage campus. The National Library will be the main public entry point for the institutions therefore it is an important interface for the management of people and operational traffic flows. These modifications will extend the useful life of the National Library beyond the restricted NGIP<sup>6</sup> upgrade;
  - 36.3 **A new Regional Shared Repository (RSR) is developed** – providing regional storage for the National Library and Archives NZ, to meet forecast growth in physical records to 2030 and capable of extending to meet forecast growth to 2045 and beyond. A regional facility will provide geographical separation and resilience in the system in the event of a natural disaster to protect one of the two copies of all legally deposited New Zealand published materials. Original material digitised will also be held in the RSR. This facility has the potential to provide further system-wide long-term storage solutions, these opportunities are being investigated further;

<sup>6</sup> The National Library underwent a restricted upgrade to building services and fitout assets in 2010-2012 as part of the New Generation Implementation Programme (NGIP). Original 1986 elements such as; conservation laboratories, audio-visual studios, lifts and building exterior (some reaching end of functional life) were not included in that upgrade.

36.4 9(2)(b)(ba)

36.5 **Logistics costs** associated with the relocation and move of the extensive holdings and collections within the scope of the PtNM Programme; and

36.6 **Alterations to accommodate Ngā Taonga Sound and Vision (Ngā Taonga)** – long-term storage and accommodation requirements to the National Library, the Avalon facility<sup>7</sup>, the AWL and RSR facilities.

37. Further information on the PtNM Programme is attached:

37.1 An infographic at Appendix 1 highlights the key elements of the PtNM Programme with a before and after view;

37.2 A timeline of all key milestones for the Programme is at Appendix 2; and

37.3 The PtNM Business Case is attached as a separate document.

#### **Opportunities for collaboration and connectedness**

38. The proposed Archives building at 2-12 Aitken Street Wellington, provides the opportunity for the creation of a national documentary heritage precinct with wider use. This is a once-in-a-lifetime opportunity to create a documentary heritage 'campus' in the Thorndon area, with Parliament and most government departments nearby. The chance to build a specialised, purpose-built facility on this site, adjacent to the National Library building is unlikely to be repeated again.

39. The opportunity to have the holdings and collections of the three institutions in the same location would improve physical access and provide greater convenience for the public and customers. Collaboration between the three institutions could provide an excellent opportunity for cross-fertilisation of knowledge, skills and services. A heritage campus for all New Zealanders will strengthen our cultural identity through greater access and collaboration, as demonstrated at Appendix 3.

40. The delivery of the full PtNM solution is expected to achieve the following outcomes:

40.1 A resilient and enduring record of government and documentary heritage for all New Zealanders;

40.2 Preserved, protected and accessible documentary heritage for future generations;

40.3 Improved physical access to the record of government, documentary heritage and taonga;

40.4 Minimise any risk of reputation to the Crown and the Department through the loss or damage of our documentary heritage;

40.5 Collaboration and participation to strengthen positive outcomes and success for Māori;

40.6 Actively protecting Māori knowledge, interests and physical taonga; and

40.7 Creation of a national documentary heritage campus, improving collaboration across the wider heritage sector.

#### **Benefits and reduced risk profile**

41. The PtNM Programme has identified the following potential benefits of a new purpose-built Archives facility and RSR:

41.1 Optimises and meets capacity requirements to 2030 and beyond;

41.2 Meets building performance levels and appropriate seismic resilience rating;

<sup>7</sup> The Avalon facility (owned by the Department) currently stores the TVNZ Archives Collection, under the responsibility of the Ministry for Culture and Heritage, with archival management services contracted to Ngā Taonga.



- 41.3 Continuity of Archives service delivery with minimal interruption;
  - 41.4 A single decant of the Archives holdings directly to the new AWL facility – reducing decant costs, temporary controlled storage, risk, time and service interruption;
  - 41.5 Risk reduced through the transfer of construction risk to the commercial provider (AWL only);
  - 41.6 Reduced risk of damage or loss of the collections through a natural disaster;
  - 41.7 No interim staff relocation required; and
  - 41.8 Reduced system-wide cost of commercial storage while public records are held in public offices.
- 42. The programme of work provides the ideal platform for greater collaboration across the heritage sector and the Regional Shared Repository in particular has the potential to assist with long-term storage solutions across the heritage sector.
  - 43. As a significant infrastructure programme PtNM will be able to assist New Zealand's economic recovery from the impact of the COVID-19 crisis. Construction projects such as the AWL and RSR will be crucial in supporting the construction industry and providing employment opportunities going forward. The planning undertaken over the previous four years means the PtNM Programme is well placed to execute the successful delivery over the next six years.

#### **Funding pathway**

- 44. Budget 2019 funding of \$25.480 million has allowed the PtNM Programme to progress:
  - 44.1 The design work only for the AWL facility including the design component associated with the airbridge link to the National Library;
  - 44.2 The new RSR land identification, land selection and concept design work only;
  - 44.3 The pre-decant activities associated with the exit of the Archives Mulgrave Street facility; and
  - 44.4 The pre-decant and decant activities associated with the exit of Wairere House Whanganui.
- 45. Also, under the umbrella of the PtNM Programme, funding of \$9.623 million was received for the Archives Integrated Management System (AIMS). This system will enable the accurate tracking and management of the public records. PtNM is dependent on this project, however it is not within scope of the PtNM Business Case.
- 46. Budget 2019 funding has been vital to commence the exit of the Wairere House Whanganui facility, and the Department expects to have this completed by late-2020. Due to the age of this facility there have been a number of significant issues and building service failures in recent months. The exit of this facility is now imperative to ensure the collections are not put at further risk.
- 47. Without a complete solution, quality and capacity, the Crown will continue to be exposed to increasing and unsustainable risks for its documentary heritage and taonga. Until additional storage capacity is developed, the suspension of transfers of public records to Archives will remain in place indefinitely. This compromises government transparency and democratic accountability. Agencies continue to carry the cost for the storage of these records.

48. It is critical the contents of the Archives Wellington Mulgrave Street facility are not put at any undue risk by delaying this investment further. Any significant seismic event will compound building issues for the Mulgrave Street facility and put the contents at further risk. The Mulgrave Street facility holds approximately 80,000 linear metres of government records. Under a controlled relocation, it is anticipated it will take up to 18 months to relocate the contents. Following a major event, access would be limited or restricted, any relocation could extend up to two or three years, in which time much of the contents are likely to be destroyed or damaged by water, mould and other contaminants.
49. The funding agreed through Budget 2020 will fulfil the once-in-a-lifetime opportunity to create a national documentary heritage precinct within the Thorndon area. The AWL facility will enable the opportunity for co-location, shared services and collaboration between Archives, the National Library and Ngā Taonga Sound and Vision.
50. Budget 2020 funding for the RSR is important to provide a complete solution and maintain momentum on funding received to-date. <sup>9(2)(ba)</sup>
51. In August 2019, I announced plans for the development of the new Archives facility at 2-12 Aitken Street, Wellington. The signing of the Development Agreement with the land owners allowed both parties to proceed with the design of a new special purpose facility on the site. Importantly for the Crown, it meant we did not lose this opportunity due to timing.
52. Both parties entered into the Development Agreement on a voluntary basis, however there were conditions binding both parties and the financial implications of these are set out in paragraph 70-72.

#### **Archives Wellington existing building at 10 Mulgrave Street**

53. <sup>9(2)(j)</sup>
54. <sup>9(2)(i)</sup>

#### **Treasury Gateway Review**

55. Under the Cabinet-mandated Gateway Review Framework, the PtNM Programme has been categorised as 'high risk'. This assessment required the PtNM Programme to undergo a one-week review by independent experts in November 2019. The review is designed to give independent, high-level, action-oriented recommendations to the senior responsible owner of the Programme.
56. The review covered the Investment Decision Gateway (3) and an overarching Strategic Assessment (Gateway 0) was also completed. <sup>9(2)(g)(i)</sup>

#### **Consultation**

57. In preparing this paper the Department of Internal Affairs has consulted Ministry for Culture and Heritage, the Department of Prime Minister and Cabinet, the Ministry of Business Innovation and Employment, The Treasury, the National Librarian and the Chief Archivist.



58. All agencies consulted have provided specific feedback, which has been considered and incorporated into the paper where possible.
59. The Ministry for Culture and Heritage supports the PtNM investment proposal to ensure appropriate future resourcing and the inclusion of Ngā Taonga within the PtNM Programme.
60. The Treasury have provided comment on the PtNM investment proposal through the Budget 2020 process.

### Financial implications

9(2)(b) and (ba) and (i)

61. 9(2)(b) and (ba) and (i)

9(2)(b) and (ba)

62. 9(2)(b) and (ba) and (i)

63. 9(2)(b) and (ba) and (i)

64. 9(2)(b) and (ba) and (i)

65. 9(2)(b) and (ba) and (i)

9(2)(b) and (ba) and (i)

9(2)(b) and (ba)

66. 9(2)(b) and (ba) and (i)

9(2)(b) and (ba) and (i)

9(2)(b) and (ba)

67. 9(2)(b) and (ba) and (i)

9(2)(b) and (ba) and (i)

68. 9(2)(b) and (ba) and (i)

69. 9(2)(b) and (ba) and (i)

9(2)(b) and (ba)

70. 9(2)(b) and (ba)

71. 9(2)(b) and (ba)

72. 9(2)(b) and (ba)

#### *Finance lease*

73. The long-term nature of the proposed commercial lease for the AWL facility and the fact that it will be a highly specialised facility, means that its commercial lease will be classified as a finance lease under Public Benefits Entities Accounting Standards (referred as PBE IPSAS) and recognised in the Department's financial statements in accordance with PBE IPSAS 13 Leases. This will result in the recognition in the Department's financial statements of a right to use asset, along with a financial liability for the present value of the future lease payment obligations.
74. A finance lease is a form of borrowing under section 2 of the Public Finance Act 1989 (PFA) and approval from the Minister of Finance is required under section 47 of the PFA prior to the Department entering the lease.
75. The development and operation of the AWL facility will also be subject to the Minister of Finance approving the finance lease. The Department will seek any subsequent approvals in-line with Treasury timelines and guidance (likely to be early-May 2020).

<sup>8</sup> An investment off-ramp is the point at which either party can withdraw from the agreement. Off-ramps can only be exercised if the Fiscal Envelope is exceeded, except for the Budget 2020 off-ramp



**Human rights, gender implications and disability perspective**

76. There are no human rights, gender or disability implications associated with this paper.

**Legislative implications**

77. There are no legislative implications associated with this paper.

**Publicity**


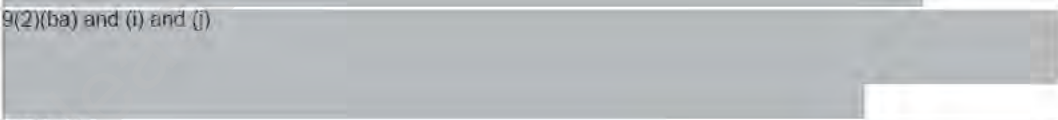


78. A media announcement regarding plans for a new Archives Wellington facility was made in August 2019. This investment proposal is subject to Budget 2020 decisions and announcements. Any media release would be made at the appropriate time.

**Proactive release**


79. This investment proposal has Budget 2020 implications and includes sensitive information. It is recommended proactive release is delayed beyond thirty business days. Once Budget 2020 decisions are announced proactive release will be subject to redaction as appropriate under the Official Information Act 1982.

## Recommendations

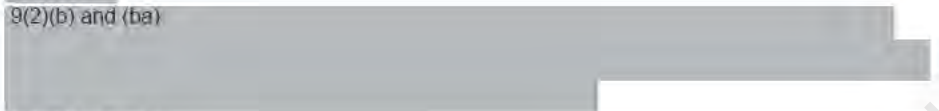
The Minister of Internal Affairs recommends that the Cabinet Business Committee:

1. **note** the critical issues for the North Island property portfolio of Archives New Zealand and the National Library of New Zealand, including:
  - 1.1 storage capacity constraints
  - 1.2 sub-optimal facilities
  - 1.3 increased exposure to risk of our documentary heritage;
2. **note** that the Archives Mulgrave Street Wellington facility is of particular concern, with mechanical plant breakdowns, water and wastewater leaks, asbestos, lack of insulation and airtightness, and periodic plantroom failures, impacting the ability to appropriately preserve, care and protect our documentary heritage and taonga;
3. **note** the previous requests and commitments the PtNM Programme has received from Cabinet via the Budget process:
  - 3.1 Budget 2017 approved \$10.100 million seed funding to progress planning and analysis
  - 3.2 Budget 2018 initiative was unsuccessful
  - 3.3 Budget 2019 approved \$25.480 million to progress design, plans and associated projects;
4. **note** that significant investment is required to address the aging property portfolio and the urgent capacity issues facing Archives New Zealand and the National Library of New Zealand;
5. **note** that significant investment is required to address Ngā Taonga Sound and Vision's urgent storage capacity and property portfolio issues;
6. **note** the Preserving the Nation's Memory Business Case setting out the case for change is attached;
7. **note** that the funding to deliver the Preserving the Nation's Memory Programme cannot be met from within Vote Internal Affairs baselines;
8. 9(2)(ba) and (i) and (j)  

9. 9(2)(ba) and (i) and (j)  

10. 9(2)(ba)  

11. **note** that in August 2019 the Crown signed a Development Agreement with the landowner (PSPiB/CPPIB Waiheke Inc.) of 2-12 Aitken Street for the development and associated lease of a new purpose-built Archives Wellington facility;
12. 9(2)(b) and (ba)  



12.1 9(2)(b) and (ba)




12.2 9(2)(b) and (ba)



12.3 9(2)(b) and (ba)



13. **note** that the funding approved as part of Budget 2020 for the development and operation of the Archives Wellington facility will be subject to approval of the finance lease by the Minister of Finance;
14. **agree** that funding agreed through Budget 2020 for the investment in the Preserving the Nation's Memory's Phased Option for:
- 14.1 A new lease facility for Archives Wellington
  - 14.2 Design and procurement process for the alterations to the National Library Molesworth Street
  - 14.3 Land purchase and design only of a new Regional Shared Repository
  - 14.4 Logistics costs associated with the relocation of the documentary heritage and taonga in relation to the Archives Wellington facility only;
15. **agree** subject to recommendations 13 and 14 above the Crown to enter into a long-term unconditional agreement for the development and commercial lease for the Archives Wellington Lease facility; and
16. 9(2)(ba)
- 

Authorised for lodgement

Hon Tracey Martin

Minister of Internal Affairs



## Appendix 1: Key elements of the PtNM Programme with a before and after view

## Preserving the Nation's Memory (PtNM)

This initiative ensures New Zealand's documentary heritage stored in the North Island is preserved and maintained in fit for purpose facilities.

### BEFORE

40% of national collections are held in fit for purpose facilities.

NOT FIT FOR PURPOSE



EXIT BY 2025

#### Archives Wellington

10 Mulgrave Street, Wellington  
1980s former Government Printing Office, converted in 1990 for Archives Wellington. No major upgrades.

- At end of functional life
- 50% seismic resilience
- Poor environmental control
- Frequent plant breakdowns
- High risk of water leaks
- High deferred maintenance

FIT FOR PURPOSE



#### National Library

70 Moleworth Street, Wellington  
1990s purpose designed National Library, partial refurbishment 2012. Nga Taonga staff currently collocating with National Library.

FIT FOR PURPOSE



#### Archives Auckland

95 Richard Pearse Drive, Mangere  
2007 purpose designed Archives. Roof and plant upgrade 2018.

NOT FIT FOR PURPOSE



EXIT BY 2022

#### National Library off-site storage

Weirere House, Whangarei  
Whangarei 1970s former National Law Enforcement Data Base ("the Whangarei computer"), converted in 1990s for off-site repository for National Library.

- At end of functional life
- 40% seismic resilience
- Poor environmental control
- Frequent plant breakdowns
- High risk of water leaks
- Flood risk from river

### AFTER

100% of national collections are held in fit for purpose facilities.

NEW OPENS 2025



#### Archives Wellington Lease Facility

2-12 Arken Street, Wellington  
Similar capacity to 10 Mulgrave St, Wellington.



Air bridge to link to National Library, provides for a campus setting for collaboration of three institutions.



#### National Library

70 Moleworth Street, Wellington  
Outstanding refurbishment works completed. Alterations to accommodate Nga Taonga Sound and Vision permanently.



#### Archives Auckland

95 Richard Pearse Drive, Mangere  
In good condition.

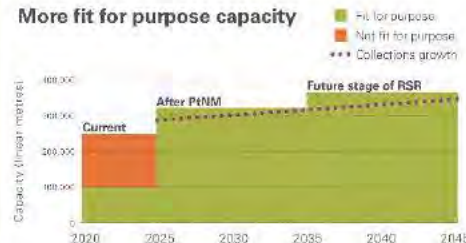
NEW OPENS 2025



#### Regional Shared Repository

TBC lower North Island  
Deep storage facility shared by the three institutions and potential for wider system solution including Te Papa. Provides for future growth for national collections.

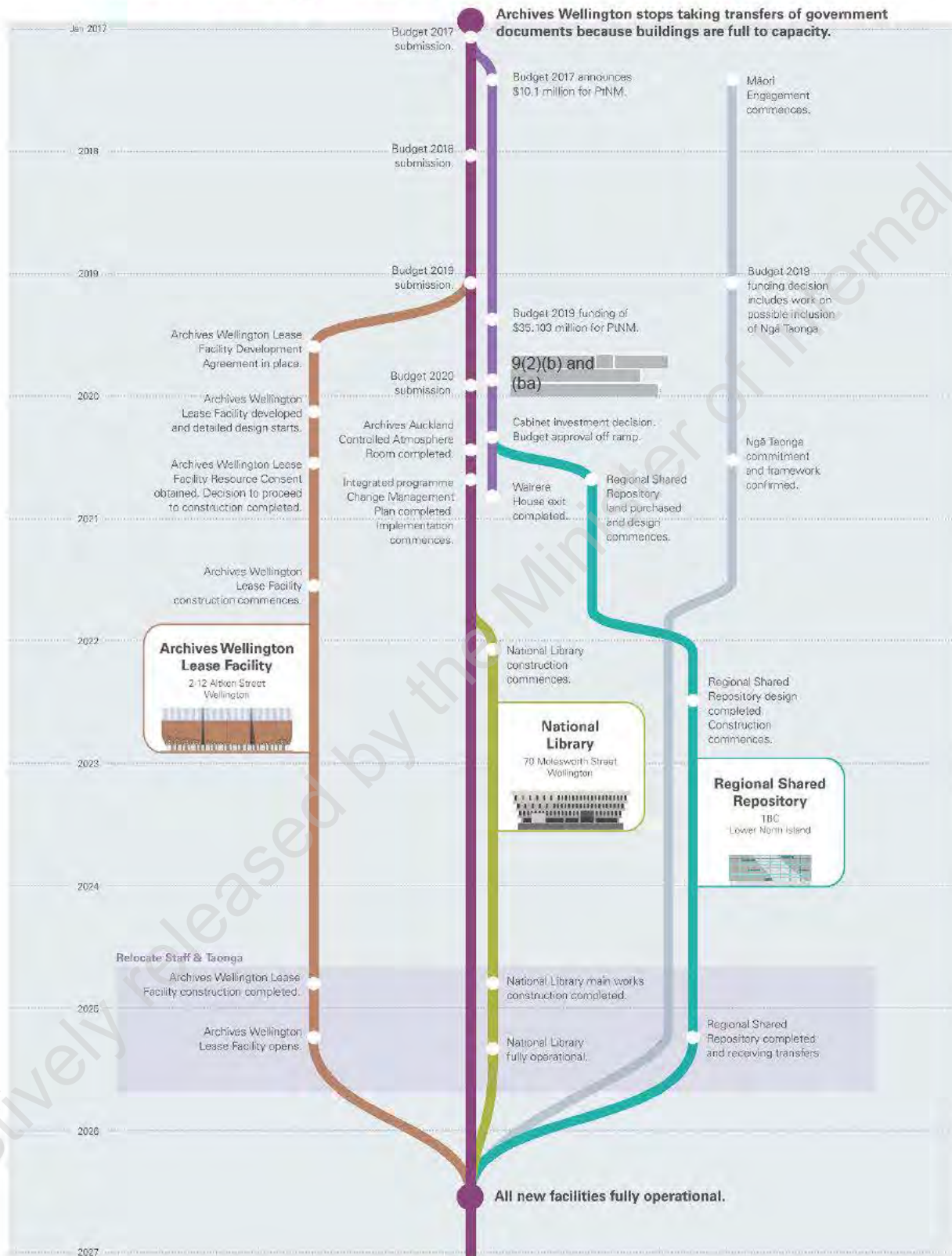
#### More fit for purpose capacity



9(2)(b)(ba)

## Appendix 2: Timeline of all key milestones for the PtNM Programme

## Timeline of key milestones for PtNM Programme





## Appendix 3: PtNM programme as an enabler for increased access and collaboration

# Preserving the Nation's Memory

A recorded and documentary heritage campus for all New Zealanders

## WHY

### What this will mean for New Zealanders

Increasing our cultural identity through greater access and collaboration.





**Appendix 4:**

9(2)(b) and (ba)

9(2)(b) and (ba)

Proactively released by the Minister or Minister of Internal Affairs

99  
(  
2  
)  
(

9(2)(ba) and (i) and (j)

9(2)(b) and (ba)

Proactively released by the Minister of Internal Affairs



# Cabinet Business Committee

## Minute of Decision

*This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.*

### Preserving the Nation's Memory

**Portfolio**                      **Internal Affairs**

On 8 April 2020, the Cabinet Business Committee:

- 1        **noted** the critical issues for the North Island property portfolio of Archives New Zealand and the National Library of New Zealand, including:
  - 1.1       storage capacity constraints;
  - 1.2       sub-optimal facilities;
  - 1.3       increased exposure to risk of our documentary heritage;
- 2        **noted** that the Archives Mulgrave Street Wellington facility is of particular concern, with mechanical plant breakdowns, water and wastewater leaks, asbestos, lack of insulation and airtightness, and periodic plantroom failures, impacting the ability to appropriately preserve, care and protect our documentary heritage and taonga;
- 3        **noted** the previous requests and commitments the PtNM Programme has received from Cabinet via the Budget process:
  - 3.1       Budget 2017 approved \$10.100 million seed funding to progress planning and analysis [CAB-17-MIN-0185.13];
  - 3.2       Budget 2018 initiative was unsuccessful;
  - 3.3       Budget 2019 approved \$25.480 million to progress design, plans and associated projects [CAB-19-MIN-0174.21];
- 4        **noted** that significant investment is required to address the aging property portfolio and the urgent capacity issues facing Archives New Zealand and the National Library of New Zealand;
- 5        **noted** that significant investment is required to address Ngā Taonga Sound and Vision's urgent storage capacity and property portfolio issues;
- 6        **noted** the Preserving the Nation's Memory Business Case, attached under CBC-20-SUB-0025, setting out the case for change;
- 7        **noted** that the funding to deliver the Preserving the Nation's Memory Programme cannot be met from within Vote Internal Affairs baselines;



8

9(2)(b) and (ba)

9

9(2)(b) and (ba)

10

9(2)(ba)

11

**noted** that in August 2019 the Crown signed a Development Agreement with the landowner (PSPiB/CPPIB Waiheke Inc.) of 2-12 Aitken Street for the development and associated lease of a new purpose-built Archives Wellington facility;

12

9(2)(b) and (ba)

13

**noted** that the funding approved as part of Budget 2020 for the development and operation of the Archives Wellington facility will be subject to approval of the finance lease by the Minister of Finance;

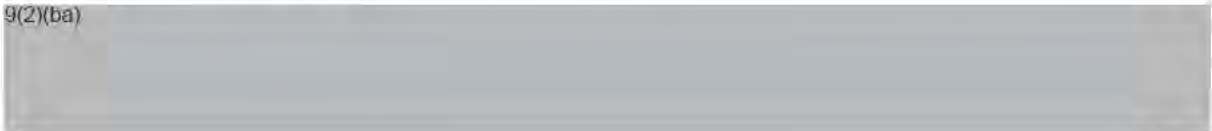
14

**agreed** that funding agreed through Budget 2020 for the investment in the Preserving the Nation's Memory's Phased Option for:

14.1 a new lease facility for Archives Wellington;

14.2 design and procurement process for the alterations to the National Library Molesworth Street;

14.3 land purchase and design only of a new Regional Shared Repository;

- 14.4 logistics costs associated with the relocation of the documentary heritage and taonga in relation to the Archives Wellington facility only;
- 15 **agreed** that, subject to paragraphs 13 and 14 above, the Crown enter into a long-term unconditional agreement for the development and commercial lease for the Archives Wellington Lease facility;
- 16 9(2)(ba) 

Vivien Meek  
Committee Secretary

**Present:**

Rt Hon Jacinda Ardern (Chair)  
Rt Hon Winston Peters  
Hon Grant Robertson  
Hon Phil Twyford  
Hon Chris Hipkins  
Hon Andrew Little  
Hon Carmel Sepuloni  
Hon Dr David Clark  
Hon David Parker  
Hon Nanaia Mahuta  
Hon Jenny Salesa  
Hon Damien O'Connor  
Hon Kris Faafoi  
Hon Ron Mark  
Hon Tracey Martin  
Hon James Shaw

**Officials present from:**

Office of the Prime Minister  
Department of the Prime Minister and Cabinet  
Treasury

# Preserving the Nation's Memory

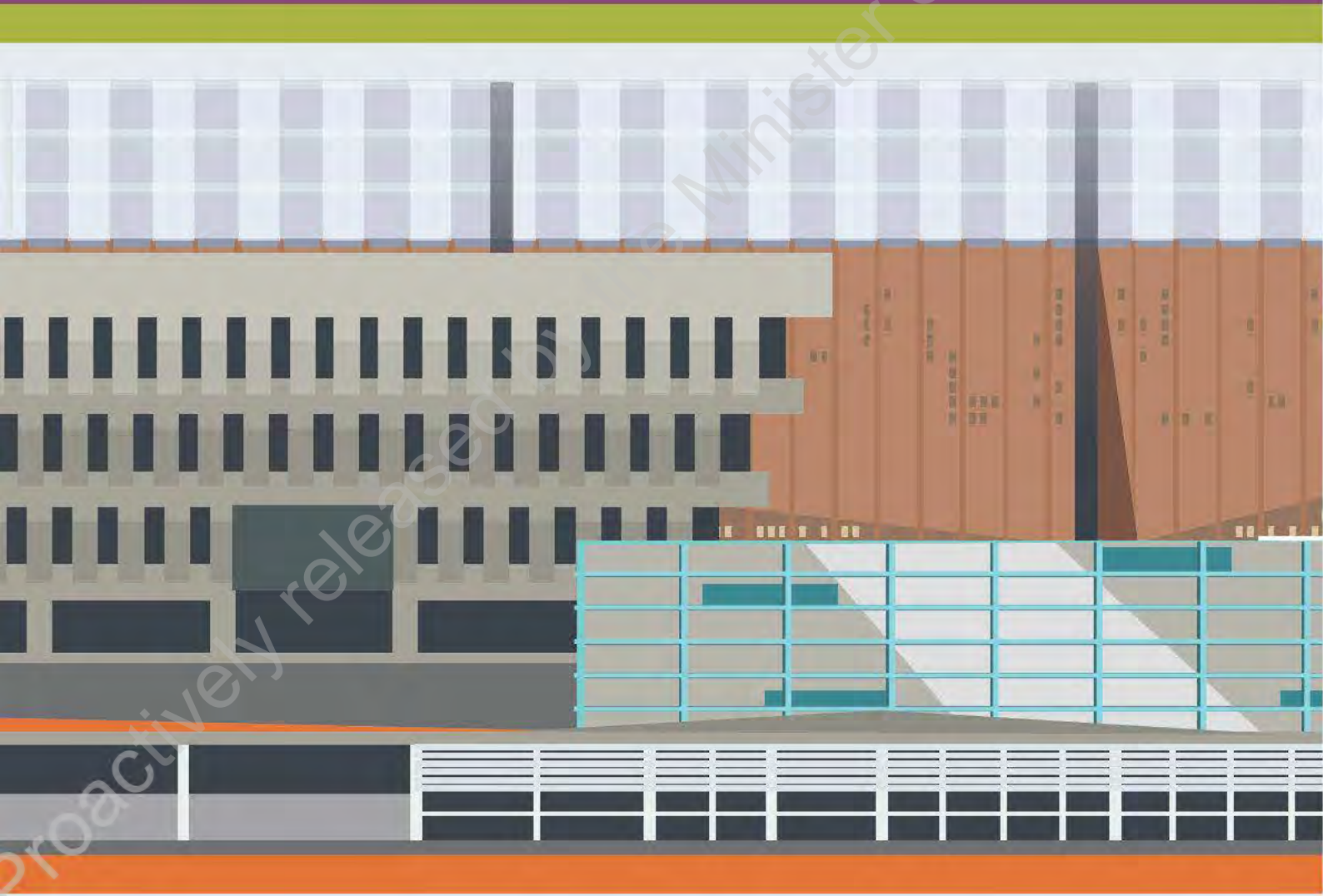
**Our collective history, identity, stories, memories.**

Understanding our past to inform our future.

We are kaupupuri, stewards of our nation's taonga.

---

**Business Case Budget 2020**



New Zealand Government

U N C L A S S I F I E D







# Department of Internal Affairs

## Preserving the Nation's Memory

### Programme Business Case (PBC)

<b>Prepared by:</b>	Mary McLean
<b>Prepared for:</b>	PtNM Governance Board
<b>Date:</b>	19 November 2019
<b>Version:</b>	V1.4
<b>Status:</b>	Approved
<b>Template Version:</b>	October 2019 (check <a href="#">Treasury website</a> for updates)



# Department of Internal Affairs: Preserving the Nation's Memory Programme Business Case

## Document Control

### Document Information

Document ID	<a href="#">PTNM Programme Business Case - 16 January 2020 V1.2 FINAL.doc</a>
Document owner	Mary Mclean
Issue date	19 November 2019
Filename	PtNM Programme Business Case – 19 November 2019 V0.3

### Document History

Version	Issue date	Changes
0.2	18 November 2019	Peer reviewed
0.3	19 November 2019	Suggested changes following PtNM Board meeting
0.4	2 December 2019	Updated to new Treasury SSBC template. Benefits, wellbeing, assumptions etc updated and CE letter. Rewrite the Executive Summary
0.4	9 December 2019	Update Exec Summary
1.0	12 December 2019	Final version submitted to Treasury
1.1	14 January 2020	Edits – proof reading, feedback from PtNM Board Chair (IKS DCE) and IKS Finance Business Partner
1.2	17 January 2020	Edits – update demand storage graph p25
1.3	4 February 2020	DCE/SRO suggested changes and PRC suggested changes
1.4	2/3 March 2020	Updated financial information

## Approved by

Role	Name	Sign-off Date
------	------	---------------

Chief Executive, Department of Internal Affairs	Paul James	
---	------------	--

 12/3

## Endorsed by

Role	Name	Sign-off Date
------	------	---------------

Senior Responsible Owner/Project Executive	Peter Murray	
--	--------------	--



Programme Manager	Rob Stevens	
-------------------	-------------	--



Chief Financial Officer	Sharyn Mitchell	
-------------------------	-----------------	--





## Table of Contents

Executive Summary .....	5
Strategic Case .....	13
<b>Strategic Context</b> .....	13
<b>Case for Change</b> .....	22
<b>Benefits</b> .....	32
<b>Risks</b> .....	34
Economic Case .....	36
<b>Modified Delivery Approach – the ‘Preferred Option’</b> .....	37
<b>Assessment criteria</b> .....	40
<b>Costs</b> .....	40
<b>Risk identification and measurement</b> .....	44
<b>Other options modelled for Budget 2020</b> .....	46
Commercial Case .....	51
<b>Preferred commercial option</b> .....	52
<b>Required products and services</b> .....	55
<b>The market and its ability to deliver</b> .....	56
<b>Procurement strategy</b> .....	60
Financial Case .....	75
<b>Methodology and key assumptions</b> .....	76
<b>Financial summary</b> .....	78
<b>Finance Lease</b> .....	82
<b>Funding approach</b> .....	82
Management Case .....	85
<b>Planning for successful delivery</b> .....	85
<b>Benefits realisation management</b> .....	101
<b>Risks and issue management</b> .....	110
<b>Quality management</b> .....	113
Appendix 1: Chief Executive's Letter .....	119
Appendix 2: Key features of the Development Agreement .....	120
Appendix 3: Properties within scope .....	121
Appendix 4: Cost Assumptions for financial projections .....	122

Appendix 5: Visual presentation of preliminary design for New AWL facility .....	125
Appendix 6: Aerial view of new AWL facility and Thorndon precinct .....	126
Appendix 7: Quantitative Risk Assessment.....	127
Appendix 8: Design and functional requirements for AWL and the National Library .....	132
Appendix 9: Commercial Assessment Criteria .....	133
Appendix 10: Commercial options.....	134
Appendix 11: Overview of a two-stage procurement process .....	139
Appendix 12: Preferred option: annual cost projections (\$m).....	140
Appendix 13: Funding Requirements for other options considered in Budget 2020 .....	146



## Executive Summary

Our national documentary heritage collections enable New Zealanders to see and experience our most precious founding documents and records. The Archives New Zealand and National Library of New Zealand collections are kept in perpetuity for their enduring value.

This is demonstrated with Te Tiriti o Waitangi, the Treaty of Waitangi which was rescued from fire in 1842 by the then Colonial Secretary and remained in care and travelled south to Wellington in 1865. The precious content of the Waitangi sheet was assured by experimental photo-lithograph images, and the original documents recovered into state care in the early 1900's.

Immediately following the February 2011 Canterbury earthquake, ground maps of Christchurch from 1850 proved to be vital tools to a range of groups involved in earthquake recovery. World War One records collected and preserved by Archives New Zealand and the Alexander Turnbull Library enabled extensive digital and physical content to be accessed and used by many New Zealanders for the national commemorations and events around the recent WW1 centenary.

Preserving our nation's memory strengthens our cultural identity, and New Zealanders are enriched and inspired by who we are as a nation.

### The Solution...

This business case specifically relates to the Archives and National Library North Island property portfolios to deliver fit-for-purpose facilities and to expand the physical infrastructure for the storage of our physical documentary heritage. The business case also includes an opportunity to include Ngā Taonga within the scope of the project, through the provision of long-term storage and accommodation solutions. The purpose of this programme business case is to address urgent capacity issues and the aging property portfolio. The South Island property portfolio is fit-for-purpose.

The Preserving the Nation's Memory Programme business case seeks formal approval for the investment and development of:

- Archives Wellington lease (AWL) facility – a lease arrangement for a new purpose-built facility at 2 – 12 Aitken Street with physical connectivity via an airbridge with the National Library's Molesworth Street facility (details below);
- Alterations to the National Library Molesworth Street to physically connect to the AWL airbridge and for changes to enable the collaboration and co-location across both buildings to function effectively and create a documentary heritage campus;
- New Regional Shared Repository (RSR) – regional storage for the National Library and Archives to meet forecast growth in physical records to 2030 and capable of extending to meet forecast growth to 2045 and beyond;
- Portfolio rationalisation – Wairere House exit (on-going depreciation and capital charge associated with the controlled atmosphere room in Auckland and new shelving) and relinquish the Rugby House lease;
- Logistics costs associated with the relocation and move of the extensive holdings and collections within the scope of the PtNM Programme; and

- Inclusion of Ngā Taonga's long term storage and accommodation requirements, and enabling collaboration and co-location, by increasing the investment in the National Library, AWL, RSR and the Avalon<sup>1</sup> facilities.

**Storage capacity is severely constrained and some buildings are now at the end of their useful life....**

There are several urgent and significant issues across the Archives and National Library property portfolios that need to be addressed to ensure we continue to fulfil our responsibility to preserve the Nation's documentary heritage for future generations.

The drivers for investment are:

- **Storage capacity**
  - The Archives Wellington repository is at full capacity. Transfers of physical records have been indefinitely suspended
  - National Library will be at capacity by 2030.
- **Quality of properties**
  - Over 60% of the properties, within the scope of this project need major upgrade
  - Archives Wellington facility is of critical concern. Despite judicious asset management, many of the building's assets have reached the end of their economic and service life
  - Seismic resilience is significantly below the required standard for preservation of New Zealand's documentary heritage. Archives Wellington rated 45-55 per cent of Importance Level (IL3<sup>2</sup>).
- **Unacceptable exposure to risk:**
  - To the Crown due to service failure with Archives
  - Through loss or damage to the holdings while stored in sub-optimal conditions
  - Any significant seismic event will compound building issues for the Archives Mulgrave Street facility and place the holdings and collections at further risk
  - Under legislation, all publishers must deposit two copies of their publications with the National Librarian. One copy is held at Molesworth Street, the other in the adjacent Rugby House. Both copies located in close proximity exposes the documentary heritage to an unnecessary level of risk in the event of a natural disaster resulting in a loss of New Zealand's complete published history.
- **Cost effectiveness/efficiency**
  - Facilities are not being used for intended purpose
  - Energy inefficient facilities
  - Wider public sector incurs operational costs to store records that should be transferred to Archives.
- **Ngā Taonga Sound and Vision property issues**
  - Long-term arrangements are needed for Ngā Taonga staff accommodation and the storage of their collections. Ngā Taonga staff temporarily relocated to the National Library in September 2019, as their Taranaki Street premises were no

---

<sup>1</sup> The Avalon facility (owned by the Department) currently stores the TVNZ Archive Collection, under the responsibility of the Ministry of Culture and Heritage, with archival management services contracted to Ngā Taonga Sound and Vision.

<sup>2</sup> The building code defines the significance of a building by its importance level in relation to seismic resilience. Level 3 structures that may contain crowds, have contents of high value to the community or pose a risk to large numbers of people in close proximity <http://www.seismicresilience.org.nz/topics/resilient-design/codified-seismic-design/level-of-importance/>



longer fit-for-purpose. Ngā Taonga have also outgrown storage for their audio-visual collection.

### **New Zealand's Documentary Heritage...**

Archives New Zealand (Archives) and the National Library of New Zealand (National Library) are the official stewards of New Zealand's record of government and documentary heritage since 1840. They are accountable for providing reliable and effective services on behalf of the Crown with obligations and statutory responsibilities under the Public Records Act 2005 and the National Library Act 2003 to collect, preserve, protect, and make accessible this documentary heritage. Archives and the National Library are the kaupupuri of our nation's irreplaceable taonga, valued in excess of \$1.7billion<sup>3</sup> and growing.

Together the valuable collections include government records, publications, books, manuscripts, artwork, scientific data, images, films and other documentary heritage. Across the entire portfolio, these physical records total over 271,000 linear metres (271km)<sup>4</sup> and are continually growing through transfers from public sector organisations, donations and purchases.

### **Our Documentary Heritage is Important...**

This documentary heritage is integral to our country culturally, constitutionally, and economically. It helps to ensure government are held accountable, and also to keep our unique history alive so that we pass on our culture, traditions, and heritage to future generations. Providing access to our cultural and heritage information increases the visibility of New Zealand's national and cultural identity.

Our documentary heritage includes irreplaceable pieces of Māori knowledge documented by both Māori and non-Māori. These taonga are treasured possessions of the nation and represent a unique and authoritative source of our history. They are a valuable resource that has contributed to Treaty settlement research, Māori language revitalisation, and iwi, hapu and whanau history.

### **Ngā Taonga Sound and Vision...**

In 2018 the National Archival and Library Institutions (NALI) Ministerial Group agreed to include Ngā Taonga Sound & Vision (Ngā Taonga) within the scope of the Preserving the Nation's Memory (PtNM) project, as New Zealand's audio-visual archive. Investigations into opportunities for shared services, co-location and collaboration with Ngā Taonga are progressing. This business case reflects these opportunities and acknowledges the strategic alignment of the three documentary heritage institutions.

Responsibility and care for the TVNZ audio-visual holdings was transferred to the Ministry for Culture and Heritage under the Public Records Act 2005. Ngā Taonga are contracted to manage these audio-visual holdings on their behalf. Ngā Taonga are an Archives approved repository.<sup>5</sup>

---

<sup>3</sup> Archives NZ's holdings valued at \$0.628 billion (June 2019), general collections held by the National Library valued at \$0.031 billion, the Alexander Turnbull collection valued at \$1.059 billion (June 2019).

<sup>4</sup> Total nation-wide holdings and collections for Archives and the National Library.

<sup>5</sup> An approved repository is an organisation authorised to accept the deposit of public archives for safekeeping.

### **The Opportunities and Outcomes...**

This initiative aims to provide fit-for-purpose facilities for Archives and the National Library to future proof the delivery of services and ensure the appropriate management of our physical documentary heritage. It also identifies the opportunity to provide a fit-for-purpose solution for Ngā Taonga's long term storage and accommodation requirements.

The new Archives building situated at 2-12 Aitken Street Thorndon, and next to the National Library, is a once-in-a-life-time opportunity to create a national documentary heritage precinct in the Thorndon area, with Parliament and most government departments nearby.

Having the documentary heritage in the same area will make physical access easier for customers and the public alike, and it will provide the opportunity for Archives and the National Library to work even more collaboratively, in a campus-like situation. With the potential to include our sector partners, such as Ngā Taonga Sound and Vision.

The RSR will provide the critical capacity to meet forecast demand in storage through to 2030 and has the potential to provide system-wide long-term storage solutions.

The delivery of the PtNM preferred option is expected to achieve the following outcomes:


- A resilient and enduring record or government and documentary heritage for all New Zealanders
- Preserved, protected and accessible documentary heritage for future generations
- Improved physical access to the record of government, documentary heritage and taonga
- Minimise risk to the Crown and the Department
- Collaboration and participation to strengthen positive outcomes and success for Māori
- Actively protecting Māori knowledge, interests and physical taonga
- Creation of a national documentary heritage campus, improving collaboration across the wider heritage sector.

The intended wellbeing impacts are as follows:

- Foster New Zealanders' trust and confidence in government to manage their information well
- Increased trust in government transparency and democratic accountability, and confidence in constitutional infrastructure
- Increased and stronger sense of national and cultural identity
- Increase cultural and economic growth through knowledge creation
- Maintain trust between government and iwi through the protection of taonga invaluable to the Treaty settlements process.

### **The Commercial Elements...**


9 (2) (b) and (ba) and (l) and (j)





### The Financial Implications...

9 (2) (b) and (ba) and (i) and (j)

A large rectangular area of the document is redacted with a solid grey block. The redaction covers the majority of the page content under the 'The Financial Implications...' section.

9 (2) (b) and (ba) and (i) and (j)

### Managing the Change...

The PtNM proposal is achievable, the Management Case confirms the arrangements needed to ensure the successful delivery and to manage project benefits and risks.

The programme plan is both significant and complex in nature as it impacts a large portion of the Department's owned property portfolio. The proposed solution also has operating model and change management implications. To optimise the opportunities and benefits of the programme, robust programme governance, management structures and methodologies have been established.

---

<sup>6</sup> Existing operating funding for 2019/20 includes an expense transfer of \$400,000 from 2018/19 to 2019/20.

<sup>7</sup> Expense and a capital transfers will be sought to carry forward any underspend from 2019/20 to 2020/21.



The programme structure is designed to span several management levels to ensure full visibility within the Department and integration with its existing control framework. Accordingly, it features a Governance Board with strong accountabilities and includes external independent members. The Governance Board also has representation from both internal suppliers and users. Further expert independent advice in the form of independent quality assurance will also be sourced as an additional assurance over the programme.

The Department utilises a customised PRINCE2 Project Management Methodology for a programme of this magnitude and complexity. Day-to-day management processes and controls based on the PRINCE2 methodology will be consistently applied at both the Programme and Project level, including quality control of project deliverables. This will be managed through Enterprise Portfolio Management Office (EPMO), Project Management Office (PMO) Management, and Project Management collaboration.

### **Budget 2020 funding is critical...**

This initiative received \$25.480 million (for 2 years) in Budget 2019<sup>8</sup>, however ongoing funding is critical to secure the construction and commercial lease for a new Archives Wellington lease (AWL) facility adjacent to the National Library building in Wellington. If this initiative is not supported through Budget 2020:

- The Crown will continue to carry a high-risk profile for the holdings and collections
- Until additional storage capacity is developed, the suspension of transfers of public records to Archives will continue to remain in place indefinitely, compromising government transparency and democratic accountability
- The AWL development will be jeopardised, including the once in a life time opportunity to create a documentary heritage precinct
- Opportunities for co-location, shared services and collaboration between the three institutions will be lost
- As part of the conditions of the AWL Development Agreement approximately \$9 million will become payable to the developer
- Budget 2019 funding enabled the exit of the Whanganui National Library facility to be brought forward to commence in 2019. The age of this facility has seen several critical issues and building services fail in late 2019, the exit is now imperative
- Continuing to manage the aged Mulgrave Street facility will be problematic and expensive.

KPMG was retained to deliver an IQA of the financial model and source information supporting this Business Case.

The Programme Business Case has followed the Treasury Better Business Cases guidance and is organised around the five-case model.

The signed Chief Executive's letter is attached at Appendix 1.

---

<sup>8</sup> The total funding received for this initiative in Budget 2019 was \$35.103 million of which \$9.623 million relates to the delivery of the new Archival Integrated Management System (AIMS) which is outside the scope of this business case.

**Update on developments and activities since January 2018...**

- 9 (2) (b) and (ba) and (i) and (j)

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

# Strategic Case

## Strategic Context

This business case specifically relates to the Archives and National Library North Island property portfolios to deliver fit-for-purpose facilities and to expand the physical infrastructure for the storage of our physical documentary heritage.

### Organisational overview

Archives New Zealand (Archives) and the National Library of New Zealand (National Library) have been the stewards of New Zealand's record of government and documentary heritage since 1840. They are accountable for providing reliable and effective services on behalf of the Crown with obligations and statutory responsibilities under the Public Records Act 2005 and the National Library Act 2003 to collect, preserve, protect, and make accessible this documentary heritage. Archives and the National Library are the stewards of our nation's irreplaceable taonga, valued in excess of \$1.7 billion and growing.

Together, the high value collections include government records, publications, books, manuscripts, artwork, scientific data, images, films and other documentary heritage. Across the entire portfolio, these physical records total over 271,000 linear metres (271km) and are continually growing through transfers from public sector organisations, donations and purchases.

This documentary heritage is integral to our country culturally, constitutionally, and economically. It helps us to keep our unique history alive and to ensure that we pass on our culture, traditions, and heritage to future generations. It also allows us to celebrate what we have achieved, and to honour those now departed.

Our documentary heritage is widely used for a huge variety of purposes including as evidence of people's rights and entitlements, for scientific and academic research, creative and artistic enterprises, education, and individual and collective identity and belonging. This invaluable taonga contributes to our national identity, knowledge creation, government transparency and democratic accountability. It forms part of the ongoing obligations of and relationship between the Government and New Zealanders.

### Te Tiriti O Waitangi – The Treaty of Waitangi

The guiding principles of the Treaty of Waitangi are partnership, participation and protection. These underpin the relationship between the Crown and Māori under the Treaty of Waitangi.

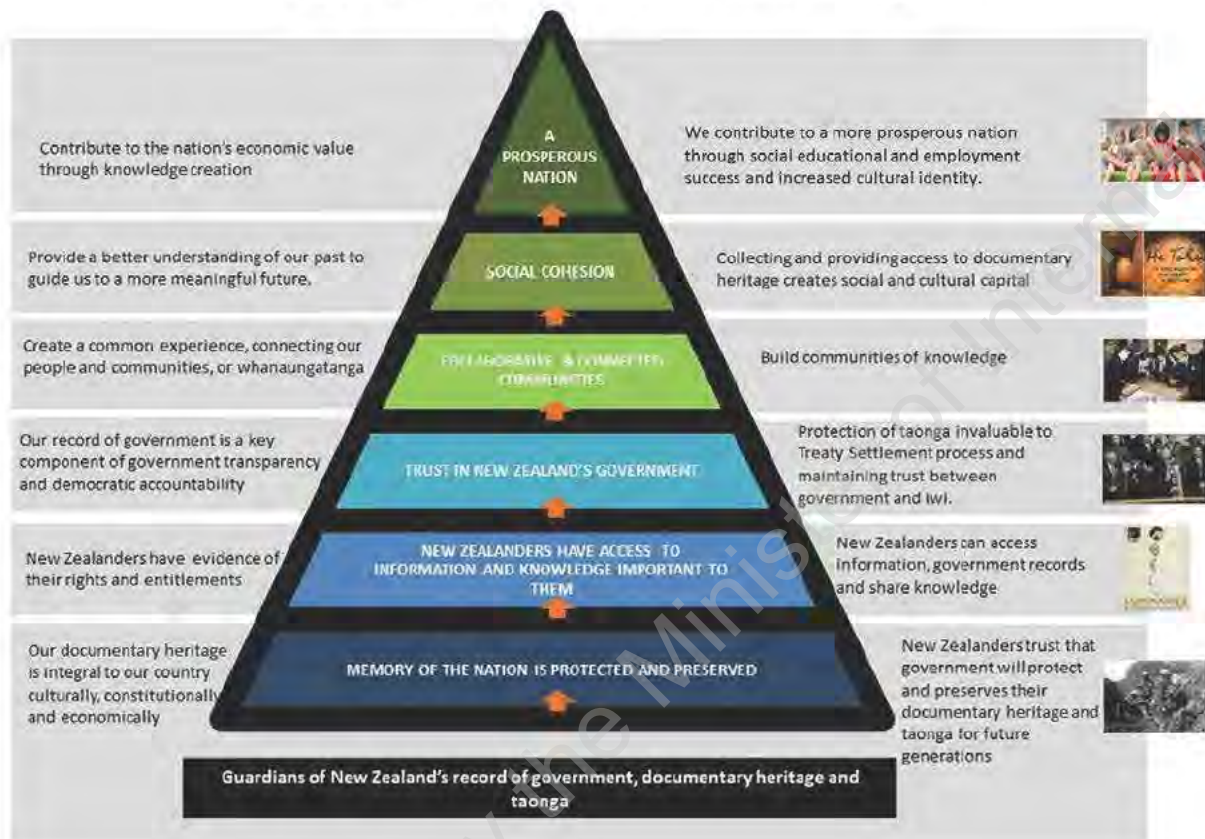
- *Partnership* to act in good faith and be guided by obligations conferred under the Treaty, to ensure a collaborative Māori-Crown partnership;
- *Participation* and collaboration to strengthen positive outcomes and success for Māori, through educational initiatives, stronger communities and equity for Māori;
- *Protection* refers to the Crown having a duty to actively protecting Māori knowledge, interests, values and physical taonga;

Our documentary heritage includes irreplaceable pieces of Māori knowledge documented by both Māori and non-Māori. These taonga are treasured possessions of the nation and represent a unique and authoritative source of our history. They are a valuable resource that has contributed to Treaty settlement research, Māori language revitalisation, and iwi, hapu and whanau history.



Under the Crown's treaty obligations and our stewardship role as kaupupuri of these taonga, we must preserve Māori knowledge in partnership with iwi. This means we must uphold the mana of these taonga, preserve and protect them and make them accessible to our nation.

Figure 1 – Value of our Documentary Heritage



It is important that New Zealanders are able to use and reuse information to create social, cultural, and economic value. This investment initiative supports this aspiration by increasing the access and availability of quality information.

It is critical our documentary heritage is stored in fit-for-purpose buildings to preserve their value over time, to reduce the risk of loss or damage, and to ensure the physical format of them is accessible to New Zealanders.

## Archives – The memory of government since 1840

Archives gather, store and protect a wide range of material. The holdings include the originals of the Treaty of Waitangi, government documents, maps, paintings, photographs and film. Archives works with government agencies within the framework of the Public Records Act 2005 to ensure records of long-term value are

*Archives records will be used extensively to support the Royal Commission of Inquiry into Abuse in Care. From July to September of 2019 alone they received 320 requests for items and digitised over 76,000 records of interest. Archives is proactively working to enhance the usability and discoverability of records of interest in the inquiry and since July have updated over 10,000 items.*



kept permanently and all New Zealanders have access to these records.

The holdings and collections are used in a variety of applications including: the production of educational texts and curriculum resources, fiction and non-fiction publications, evidence that supports peoples' rights and entitlements, scientific and academic research and cultural and artistic enterprises.

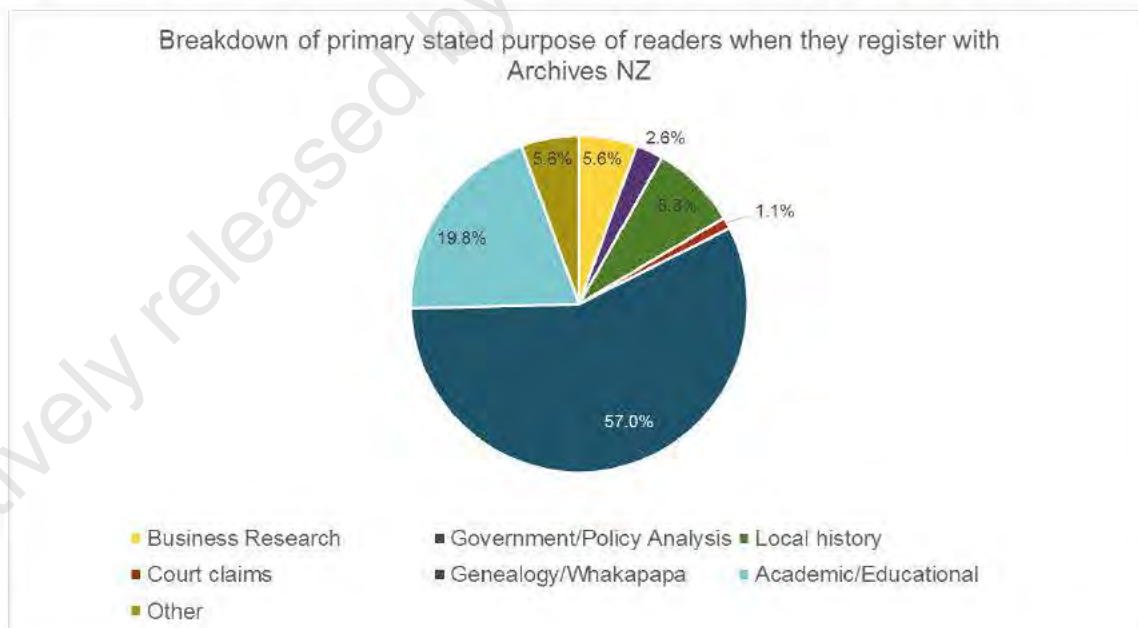
Archives provides services to a broad cross-section of New Zealanders. The figure below shows our registered customers' primary stated purpose.

*An 1850 Survey Office map (held by Archives) of the Christchurch central city area proved to be of great interest to Christchurch City Council and CERA following the February 2011 earthquake as it showed the paths of various watercourses now drained or buried. Evidence suggested a strong correlation between these watercourses and damage to buildings in some areas of the central city.*

*Archives maps were used for the New Zealand Petroleum and Minerals project to discover and digitise all relevant mine maps in NZ - This came out of the Pike River disaster and will form a database immediately accessible to rescuers etc. and assist in the event of future mining events.*

**Figure 2**

**– Breakdown of primary puposes of readers when they register with Archives**



The table below provides statistics on the number of Archives Wellington users over the previous five years.

**Table 2 – Statistics from Archives**

	2014/15	2015/16	2016/17	2017/18	2018/19	Mean
Number of Reference Services Provided	43,440	36,945	38,982	40,900	38,270	39,700
Reading Room and Government Issues	31,206	28,859	25,669	28,026	25,521	27,856
Reading Room Visits	4,515	4,485	5,708	5,740	5,661	5,221

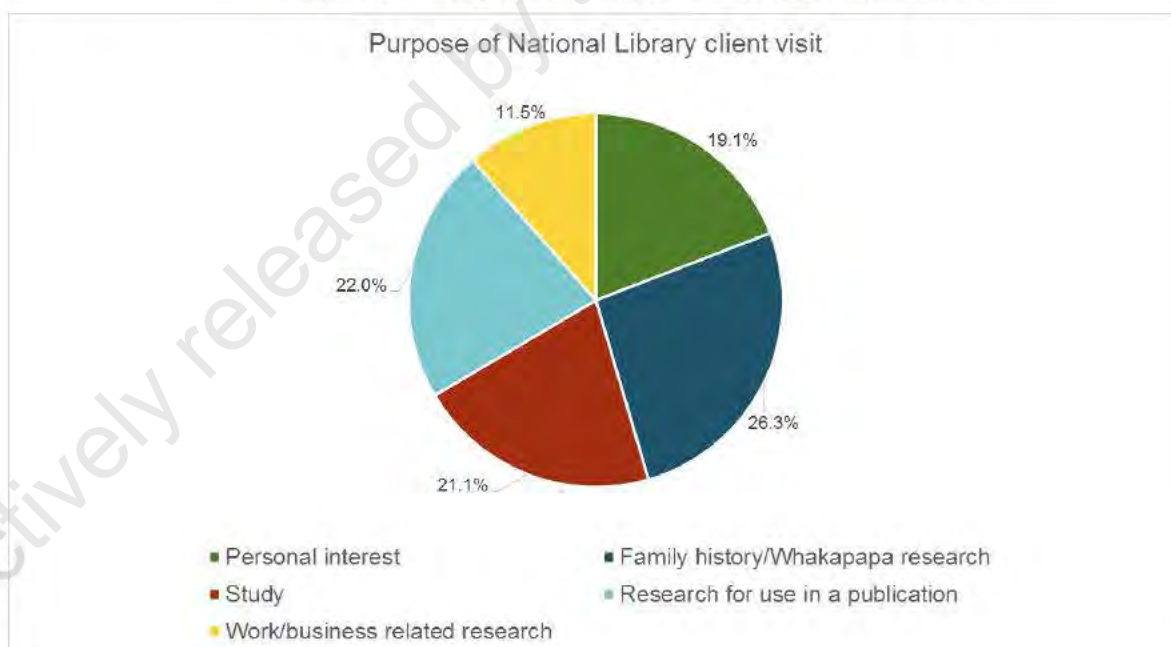
### The National Library – documenting New Zealand society

The National Library creates cultural, social and economic value for New Zealanders through leadership, collaboration and the removal of barriers to knowledge. The National Library collects, preserves, and protects documents, particularly those relating to New Zealand, and makes them accessible for all New Zealanders.

The Library supports New Zealanders to develop the skills to create knowledge, connect with our nation's history and national identity. It also ensures that knowledge is preserved and available to future generations.

Many different interest groups access the National Library services and collections.

**Figure 3 – Purpose of National Library Client Visits**



The table below provides statistics on the number of the National Library users over the previous five years.



**Table 3 – Statistics from the National Library**

	2014/15	2015/16	2016/17	2017/18	2018/19	Mean
Visits to Public Programmes	159,005	164,978	123,686	125,195	102,310	135,035
Reading Rooms: Document Supply	56,866	54,543	46,975	61,653	61,648	56,337
Reading Room Visits	73,426	69,719	54,275	47,484	48,772	58,735

## Existing strategies

Our vision is to support a strong sense of identity and pride in community and nation, and for New Zealanders to be enriched and inspired by the country's documentary heritage and taonga.

The Department's Māori Strategic Framework *Te Aka Taiwhenua* sits at the centre of this vision guiding our principles and behaviours. The principles in action are:

- He Tangata – that people are important and personal engagement is valued;
- Manaakitanga – to maintain and nurture relationships, and treat our partners with kindness and respect;
- Whanaungatanga – nurture relationships through shared experiences and working closely together, to create a sense of belonging; and
- Kotahitanga – values of reciprocity and respect, and strength in unity.

The Māori values represented in *Te Aka Taiwhenua* are the guiding principles of the PtNM Programme and are brought to life in the programme's Cultural Strategy (refer Management Case). The National Library and Archives New Zealand are the trusted kaupupuri for our record of government and documentary heritage. Taking a strategic approach to managing information assets underpins our efforts to increase trust in government and heritage information.

## Strategic Directions for Archives and the National Library

Archives and the National Library both have clear, publicly consulted strategic directions that drive the institutions forward, addressing digital challenges and providing services needed for New Zealand. The future directions of both institutions are built on a foundation of trust and confidence that the existing corpus and diminishing future corpus of the physical record of government and society is collected, preserved, and made accessible at the same time the accelerated digital transformations occur.

Archives New Zealand's long-term strategy (Archives 2057) has two outcomes relevant to this investment initiative:

1. Well preserved, maintained and accessible documentary heritage of New Zealand across public and private archives; and
2. A preserved, maintained and accessible documentary heritage of New Zealand across public and private archives.

Archives 2057<sup>9</sup> considers the most effective regulatory strategies into the future to ensure there is trust and confidence in the recordkeeping of public offices. It will also examine opportunities for greater use and reuse of the record of government considering demographic changes and greater demand for online services.

National Library of New Zealand Strategic Directions to 2030<sup>10</sup> positions the Library within the documentary heritage system to target efforts towards collaborating and partnering with others to preserve our heritage and taonga, share and increase access to knowledge, and support improvement in literacy and reading.

### **Key Related Government Strategies**

#### ***Wellbeing Capitals and Living Standards Framework***

*Preserving the Nation's Memory* delivers to the social and human capital pillars of the Living Standards Framework.

Delivering on our documentary heritage stewardship supports the key elements of this pillar: "...trust, the rule of law, the Māori-Crown relationship, cultural identity, and connections between people and communities".

Trust in public institutions is a key indicator of social capital. Transparency International (TI) has rated New Zealand as a "high trust, high integrity society"<sup>11</sup>. New Zealand's ranking on international integrity and transparency is as follows:

- TI's Corruption Perceptions Index<sup>12</sup>: ranked 1<sup>st</sup> in 2019 and in 9 out of the last 19 years ranked 1<sup>st</sup> or 1<sup>st</sup> equal, never below 4<sup>th</sup>
- Work Justice Project Rule of Law Index 2019<sup>13</sup>: ranked 8<sup>th</sup> overall out of 126 countries. On open government is ranked 7<sup>th</sup> and on regulatory enforcement ranked 5<sup>th</sup>
- Open Budget Index 2017<sup>14</sup>: ranked 1<sup>st</sup> equal out of 100 countries.

As the stewards of New Zealand's record of government and documentary heritage, Archives and the National Library are key contributors to creating and maintaining public trust in New Zealand's government. By delivering on our accountability to provide reliable and effective services on behalf of the Crown, we ensure that the ongoing obligations of and relationship between the Government and New Zealanders is maintained.

Social capital refers to the interconnectedness of people and communities within society. Recent research from Victoria University of Wellington, in collaboration with the National Library, explored how documentary heritage was used, through a case study of digital te reo

---

<sup>9</sup> <https://archives.govt.nz/publications/archives-2057-strategy>

<sup>10</sup> <https://natlib.govt.nz/about-us/strategy-and-policy/strategic-directions?search%5Bpath%5D=items&search%5Btext%5D=2030>

<sup>11</sup> <https://www.transparency.org.nz/docs/2012/Building-and-Maintaining-Trust-in-Public-Institutions-Murray-Petrie-ANZSOG-July-2012.pdf>

<sup>12</sup> <https://www.transparency.org/cpi2019?/news/feature/cpi-2019>

<sup>13</sup> <http://data.worldjusticeproject.org/>

<sup>14</sup> <https://www.internationalbudget.org/open-budget-survey/open-budget-index-rankings/>



Māori.<sup>15</sup> The findings found very strong evidence of links between accessing documentary heritage and social capital benefits, through the multiplier effect of sharing documentary heritage within and across communities. For example, research found that:

- 95% of te reo archival material accessed is shared with others
- 60% of those shared items are shared again, alongside conversations and communication about the material
- Sharing of documentary heritage supports familial and community bonds, or whanaungatanga – 67% of respondents liked being able to share the collections with whanau and friends.

Social capital is being achieved through access and use of documentary heritage. Preserving the memory of government and society through generations is a foundation for access, use and social benefits now and in the future.

Human capital measures are improved through the access and use of government information to support increased cultural and economic growth. Fit-for-purpose facilities support a thriving nation in the digital age through innovation, social and economic opportunities and supports educational attainment and employment success.

### **National Archival and Library Institutions Ministerial Group**

The National Archival and Library Institutions Ministerial (NALI) Group was formed to look at ways to strengthen the cultural and democratic contribution of Archives, the National Library, and Ngā Taonga.

The PtNM programme provides an ideal platform for collaboration between these three institutions. In 2018, NALI agreed to include Ngā Taonga within the scope of the PtNM programme.

At the time of writing, investigations into opportunities for shared services, co-location and collaboration with Ngā Taonga were still underway and firm decisions are pending. To date, the investigations have indicated that there are opportunities to support Ngā Taonga's long term accommodation and storage needs in the following areas:

- Office accommodation for circa 60 staff;
- Shared public space and use of collaboration facilities across the campus;
- The development of specialist technical suites located within the National Library facility, including a photography studio;
- Up to 5,000LM of collections storage capacity within the Regional Shared Repository over the next 5-10 years;
- Betacam storage capacity (after digitisation) within the Regional Shared Repository; and
- Internal alterations and minor upgrade to the Avalon Archive facility.

This business case reflects these opportunities and acknowledges the strategic alignment of the three institutions, however there is further work to be completed on the full extent of the implications and costs.

---

<sup>15</sup> <https://natlib.govt.nz/librarians/reports-and-research/korero-kitea>

### **Ngā Taonga Sound and Vision**

Ngā Taonga is New Zealand's audio-visual archive. A charitable trust that collects, cares for, and shares the audio-visual taonga on New Zealand. Ngā Taonga was formed in 2014 as a result of the amalgamation of three collections: the New Zealand Film Archive, Radio New Zealand's Sound Archive and the Television New Zealand Archive. The Radio New Zealand Sound Archive and the Television New Zealand Archive are public records.

Together Archives, the National Library and Ngā Taonga support accountable, open and transparent democracy. The documentary and audio-visual heritage they care for records New Zealand's history and culture so that it is accessible for current and future generations.

Within the PtNM programme there is the opportunity for the creation of a national documentary heritage campus with wider use. Ngā Taonga's Board have indicated a strong interest to be included within the PtNM property solutions. In September 2019 Ngā Taonga relocated their staff and office accommodation to the National Library. This is for an initial 5-year lease arrangements and presents an excellent opportunity for further collaboration.

The opportunity to have the holdings and collections of the three institutions in the same location would improve physical access and provide greater convenience for the public and customers. Collaboration between the three institutions could provide an excellent opportunity for cross-fertilisation of knowledge and skills. There may also be opportunities for increased efficiency in government archival spending from co-location and working together.

Ngā Taonga's strategic plan (Te Mahere Rautaki 2016 – 2024) outlines their priorities which are in direct alignment to this investment initiative, these include:

- Reconnecting and engaging with iwi in the spirit of partnership - genuine and effective partnerships
- To ensure the staff and collections are safely housed
- To build a solid, stable foundation for the audio-visual archive for all New Zealanders
- Strong collaborative partnerships with other heritage and cultural archives and institutions.

### **Māori Language Strategy**

Archives and the National Library manage and provide access to the largest corpus of Māori language historical records. Preservation and use of these records have been critical to the Treaty Settlement process, language revitalisation, and maintaining trust between government and iwi in relation to appropriate care and protection of taonga. The PtNM Programme will ensure existing and future physical taonga will be preserved, appropriately cared for, and made accessible through generations.

Research from Victoria University of Wellington, in collaboration with the National Library, showed very strong links between access to te reo Māori documentary heritage and the outcomes of the Māori Language Strategy 2014.<sup>16</sup>

- Strategy Outcome: Increasing use of Māori Language among whanau Māori and other New Zealanders, especially in the home
  - 54% of respondents stated their purpose for using of te reo documentary heritage was to gain family knowledge

---

<sup>16</sup> *Kōrero Kitea: Ngā hua o te whakamamatitanga: The impacts of digitised te reo archival collections.* Available at <https://natlib.govt.nz/librarians/reports-and-research/korero-kitea>



- 67% of respondents stated they like to be able to share collections with whanau and friends
- One respondent typified this outcome by stating: *"The convenience of this information has been pivotal to including some whanau in whanau decisions"*.<sup>17</sup>
- Strategy Outcome: Increasing critical awareness about Māori language revitalisation
  - 65% of respondents used te reo documentary heritage for language revitalisation initiatives.

#### PtNM Strategic Alignment

The following table illustrates the programmes strategic alignment with the investment objectives. These objectives are detailed in the *Investment Objectives* section below.

**Table 4 – Strategic Alignment with the programme investment objectives**

Investment Objective	Strategic alignment	Rationale
Provide fit for purpose facilitates to preserve and protect our documentary heritage and meet health & safety obligations by improving seismic resilience	<ul style="list-style-type: none"> <li>Principles of the Treaty of Waitangi</li> <li>Living Standards Framework: social and human capital</li> <li>Wellbeing domain - Cultural identity</li> <li>Wellbeing domain - Civic engagement and governance</li> <li>Te Aka Taiwhenua</li> <li>Ngā Taonga strategic plan 2016 - 2024</li> </ul>	<p>Protection of our taonga invaluable to Treaty settlements process and maintain trust between government and iwi</p> <p>New Zealanders have trust that the government manages its documentary heritage and audiovisual material well</p> <p>Strengthens national and cultural identity – New Zealanders and enriched and inspired by who we are as a nation, our history and identity</p>
Meet the demand for storage now and in the future	<ul style="list-style-type: none"> <li>Principles of the Treaty of Waitangi</li> <li>Archives strategic directions</li> <li>National Library Strategic Directions</li> </ul>	<p>Protection of our taonga invaluable to Treaty settlements process and maintain trust between government and iwi</p> <p>New Zealanders can access their growing documentary heritage through generations</p>

<sup>17</sup> Ibid; page 8.

Investment Objective	Strategic alignment	Rationale
Improve access to users	<ul style="list-style-type: none"> <li>Principles of the Treaty of Waitangi</li> <li>Living Standards Framework: social and human capital</li> <li>Wellbeing domain - Cultural identity</li> <li>Wellbeing domain - Civic engagement and governance –</li> <li>Te Aka Taiwhenua</li> <li>Maori language strategy</li> <li>Ngā Taonga strategic plan 2016 - 2024</li> </ul>	<p>Improving capacity to collect and manage, especially in collections representing the diversity of New Zealand; provides greater access and use of documentary heritage and audiovisual material</p> <p>Strengthen partnerships, collaboration and participation with our Treaty partners</p> <p>Create communities of knowledge and learners</p> <p>Increased cultural and economic growth through social, educational and employment success</p>
Reduce system-wide risk and realise the benefits of consolidated management	<ul style="list-style-type: none"> <li>Archives strategic directions</li> <li>National Library Strategic Directions</li> <li>Ngā Taonga strategic plan 2016 - 2024</li> </ul>	<p>New Zealanders have trust that the government manages its documentary heritage well</p> <p>New Zealanders can access their growing documentary heritage and audiovisual material through generations</p>
Optimise the National Library and Archives property portfolio so that it is efficient and cost-effective	<ul style="list-style-type: none"> <li>Archives strategic directions</li> <li>National Library Strategic Directions</li> <li>Ngā Taonga strategic plan 2016 - 2024</li> </ul>	<p>An efficient, cost-effective, and well-integrated portfolio that integrates with the wider Department portfolio</p> <p>Creates the opportunity for co-location and collaboration with sector partners</p>

## Case for Change

The physical government records and documentary heritage held by Archives and the National Library are culturally, constitutionally and economically integral to our country.

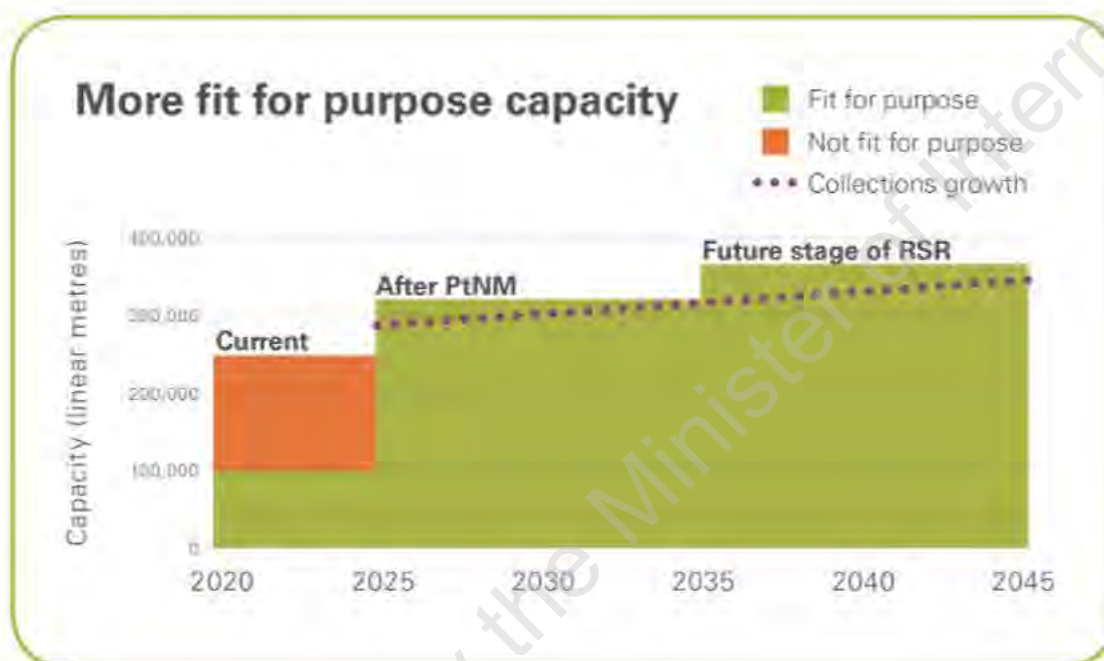
The preservation and access to these records fosters a strong sense of national identity, provides evidence of the government's accountability and transparency, ensures confidence in the democratic processes, and maintains trust that government will protect our documentary heritage and taonga for future generations.

It is our obligation, to all New Zealanders and our Treaty partners, to ensure that our documentary heritage is kept and retained in fit-for-purpose buildings, its value is preserved over time, the risk of loss or damage is reduced, and that it is made accessible to New Zealanders now and in the future.



Demand for storage has exceeded current capacity. Forecast growth in the demand for physical storage is expected to be maintained until 2030, and thereafter slow to 2045, by which time born-digital material will overtake physical material. In addition to the capacity constraints, some of the buildings within the property portfolio have reached the end of their economic life and are in need of a major upgrade. They are not fit-for-purpose. As a result, some of the holdings and collections are currently held in sub-standard building conditions.

Investment is needed to expand the physical infrastructure for Archives, the National Library and Ngā Taonga to provide fit-for-purpose facilities for the storage of our physical documentary heritage.



## Physical and Digital Contexts

Both Archives and the National Library operate in a hybrid physical and digital information system environment to manage recordkeeping and documentary heritage. A general 20 – 40-year lag on collecting heritage documentation means that approximately 75% of the physical archival records have already been created and are awaiting transfer to Archives. The demand for physical storage is expected to be maintained until 2030, and thereafter slow to 2045, by which time born-digital material will overtake physical material.

At current rates, it may be 100 years or more before all the high value collections and government records held by Archives and National Library will be digitally accessible. For example, it has taken fifteen years to digitise the 5 million newspaper pages now available through Papers Past.<sup>18</sup>

Both Archives and the National Library are at the onset of a 10 - 15-year journey of digitally transforming their services and the systems they regulate (for Archives), lead and operate within. This investment in physical infrastructure establishes the foundations on which the

<sup>18</sup> This translates to 15% of the papers past newspapers available digitally.

paper and analogue record of government and society can be protected for generations, alongside concentrating efforts to accelerate future digital services.

## Investment Objectives

The Department seeks to future proof the delivery of services and to ensure the appropriate management of our documentary heritage material. The Business Case builds a case for investment in the infrastructure needed to appropriately house the physical documentary heritage for the next 25 years. This business case focuses on Archives and National Library property portfolio to deliver fit-for-purpose facilities with the specific ability to protect, store and preserve our documentary heritage in order to:

- Address the fact that Archives Wellington is at full capacity and the consequent indefinite suspension of transfers from agencies
- Improve the reliability and effectiveness of our services
- Minimise risk to both the Department and the Crown
- Foster New Zealanders' trust and confidence in Government to manage their information well
- Deliver additional value across all-of-government
- Optimise access and enable current and future generations to manage, use and reuse information that is important to their lives, that contributes to a strong sense of national identity, supports the creation of knowledge and contributes to our nation's cultural and economic growth
- Enhance our international standing by demonstrating duty of care to our globally significant heritage under our stewardship
- Support our people to do their jobs and make the best contribution they can to New Zealand by operating in suitable facilities
- Comply with workplace standards and guidelines (e.g. health and safety).

The *Preserving the Nation's Memory* programme seeks to achieve the following objectives:

**Table 5 – Investment Objectives**

<b>Investment Objective 1</b>	Provide fit-for-purpose facilities to preserve and protect our documentary heritage and meet health & safety obligations by improving seismic resilience
<b>Investment Objective 2</b>	Meet the demand for storage now and in the future
<b>Investment Objective 3</b>	Improve access for users
<b>Investment Objective 4</b>	Reduce system-wide risk and realise the benefits of consolidated management
<b>Investment Objective 5</b>	Optimise the National Library and Archives property portfolio so that it is efficient and cost-effective



Investment Objective 1:

- Preserve and protect our documentary heritage for the benefit of our Treaty partners, and current and future generations – storage repositories that house documentary heritage are specialist facilities requiring temperature and humidity controls, appropriate light levels, security and protection from risks such as water damage, fire, earthquake, pests and vandalism.
- meet health and safety obligations by improving seismic resilience.

Investment Objective 2:

- Meet the demand for physical storage now and into the future - in the short term, to resolve the 2017 Archives indefinite suspension of transfers in Wellington; in the medium term to meet forecast growth in physical records to 2030; and in the long term to provide scalable solution to meet forecast growth in physical records to 2045 and beyond.

Investment Objective 3:

- Provide better access to our high value documentary heritage - New Zealanders use and reuse information to learn about their own history and whakapapa, to develop a rich appreciation of the contribution their families and communities have made to this country, to create social, cultural and economic value.

Investment Objective 4:

- Reduce system-wide risk and realise benefits of consolidated management – ongoing preservation and security risks to government records stored in sub-standard conditions are mitigated; the physical separation of the preservation and lending copies of New Zealand publications (legal deposit) mitigates the risk of loss or damage through a hazard event.

Investment Objective 5:

- Optimise the National Library and Archives property portfolio so that it is efficient, cost-effective, and well-integrated with the wider Department portfolio and business more generally.

## Existing Arrangements

This Business Case relates specifically to the Archives and National Library property portfolio.<sup>19</sup> The portfolio of buildings within the scope of this Business Case is described in Appendix 3. Several urgent and significant challenges have been identified and they form the foundation for this business case:

### 1. Storage Capacity


- Archives has exceeded capacity at its Wellington facility and has instituted an indefinite suspension on the transfer of physical records from approximately 3,000 public sector organisations
- National Library will reach capacity by 2030 - the Molesworth Street building underwent a major but restricted refurbishment in 2010-2012, essential building services were upgraded and storage capacity was extended through to 2030

---

<sup>19</sup> Although the main focus is on buildings used by the National Library and Archives, consideration is also given to wider property portfolio and to organisational developments across the Department.

- Since the approval of the 2017 business case, transfers to the National Library have accelerated (e.g. transfers from the Parliamentary Library, the Olympic Museum of NZ, and the Wellington Museum) impacting on the 2030 capacity timeframe
- Approximately 210km of documentary heritage items are housed within these facilities.<sup>20</sup> These physical collections are estimated to grow to 372km by 2045, at which point the growth will slow due to digital uptake. Significant capacity constraints are affecting productivity and the delivery of services including regulatory functions.

## 2. Quality of Properties

- Over 60% of the Archives and National Library properties are at the end of their useful life and are in need of major upgrades.
- The condition of the Archives Wellington facility is of critical concern. The building was designed in 1965 and has not undergone any major capital refurbishment in the last 30 years. Despite judicious asset management, many of the building's assets have reached the end of their economic and service life. This is impacting on the management, protection of, and access to the holdings. For example:
  - The mechanical plant fails to meet the temperature and/or humidity levels required for preservation of the records. This has resulted in having to move items and to shut down the plant to mitigate the risk of permanent damage to holdings
  - Building has both water and wastewater leaks<sup>21</sup>
  - The building is not airtight and lacks insulation of a standard suitable for the storage of archival documents
  - Asbestos has been confirmed present in the building
  - Periodic plantroom failures
  - Seismic resilience is significantly below the required standard for the preservation of New Zealand's documentary heritage. The building is rated at 45-55 per cent of Importance Level (IL)3.
- 9 (2)(ba)  

- Some of the buildings within the portfolio are not suitably specialised. For example, the portfolio includes a repurposed Government printing office, a repurposed Government computing centre and a repurposed basement facility.
- The existing National Library offsite storage facility, Wairere House in Whanganui:

<sup>20</sup> The facilities include: Mulgrave Street, Molesworth Street, Wairere House Whanganui, Rugby House Wellington, Richard Pearce Drive Auckland

<sup>21</sup> Having water and wastewater pipes travel through a repository is inconsistent with good preservation practice and creates inefficiencies due to having to manage leaks from pipes. In addition, it is also culturally inappropriate because many archives are considered tapu.



9 (ba)

- Seismic resilience is significantly below the required standard for the preservation of New Zealand's documentary heritage, the National Library's Wairere House Whanganui is rated at 40 per cent of IL3.<sup>22</sup>
- The PtNM programme undertook an assessment of the property and determined that it is not suitable for adaptive re-use or further investment to bring up to the required standard. The programme received funding through Budget 2019 to exit this building and rehouse the collections. Once completed (estimated June 2021) the Department will release this property to LINZ for disposal.
- The National Library's Palmerston North facility is at the end of its service life. The PtNM programme undertook an assessment of the property and determined that it is not suitable for adaptive re-use. The Department has released this property to LINZ for disposal.

### 3. *Unacceptable risk exposure*

- Under legislation, all publishers in New Zealand must deposit two copies of their publications with the National Librarian. One copy is held on site at Molesworth Street, the other copy is stored in the Rugby House basement (adjacent to the Molesworth Street building). Having both copies located in such close proximity exposes the nation's documentary heritage to an unnecessary level of risk in the event of a natural disaster, which could result in a complete loss of New Zealand's published history. Separating and rehousing the Legal Deposit Collection reduces this risk.
- This risk reduction also applies to other holdings and collections where copies exist such as with film holdings.

### 4. *Cost effectiveness/efficiency*

- The facilities are not being used for their intended purpose e.g. ex printing office, ex computer centre, and a basement. Significant operational and capital investment is required to adapt and maintain these facilities
- Avoids expensive deferred maintenance
- Energy efficient facilities
- Geographically dispersed
- Public sector organisations incur operational costs for the long-term storage of archival records.

---

<sup>22</sup> The building code defines the significance of a building by its importance level in relation to seismic resilience. Level 3 structures that may contain crowds, have contents of high value to the community or pose a risk to large numbers of people in close proximity <http://www.seismicresilience.org.nz/topics/resilient-design/codified-seismic-design/level-of-importance/>

## 5. Ngā Taonga

- The Taranaki Street Wellington lease facility is not fit-for-purpose (in September 2019 they vacated this facility and relocated their staff to the National Library Molesworth Street facility for an initial period of five years)
- The Avalon facility, which is managed by the Department on behalf of the Crown (owner)
- Ngā Taonga's audio-visual collection has outgrown the storage capacity
- Ngā Taonga's property portfolio is geographically dispersed. Some steps have been taken to consolidate the portfolio, however further consolidation is required.

These issues need to be addressed with urgency to ensure we continue to fulfil our responsibility to preserve the Nation's documentary heritage for future generations, as well as our democratic and public accountability.

## Current and Future Business Needs

The drivers for investment are:

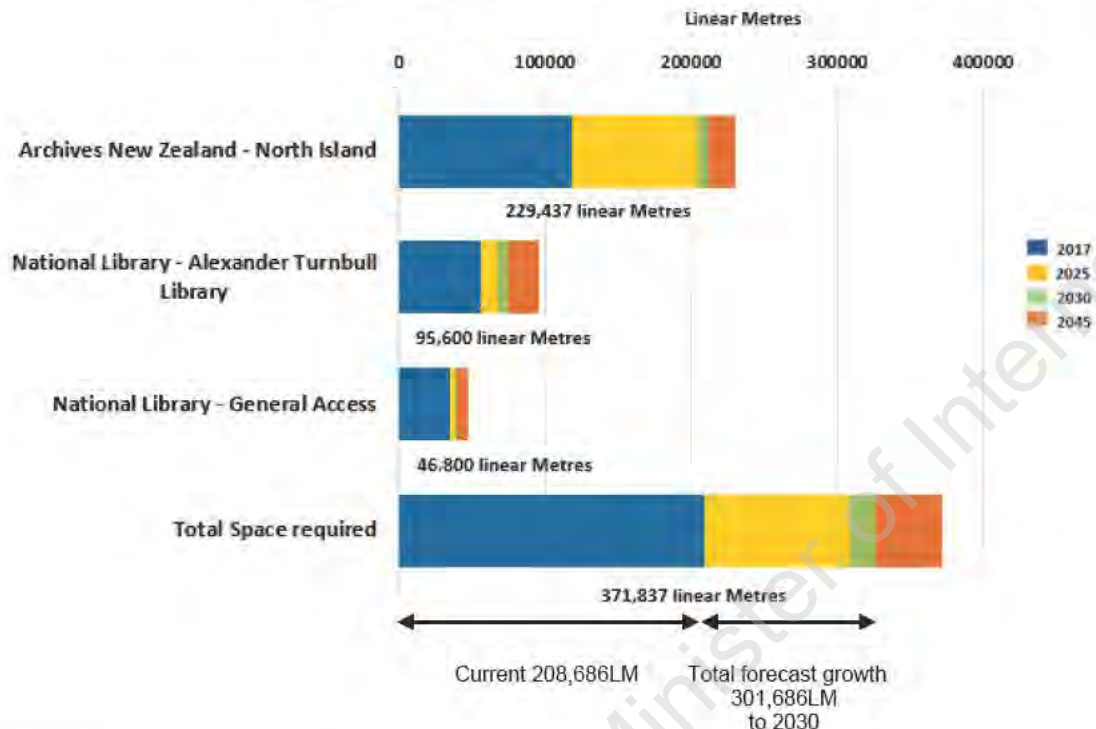
1. Provide Adequate Capacity
2. Achieve Required Quality
3. Reduce Risk
4. Improve Cost Effectiveness

### ***Provide Adequate Capacity***

The need for storage space is inherent to Archives activities. High value physical public records continue to be created across government and digital recordkeeping will not resolve this requirement in the short and medium terms.

**Figure 4 – Demand for storage profile**

**Total Forecasted Growth for Collections and Holdings to 2045**



**Achieve Required Quality**

Facilities need to be fit-for-purpose to ensure the preservation of the documentary heritage, to provide suitable physical access to the public and suitable work environment for staff. To meet the regulatory and service delivery requirements the Department needs to ensure that:

- Repositories are safe, secure and environmentally controlled for the protection and preservation “in perpetuity” of documentary heritage
- Repositories are able to effectively and efficiently house the storage and safe retrieval of the holdings and collections
- The seismic performance level is appropriate for the higher level of societal importance
- Facilities are, as far as practical, located where there is a low risk from natural or anthropogenic hazards and with safe and secure access.

**Reduce Risk**

- Reduced risk of loss of, or damage to, \$1.7 billion of holdings and collections
- Reduce risk to the Crown and the Department due to capacity limits
- Addresses the risk of service failure and support Archives to achieve full compliance with legislative requirements and improve the reliability of its services
- Reduce risk to Crown assets by meeting seismic, performance and security requirements
- Reduce capacity forecast risk through the implementation of scalable capacity through the phased delivery of the regional shared repositories
- There is separation of the preservation and access copies of collections to reduce the risk loss



- Any lease arrangement with private sector providers allow for a long-term right to occupy to avoid high cost and risk to documentary heritage from move.

#### Improve Cost Effectiveness

- Reduce investment required to maintain an aging property portfolio
- Improved utilisation of repository, intensifying storage and asset utilisation
- Rationalise the portfolio to minimise the costs associated with the management of multiple, geographically dispersed buildings
- Deliver additional value across the all-of-government systems - other agencies can release their current backlog allowing resources to be reallocate to other government priorities, i.e. LINZ currently hold in excess of 40,000 linear metres of archival value records for transfer to Archives.

The table below summarises the changes between the current state and the desired future state:

**Table 6 – Summary of Business Needs**

Current state	Future state
Insufficient capacity to meet the current and the growing demand for storage. Archives Wellington has placed an indefinite suspension on accepting archival records; National Library is forecast to run out by 2030	Additional and scalable storage capacity that caters to future growth to 2030 and is scalable to reflect changes in growth rates and other impacts such as digitisation
Archives are retained with public agencies in environments that pose risks to the physical integrity of the records and results in some records no longer being available for future generations	Public records are transferred to Archives in accordance with statutory requirements <sup>23</sup> and are managed in ways that support long term preservation
Public sector organisations are constrained in their ability to provide public access to records	Access to public records is improved and is actively promoted
Holdings and collections are stored in buildings that are not fit-for-purpose. This exposes them to risk of loss or damage	Buildings are designed to appropriate standards. As a result, risk to the holdings and collections is reduced
Buildings are used for purposes that differ to the original design intent resulting in higher operating costs per metre	Buildings are modified and/or designed for maximum efficiency, resulting in lower operating costs per metre

A number of changes are needed to shift from the current state to the future state. This includes investing in property to increase storage capacity, reduce the risk of service failure, and improve the ability to meet fit-for-purpose requirements.

<sup>23</sup> when they have been in existence for 25 years or more



## Potential business scope and key service requirements

The Department has developed a set of design principles that help to define the scope of what is being proposed and the business service capability that needs to be delivered. These principles have been developed to help shape the building portfolio. The principles have been grouped around five main themes:

- **stewardship** – ensuring the Department fulfils its statutory and stewardship responsibilities
- **value-for-money** – designing the portfolio and associated properties in ways that best meet user requirements while at the same time promoting efficient utilisation, exploiting economies of scale, avoiding unnecessary cost and being cost-effective in whole-of-life terms
- **organisational** – aligning the property portfolio with the strategic priorities and principles embodied in the Department's wider property strategy and business strategy and ensuring alignment between the design of properties and their uses
- **storage and access** – conformance with technical standards and service delivery standards
- **transition and future proofing** – minimising the costs, risks and disruption to service associated with transitioning to the future state and ensuring the portfolio has sufficient scalability to cater for future growth.

The recommended business scope includes:







- a. Development of a new Regional Shared Repository (RSR)
- b. A new Archives Wellington facility: a lease option for a new purpose-built facility developed by a third party. To support business requirements, it is proposed the location be adjacent to the National Library's Molesworth Street facility, allowing for more direct collaboration to optimise expensive and special purpose assets, building on a history of collaboration and partnerships between the National Library and Archives. (option referred to as: Archives Wellington Lease - AWL)
- c. National Library alterations: required to physically connect to the AWL airbridge and for changes to enable the collaboration and co-location across the both buildings to function effectively and create a documentary heritage campus
- d. Rationalisation of the not fit-for-purpose properties by exiting both National Library facilities at Wairere House in Whanganui and Ruby House basements in Wellington; and existing Archives Wellington facility
- e. Potential to support Ngā Taonga's long term accommodation and storage needs, pending Ministerial decisions. There is also the opportunity to extend and provide system-wide storage solutions to the heritage sector e.g. Te Papa.

The scope is elaborated further in the Economic Case.



## Benefits

Archives and the National Library hold high value documents integral to our country culturally, constitutionally and financially. Investing in additional and scalable capacity and rendering buildings so that they are fit-for-purpose buildings will protect the Crown's assets, achieve the investment objectives outlined earlier, and will deliver benefits in the following wellbeing domains:

Wellbeing domain	Benefit
 Civic engagement and governance   Cultural identity	<p>Lower risk - Reduced risk of loss of, or damage to, \$1.7 billion of holdings and collections. Increased protection and care of our documentary heritage and taonga</p> <p>Improved flexibility and operational resilience of the three institutions</p>
 Cultural identity	Improved access - by the general public, the commercial sector, and the Public sector to access, share and use NZ's documentary heritage and audio-visual material
 Civic engagement and governance	Cost effectiveness - Improved efficiency of use and cost effectiveness of assets
 Cultural identity	Shared facilities - shared technical facilities, specialist conservation and digitisation facilities, shared public reading rooms.
 Cultural identity	<p>Collaboration:</p> <ul style="list-style-type: none"> <li>- Opportunities for collaboration with heritage sector partners, including Ngā Taonga</li> <li>- Creation of co-located documentary heritage campus for the wider culture and heritage system.</li> </ul>

The benefits delivered in these areas are detailed further below:

### 1. Reduced risk

- Reduce risk of loss or damage to our documentary heritage currently being stored in:
  - Facilities that are at the end of their service life and where documentary heritage is exposed to issues such as water and sewerage leaks, lack of environmental climate controls, and service plant failure
  - Increase the seismic resilience and building performance to ensure the safety of our documentary heritage and business continuity
  - Improved flexibility and operational resilience of the three institutions



- Public sector organisation offices with no environmental controls for preservation and limited security measures
- Address the risk of service failure and supports Archives to achieve full compliance with legislative requirements and improve the reliability of its services
- Reduce the risk of insufficient storage capacity to meet current and anticipated demand to 2030
- The AWL provides the opportunity to transfer risk from the Crown to the provider, in particular the risk associated with delivery including the design, construction and programme risks, while ensuring quality is not compromised through a robust development agreement. Ongoing facility maintenance and some operational risk will also be mitigated through the provisions of the lease agreement.

## **2. Improved access**

- It is important that New Zealanders are able to use and reuse information to create social, cultural, and economic value. This investment initiative supports this aspiration by increasing the access and availability of quality information for use and re-use
- Access to government records is improved through the transfer of these records from public sector organisations to Archives, as required by the Public Records Act 2005. Archives actively promotes access to the holdings under its stewardship. In contrast, records that continue to be held by government agencies tend to be made available on a reactive basis, for example, following an Official Information Act request.

## **3. Cost effectiveness**

- Increased efficiency of the Archives and National Library property portfolio, including:
  - Improved utilisation of repository, intensifying storage and asset utilisation
  - Disposal of Crown assets no longer required or under-utilised
  - Efficiencies across the system as public sector organisations are relieved of the cost of storing archival records. The magnitude of the government benefits results from the ability to transfer more government records from individual organisations to Archives which will reduce the overall storage and management costs in the government sector.

## **4. Shared facilities**

- The proposed delivery approach allows for the co-location and more direct collaboration between the National Library, Archives and Ngā Taonga, creating a heritage campus. This includes optimising expensive and special purpose assets, while continuing to build on a history of collaboration and partnership
- In addition to the main benefit areas elaborated above, investment in the proposed New Shared Repository aligns with the Government's regional economic development priorities and will deliver economic benefits to the selected region through expenditure and employment during design, build and construction phases. This approach also increases the presence of central government in the regions.

## **5. Collaboration**

- The AWL will enable more direct collaboration between the National Library, Archives and Ngā Taonga

- A heritage campus provides the platform for collaboration across the heritage sector
- Regional repository has the potential to assist with system-wide long-term storage solutions
- Shared knowledge and cross fertilisation of skills across the sector.

## Risks

The risk management framework is detailed in the Management Case. The programme's risk register is reviewed monthly by the programme's Governance Board. The content has informed the following:

- The identification of the main business and service risks
- The apportioning and transfer of service risks
- The management and mitigations of risks over the entire life cycle of the investment.
- An appraisal and quantification of the business risks and initiative risks.

Further detail on risks is provided in the Commercial Case, Economic Case and Management Case.

## Constraints

There are several constraints that impact the programme. These are:

1. The Department has undertaken extensive analysis to better understand the opportunities, fiscal constraints and trade-offs required to achieve this programme of change within the existing funding envelope. In spite of this, the Department is unable to self-fund the programme of work to expand the physical infrastructure and address the building condition issues from within existing baseline
2. Archives Wellington has run out of capacity and has placed an indefinite suspension of physical transfers to the Wellington repository
3. Programme delivery schedule – the delivery dates cannot go beyond the target delivery dates without having an adverse effect on the ability for Archives to meet its statutory obligations.

## Dependencies

The programme will undertake detailed analysis during the Initiation Phase to determine all its dependencies. The key dependencies are:

- Securing the funding required to deliver the required physical infrastructure that will allow Archives and the National Library to meet their statutory and regulatory obligations; and
- The successful delivery of the Archival Integrated Management System (AIMS) project – digital infrastructure for the replacement and uplift of core technology platforms crucial for the decant of the holdings into the new AWL and RSR facilities.

## Assumptions

The PtNM Programme is subject to the following high-level assumptions that have informed costs, location and design of the AWL and RSR:

- Forecast storage requirements to 2030 are 307,000 linear metres. This is based on a study forecasting future capacity requirements. Forecast growth is anticipated to slow beyond this time, with storage requirements to 2045 estimated at 371,837 linear metres
- Principles and high-level requirements for the appropriate long-term storage of holdings and collections have been developed
- New facilities are fit-for-purpose and benchmarked where possible against international standards. Design must also comply with all relevant building standards
- Building performance level USRC rating system is 4 stars for each performance category – safety, damage and recovery<sup>24</sup>
- Facilities that house heritage materials are built or strengthened to IL3 standards to protect the holdings from damage or loss. Buildings of IL3 standard have a higher level of societal benefit or importance, or with higher levels of risk-significant factors to building contents of a high value.

Financial assumptions are set out in detail in the Financial Case, refer Table 24.

## Optimism Bias

The programme has undertaken a Quantitative Risk Assessment(QRA) to give a quantitative assessment of risks and their potential impact on the programme costs and estimates, including an estimation of the required contingency, in an endeavour to avoid any optimism bias through uncertainty.

The Treasury Investment Management and Asset performance (IMAP) team advised that the standard approach for business cases was to use an 85 per cent (P85) confidence level for contingency estimation. Detailed information on the programme's QRA is provided in the Financial Case.

---

<sup>24</sup> United States Resiliency Council building ratings system in lieu of an equivalent NZ ratings system



## Economic Case

### Introduction

A robust Economic Case process was undertaken to identify the long list of options, followed by the short list:

The short-listed options were:

- a) Option 1 – Baseline funding – portfolio maintained 'as is'. No additional funding sought;
- b) Option 2 – Restack Mulgrave Street facility more efficiently so capacity is increased;
- c) Option 3 – (preferred option in 2017 Business Case) Refurbish Mulgrave Street and build a new remote repository;
- d) Option 4 – Build a new large repository and divest Mulgrave Street; and
- e) Option 5 – Refurbish Mulgrave Street and improve other properties.

A Single Stage Business Case was prepared for Budget 2017. All options were assessed against the investment objectives and critical success factors. Options that did not sufficiently contribute to the project objectives were discounted, and the preferred option was identified:

- Option 3: Refurbish Mulgrave Street & New Repository – significant work is done on the Mulgrave Street property to strengthen it, improve building services and increase its capacity, a new repository is developed and the National Library property footprint is rationalised.

The seed funding received through Budget 2017 allowed the programme to undertake detailed assessments (in 2017) on the delivery of the then preferred option. This enabled a more comprehensive evaluation of the programme of works associated with the delivery of the programme, and in turn a more robust and accurate assessment of the delivery approach and impact on scope, schedule and associated costs.

Further, an alternative opportunity presented as a consequence of the Kaikoura earthquakes in 2016, which resulted in several vacant sites becoming available for development within the Thorndon precinct.

Significant learnings were achieved through this process and a modified approach (to Option 3 above) was recommended in the 2018 Business Case. This modified approach is referred to as the '*Preferred Option*'.

### Learnings from detailed assessments undertaken in 2017, 2018 and 2019

Key learnings include:

1. Capacity Requirements - several studies evaluating the capacity requirements and future growth forecast have been undertaken by the programme; the results align with previous total estimates, however we now have a clearer picture of the timing of growth and the future capacity requirements of Ngā Taonga
2. Programme delivery is estimated to span across six years: 2019 – 2025, <sup>9(2) (b) (ba)</sup>


3. New Regional Shared Repository (RSR) - deep storage for the National Library and Archives:

- To be located in a low hazard zone, away from the main Wellington repositories. Preliminary technical assessments have identified several potential regional locations in the lower North Island
- The RSR size is estimated at a total size of 10,500m<sup>2</sup> with a repository space of 9,000m<sup>2</sup> to meet forecast growth in physical records to 2030 and will be delivered in 2025.

4. Portfolio rationalisation:

- The programme undertook a comprehensive assessment of the National Library property located on Tremaine Avenue, Palmerston North and determined that the property was not suitable for adaptive re-use. The property was released to LINZ for disposal in 2017
- Detailed analysis of the National Library Wairere House property located in Whanganui has also been completed. This analysis identified significant medium to long term risk associated with this facility. The Programme Board agreed that the heritage collections are to be relocated with urgency. This property is to be released for disposal once the exit is complete

• 9(2) (b) (ba)



5. Archives Wellington Mulgrave Street – an extensive number of technical assessments have been undertaken on the mid 1960s Mulgrave Street property; these assessments have informed the risk profile and the limitations of the approved scope for the Mulgrave Street redevelopment.

a. The following major risks were identified with this option:

- Fails to meet the recommended seismic and business continuity resilience standard
- The continued suspension of transfers of public records
- Shorter life-span for the redeveloped building
- Improved but still inefficient in layout and operation
- High construction risks
- Higher contingency costs
- Limited increased holdings capacity
- Risks to documentary heritage during extensive de-cant period and high costs for the double de-cant
- Significant service disruption.

## Modified Delivery Approach – the ‘Preferred Option’

The recommended scope for the modified delivery approach includes:




1. New Regional Shared Repository – regional storage for National Library, Archives and Ngā Taonga to meet forecast growth in physical records to 2030 and capable of extending to meet forecast growth to 2045 and beyond;
2. Archives Wellington facility – a lease arrangement for a new purpose-built facility at 2 – 12 Aitken Street with physical connectivity via an airbridge with the National Library's Molesworth Street facility (details below). This is referred to as the Archives Wellington Lease (AWL) facility;
3. Alterations to the National Library Molesworth Street to physically connect to the AWL airbridge and for changes to enable the collaboration and co-location across the both buildings to function effectively and create a documentary heritage campus, including development of specialised technical suites to accommodate Ngā Taonga's requirements;
4. Avalon storage vault – limited alterations to Avalon facility to accommodate Ngā Taonga's long term requirements; and
5. Portfolio rationalisation – Funding received through Budget 2019 has enabled the exit of Wairere House to be expediated. Collections in Wairere House will be rehoused in the National Library Molesworth Street, Rugby House and in a new constructed Controlled Atmosphere Room in the Archives Auckland facility.

9 (2) (b) and (ba) and (i) and (j)



i. 9 (2) (b) and (ba) and (i) and (j)

9 (2) (b) and (ba) and (i) and (j)



A large rectangular area of text is completely redacted with a solid grey box.

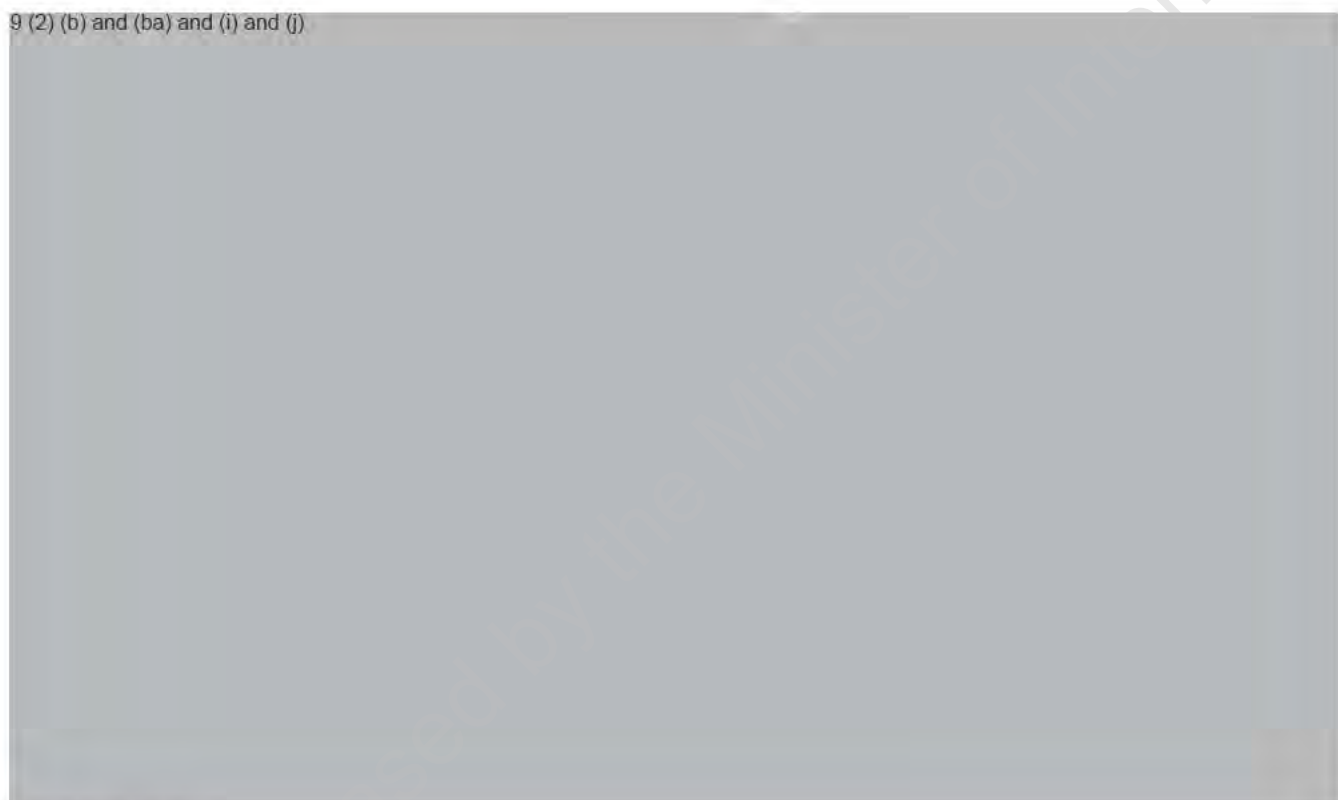


Four lines of text are redacted with grey boxes.




A single line of text is redacted with a grey box.

9 (2) (b) and (ba) and (i) and (j)



A very large rectangular area of text is completely redacted with a solid grey box.

9 (2) (b) and  
(ba) and (i)  
and (j)

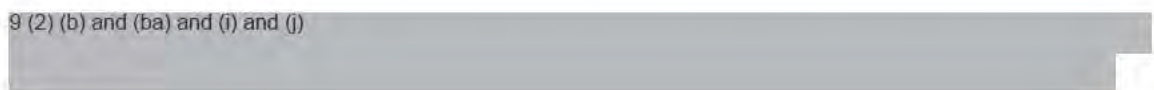


A large rectangular area of text is completely redacted with a solid grey box.




A large rectangular area of text is completely redacted with a solid grey box.


9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)





9 (2) (b) and (ba) and (i) and (j)

\_\_\_\_\_

\_\_\_\_\_

© 2004 Blackwell Publishing Ltd, *Journal of Internal Medicine* 255: 103–110

\_\_\_\_\_



\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

© 2006 The Authors  
Journal compilation © 2006 Blackwell Publishing Ltd

© 2006 The Authors  
Journal compilation © 2006 Blackwell Publishing Ltd

\_\_\_\_\_

\_\_\_\_\_

1. [REDACTED]

○ 9 (2) (b) and (ba) and (i) and (j)


[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9 (2) (b) and (ba) and (i) and (j)



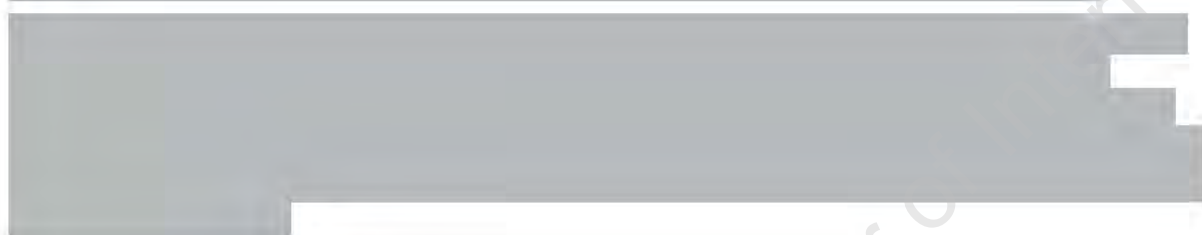
A large rectangular area of text is completely redacted with a solid grey fill.



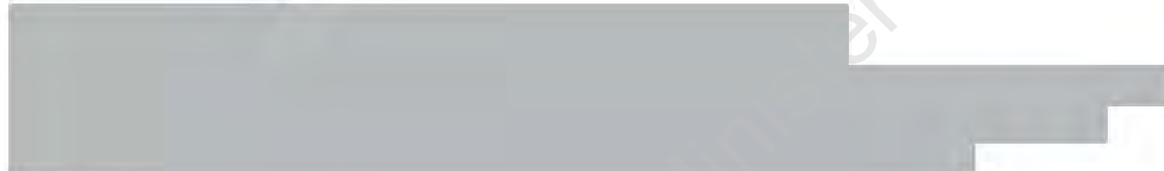
A single line of text is redacted with a solid grey fill.



A rectangular area of text is redacted with a solid grey fill.




A large rectangular area of text is redacted with a solid grey fill.



A rectangular area of text is redacted with a solid grey fill.

|| 

A line of text is redacted with a solid grey fill, preceded by two vertical bars.

|| 

A line of text is redacted with a solid grey fill, preceded by two vertical bars.

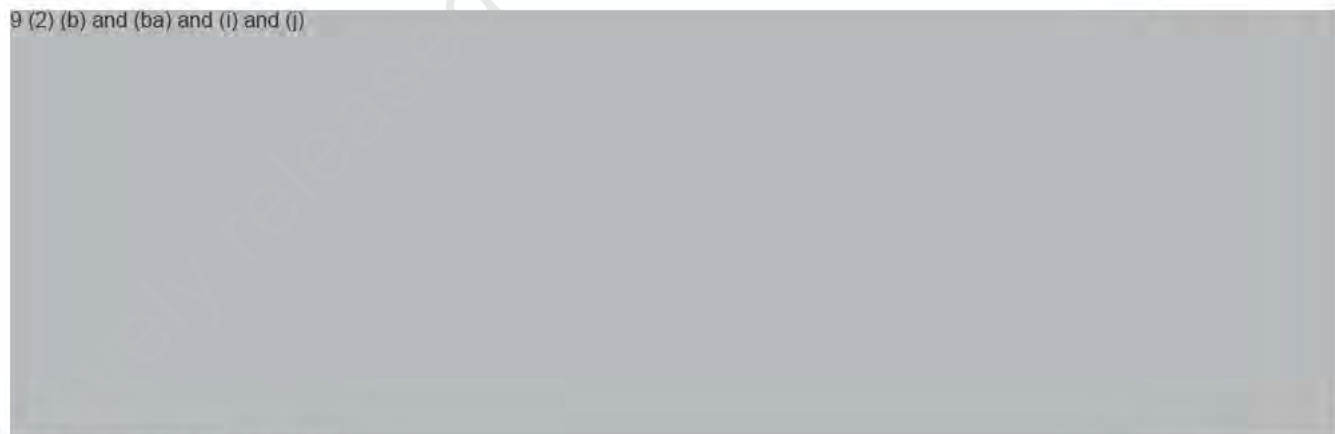
|| 

A line of text is redacted with a solid grey fill, preceded by two vertical bars.




A rectangular area of text is redacted with a solid grey fill.

9 (2) (b) and (ba) and (i) and (j)



A large rectangular area of text is completely redacted with a solid grey fill.

9 (2) (b) and (ba) and (i) and (j)



A rectangular area of text is redacted with a solid grey fill.



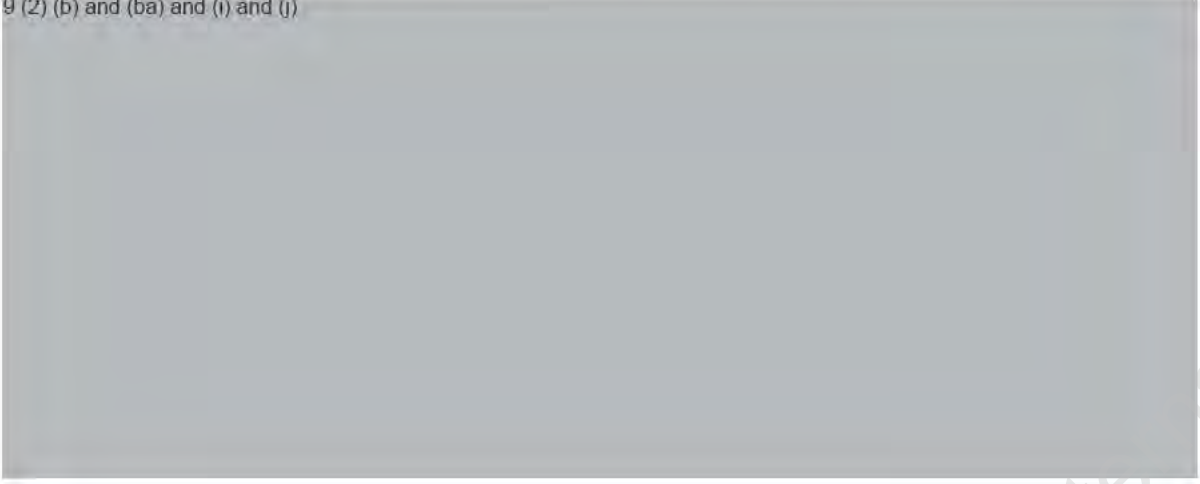
9 (2) (b) and (ba) and (i) and (j)

9 (2) (b) and (ba) and (i) and (j)








9 (2) (b) and (ba) and (i) and (j)

9 (2) (b) and (ba) and (i) and (j)


9 (2) (b) and (ba) and (i) and (j)





9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



---





9 (2) (b) and (ba) and (i) and (j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9 (2) (b) and (ba) and (i) and (j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

9 (2) (b) and (ba) and (i) and (j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



\_\_\_\_\_

\_\_\_\_\_

© 2006 The Authors  
Journal compilation © 2006 Blackwell Publishing Ltd

© 2004 Blackwell Publishing Ltd *Journal of Internal Medicine* 255: 255–262

\_\_\_\_\_

\_\_\_\_\_

11/11/2016

© 2004 Blackwell Publishing Ltd, *Journal of Internal Medicine* 255: 103–111

© 2006 The Authors

1100

© 2006 The Authors

© 2006 The Authors

114

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

9 (2) (b) and (ba) and (i) and (j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

---

[REDACTED]

- 9 (2) (b) and (ba) and (i) and (j)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]


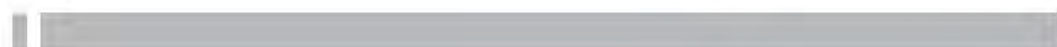
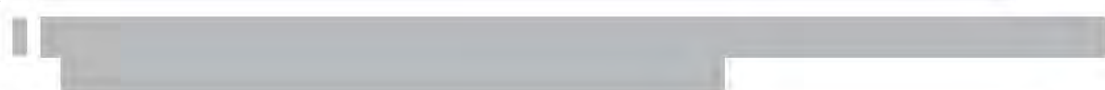







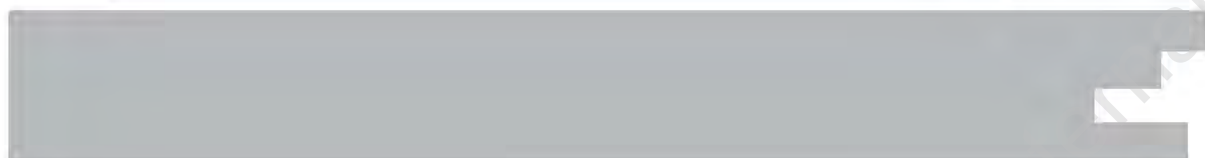



[REDACTED]

[REDACTED]

[REDACTED]



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)

[Redacted text block]

[Redacted text block]

[Redacted text block]

|| [Redacted text block]

|| [Redacted text block]

|| [Redacted text block]

|| [Redacted text block]

|| [Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

9 (2) (b) and (ba) and (i) and (j)

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

---


[Redacted]

[Redacted]

[Redacted]



9 (2) (b) and (ba) and (i) and (j)




This block contains a redaction code and is followed by a large, solid grey rectangular area that redacts the majority of the page's content. The redaction covers approximately 10 lines of text.

---




This block contains a horizontal line followed by a small, solid grey rectangular area that redacts a few lines of text at the bottom of the page.

9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)

















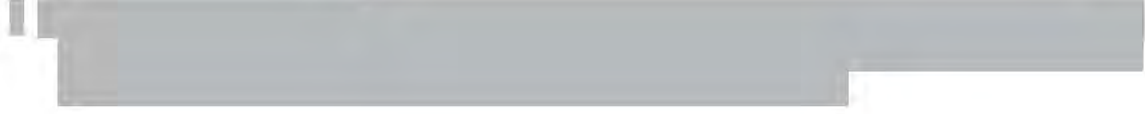


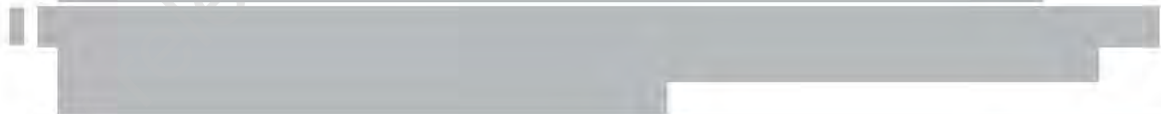


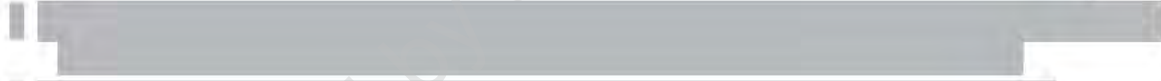

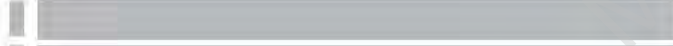

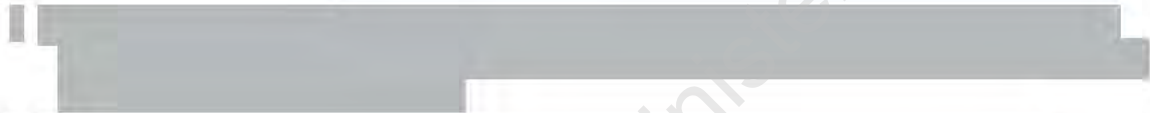






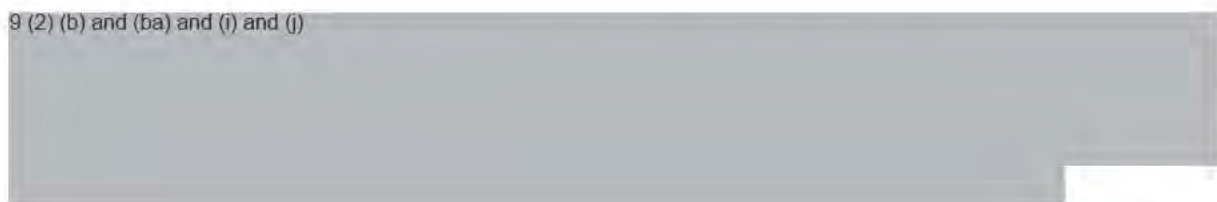
9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



---

9  
(2)



- 9 (2) (b) and (ba) and (i) and (j)



1. [REDACTED]

2. [REDACTED]

3. [REDACTED]

4. [REDACTED]

5. [REDACTED]

6. [REDACTED]

7. [REDACTED]

8. [REDACTED]

9. [REDACTED]

10. [REDACTED]

11. [REDACTED]

12. [REDACTED]

13. [REDACTED]

14. [REDACTED]

15. [REDACTED]

16. [REDACTED]

17. [REDACTED]

18. [REDACTED]

19. [REDACTED]

20. [REDACTED]

21. [REDACTED]

22. [REDACTED]

23. [REDACTED]

24. [REDACTED]

25. [REDACTED]

26. [REDACTED]

27. [REDACTED]

28. [REDACTED]

29. [REDACTED]

30. [REDACTED]

31. [REDACTED]

32. [REDACTED]

33. [REDACTED]

34. [REDACTED]

35. [REDACTED]

36. [REDACTED]

37. [REDACTED]

38. [REDACTED]

39. [REDACTED]

40. [REDACTED]

41. [REDACTED]

42. [REDACTED]

43. [REDACTED]

44. [REDACTED]

45. [REDACTED]

46. [REDACTED]

47. [REDACTED]

48. [REDACTED]

49. [REDACTED]

50. [REDACTED]

51. [REDACTED]

52. [REDACTED]

53. [REDACTED]

54. [REDACTED]

55. [REDACTED]

56. [REDACTED]

57. [REDACTED]

58. [REDACTED]

59. [REDACTED]

60. [REDACTED]

61. [REDACTED]

62. [REDACTED]

63. [REDACTED]

64. [REDACTED]

65. [REDACTED]

66. [REDACTED]

67. [REDACTED]

68. [REDACTED]

69. [REDACTED]

70. [REDACTED]

71. [REDACTED]

72. [REDACTED]

73. [REDACTED]

74. [REDACTED]

75. [REDACTED]

76. [REDACTED]

77. [REDACTED]

78. [REDACTED]

79. [REDACTED]

80. [REDACTED]

81. [REDACTED]

82. [REDACTED]

83. [REDACTED]

84. [REDACTED]

85. [REDACTED]

86. [REDACTED]

87. [REDACTED]

88. [REDACTED]

89. [REDACTED]

90. [REDACTED]

91. [REDACTED]

92. [REDACTED]

93. [REDACTED]

94. [REDACTED]

95. [REDACTED]

96. [REDACTED]


97. [REDACTED]

98. [REDACTED]

99. [REDACTED]

100. [REDACTED]

9 (2) (b) and (ba) and (i) and (j)



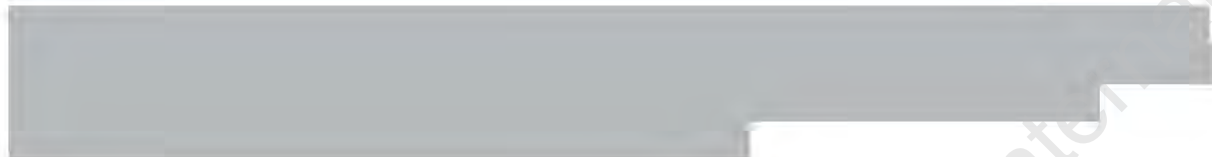
A block of text is redacted with a grey box. The redaction covers approximately four lines of text.



A block of text is redacted with a grey box. The redaction covers approximately two lines of text.



A block of text is redacted with a grey box. The redaction covers approximately two lines of text.



A block of text is redacted with a grey box. The redaction covers approximately three lines of text.



A block of text is redacted with a grey box. The redaction covers approximately two lines of text.

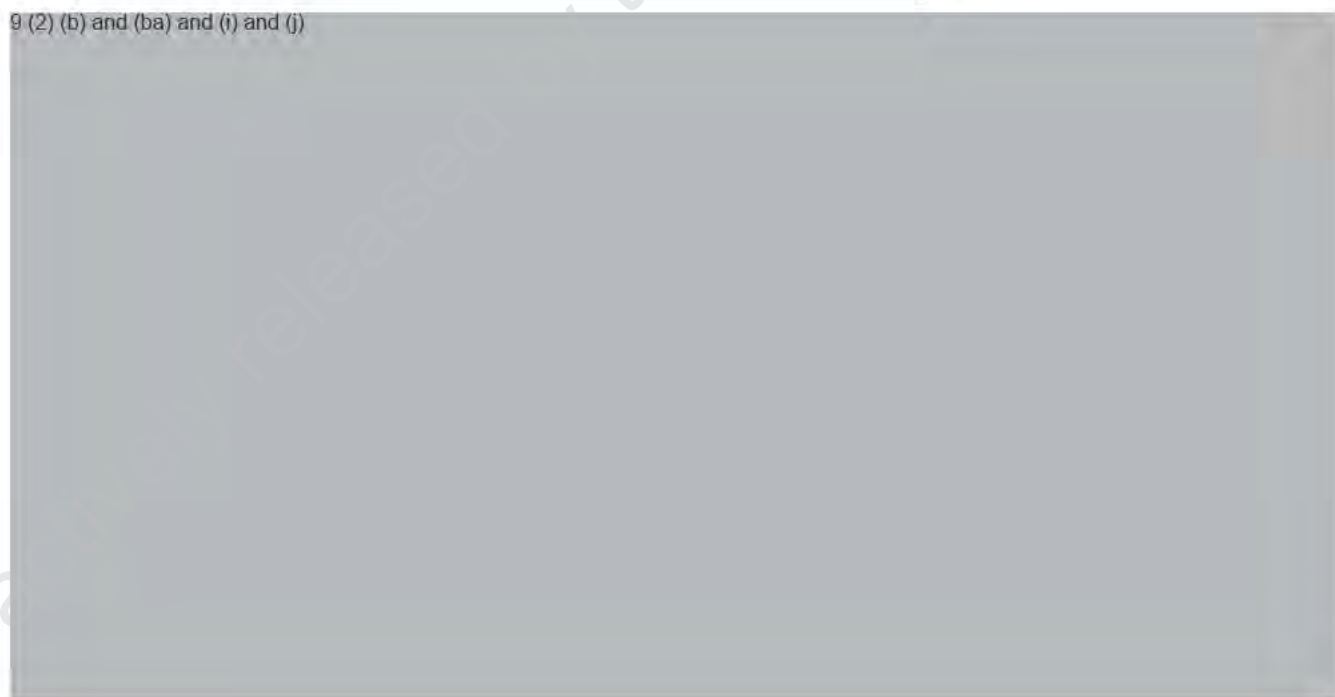


A block of text is redacted with a grey box. The redaction covers approximately three lines of text.




A block of text is redacted with a grey box. The redaction covers approximately two lines of text.

9 (2) (b) and (ba) and (i) and (j)


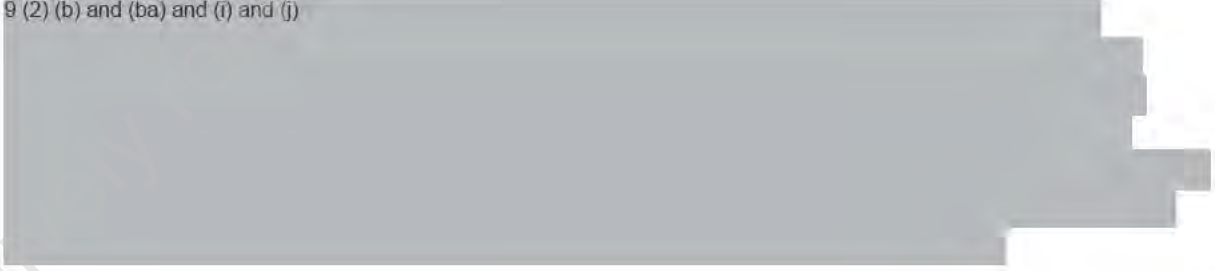


A large block of text is redacted with a grey box. The redaction covers the majority of the page content below the previous section.


9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)

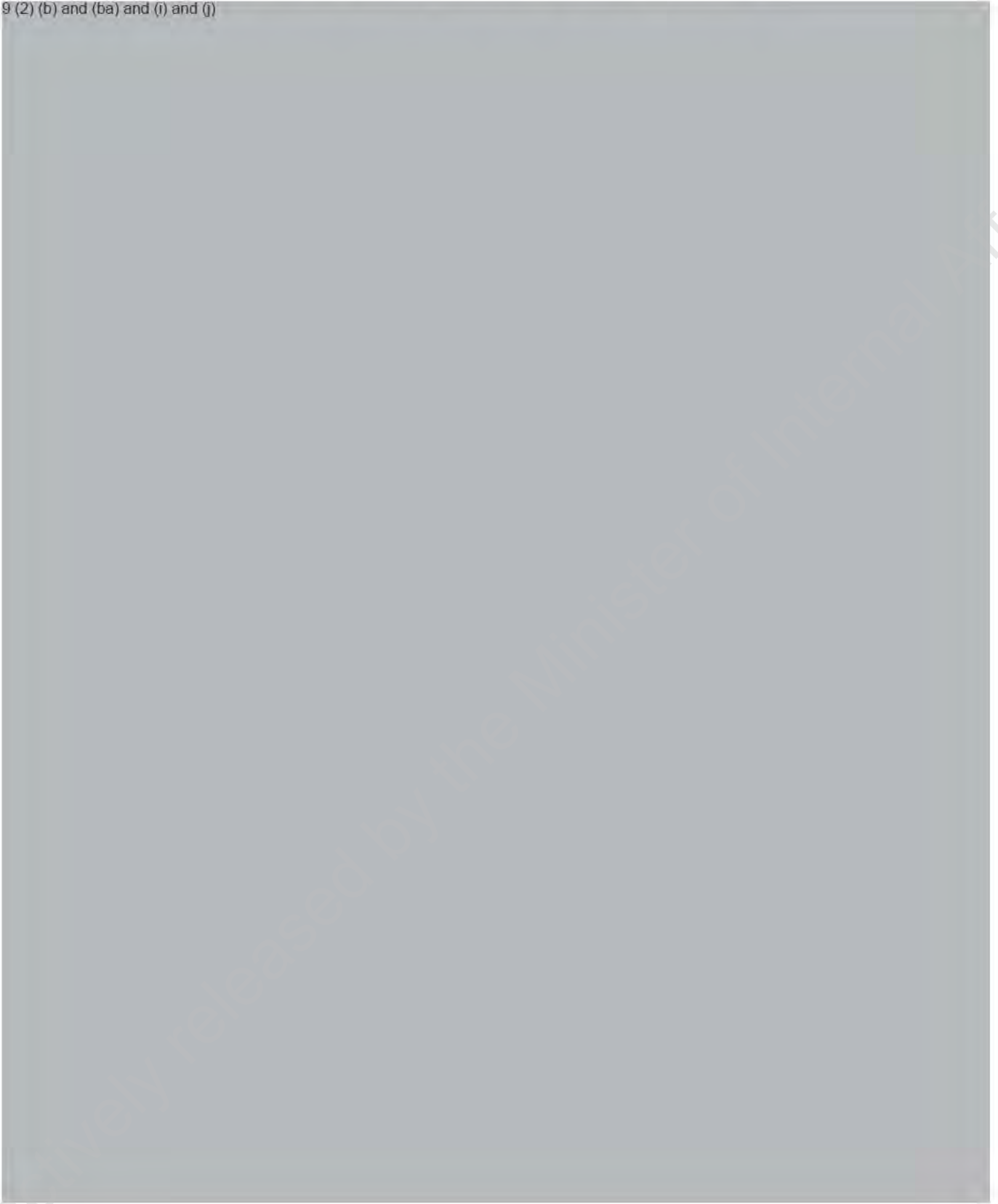


9 (2) (b) and (ba) and (i) and (j)

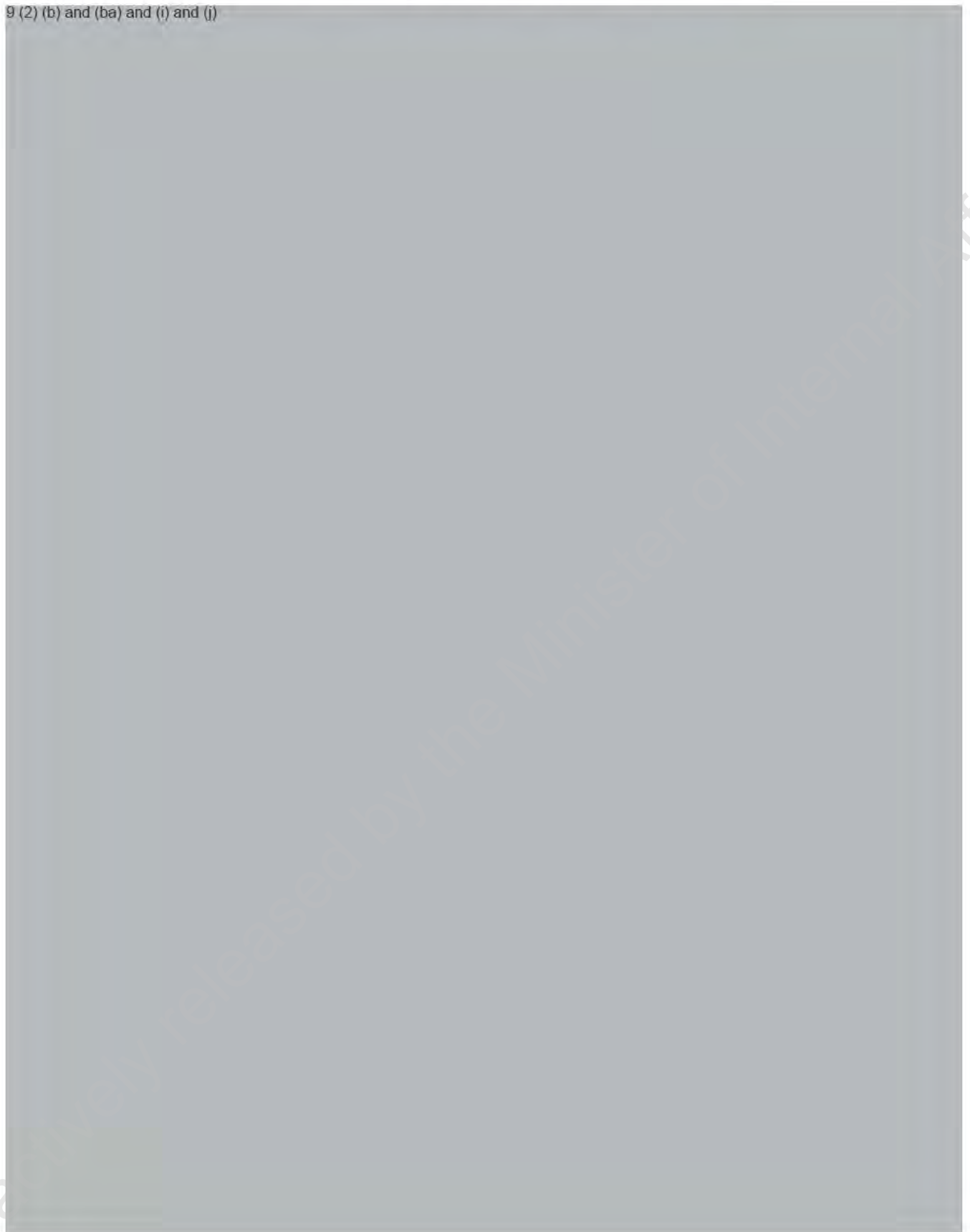





9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)

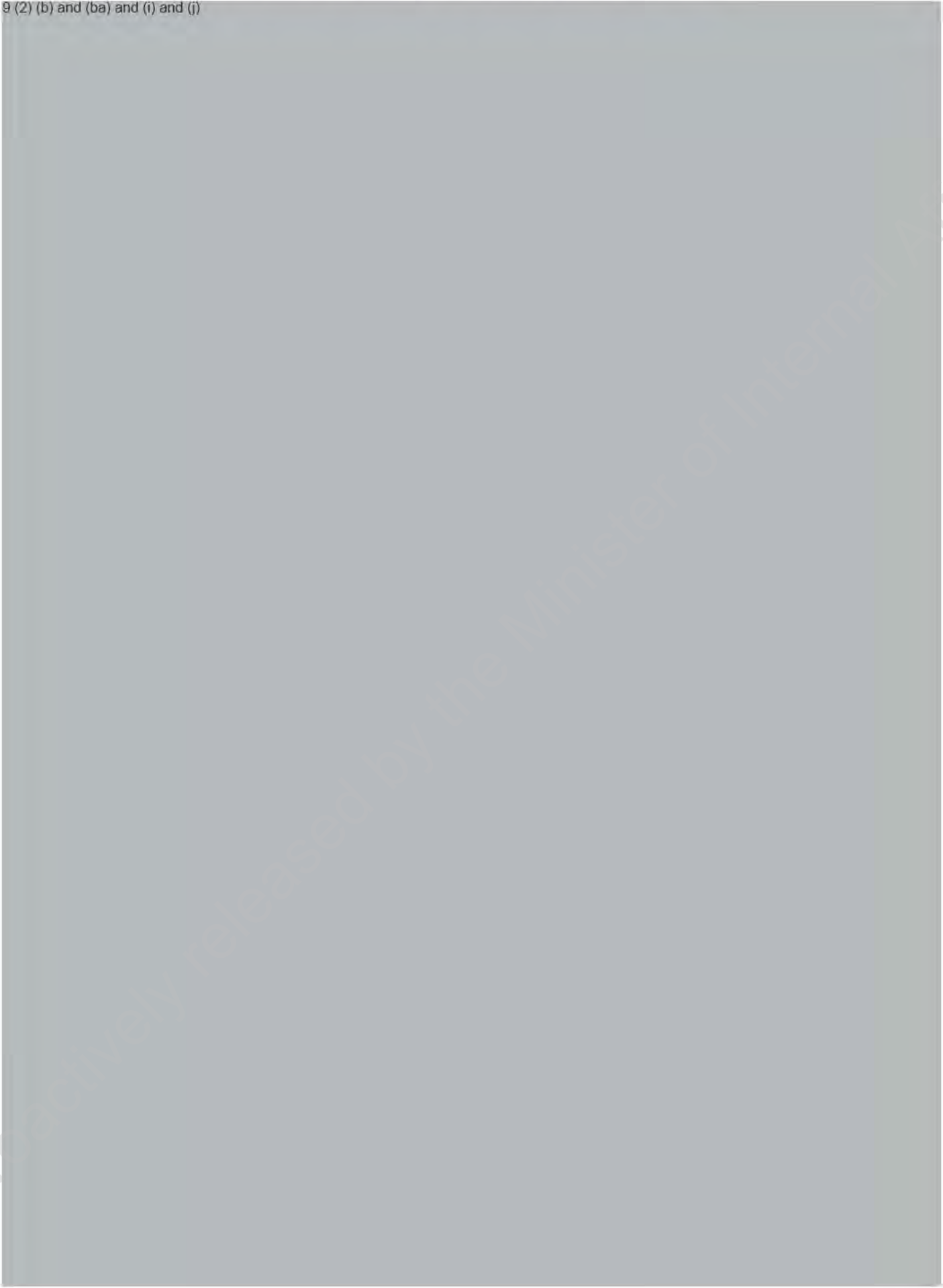





9 (2) (b) and (ba) and (i) and (j)



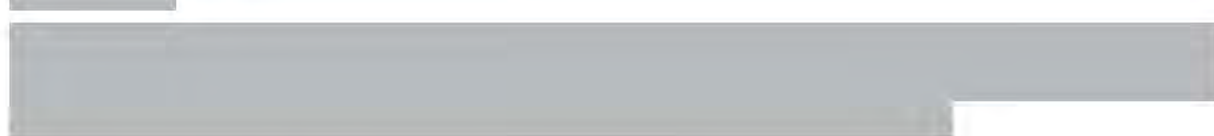








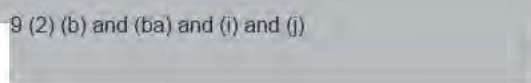
9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba)  
and (i) and (j)

[Redacted]

[Redacted]



\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

[REDACTED]

\_\_\_\_\_

\_\_\_\_\_

- 9 (2) (b) and (ba) and (i) and (j)

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]


[Redacted text block]

[Redacted text block]


[Redacted text block]

[Redacted text block]


9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)


A large rectangular area of the document is redacted with a solid grey block.

9 (2) (b) and (ba) and (i) and (j)


A very large rectangular area of the document is redacted with a solid grey block, covering most of the page content.




9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)



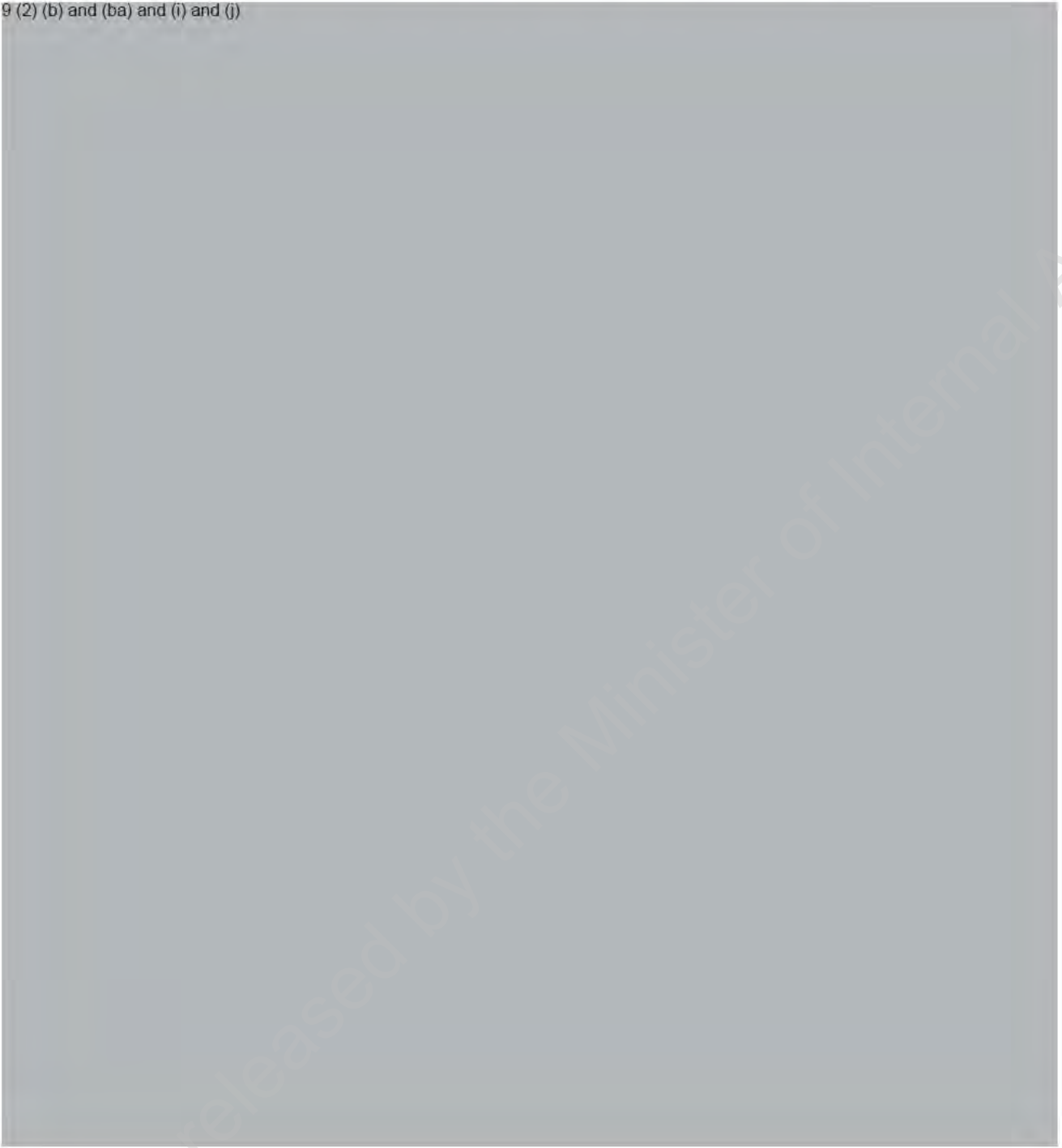
Proactively released by the Minister of Internal Affairs



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



# Management Case

## Planning for successful delivery

This management case confirms that the *Preserving the Nation's Memory* investment proposal is achievable by detailing the arrangements needed to ensure successful delivery of the preferred option (the programme) and to manage project benefits and risks.

The programme plan is both significant and complex in nature as it impacts a large portion of the National Library and Archives property portfolio. The preferred solution also has operating model and change management implications. Within the scope of this programme is a co-location and storage solution for Ngā Taonga, which could include AWL facility, RSR and/or Avalon facility expansion.

To optimise the opportunities and benefits of the programme, robust programme governance, management structures and methodologies have been established.

This section describes the management and governance arrangements using the following themes:

- Planning and control
- Programme management
- Programme principles and methodology
- Organisation and governance
- Collaboration and functional leadership
- Change management and stakeholder engagement
- Programme plan and milestones
- Programme constraints and dependencies
- Resource management and programme resource requirements
- Benefits realisation management
- Risks and issue management
- Quality management.

## Planning and control

Effective planning and control are requirements for the success of the programme. All the essential elements affecting the programme have been identified.

Planning documents for the programme include:

- Programme level planning and control documents
  - Programme Governance Board Terms of Reference
  - Investment Governance Committee Terms of Reference
  - Functional Design Advisory Group Terms of Reference
  - Programme Charter – detailing constraints, dependencies (across the projects within the programme and the wider environment) and their management, resource management plan and risk and issue management strategies
  - Decision Register (managed through Psoda)

- Stakeholder Engagement and Communications Strategy
  - Benefits Realisation Plan
  - Cultural Strategy
  - Assurance Plan
  - Procurement Strategy
  - Procurement Project Tracker
  - Change Management Strategy and plan
  - Asset Management Plan – as part of Programme closure
  - Transition/Operational Handover Plan – as part of Programme closure.
- Project level planning and control documents
    - Steering Committee Terms of Reference
    - Project Initiation Document
    - Project specific communications and stakeholder management plans
    - Project Risk and Issue management (managed through Psoda).

The approach surrounding these plans is covered in the relevant section of this management case and where practical is summarised in tables and detailed in appendices.

## Programme management

This programme forms part of the Department's overarching property programme. Accordingly, management of this programme will be carried out with full cognisance of any impact on, and interdependencies with, other Departmental property assets and programmes. The Department's governance arrangements are specifically designed to achieve and maintain integration with the wider portfolio.

This is a complex programme that requires careful coordination across the various projects. The projects and their workstreams consist of lease negotiations, land acquisition, building design, construction, large scale shelving installation, pre-move preparation of holdings and collections, multiple moves of documentary heritage documents and of staff, change management and the management of the Ngā Taonga staff and audio-visual holdings. The organisation and programme team resources reflected in this management case have been structured to account for the programme's coordination and management complexities.

## Programme principles and methodology

The Department utilises a customised PRINCE2 Project Management Methodology for a programme of this magnitude and complexity. Day-to-day management processes and controls based on the PRINCE2 methodology will be consistently applied at both the Programme and Project level, including quality control of project deliverables. This will be managed through Enterprise Portfolio Management Office (EPMO), Project Management Office (PMO) Management, and Project Management collaboration.

This Business Case follows Treasury Better Business Case guidelines. To promote success the Department also applies the following principles:

- The programme must be viable from the start and remain so throughout delivery, implementing a benefits management strategy to ensure monitoring and reflection at key milestones within the programmes lifecycle



- Roles and responsibilities must be clear from the outset, with regular reviews held to ensure the ongoing effectiveness
- Tasks are to be grouped at programme or project level as applicable, and then implemented through stages using appropriate control to manage progression across those stages
- Lessons learned from projects will be applied where appropriate.

The Programme Board's principles and accountabilities feature in a Terms of Reference document.

## Organisation and governance

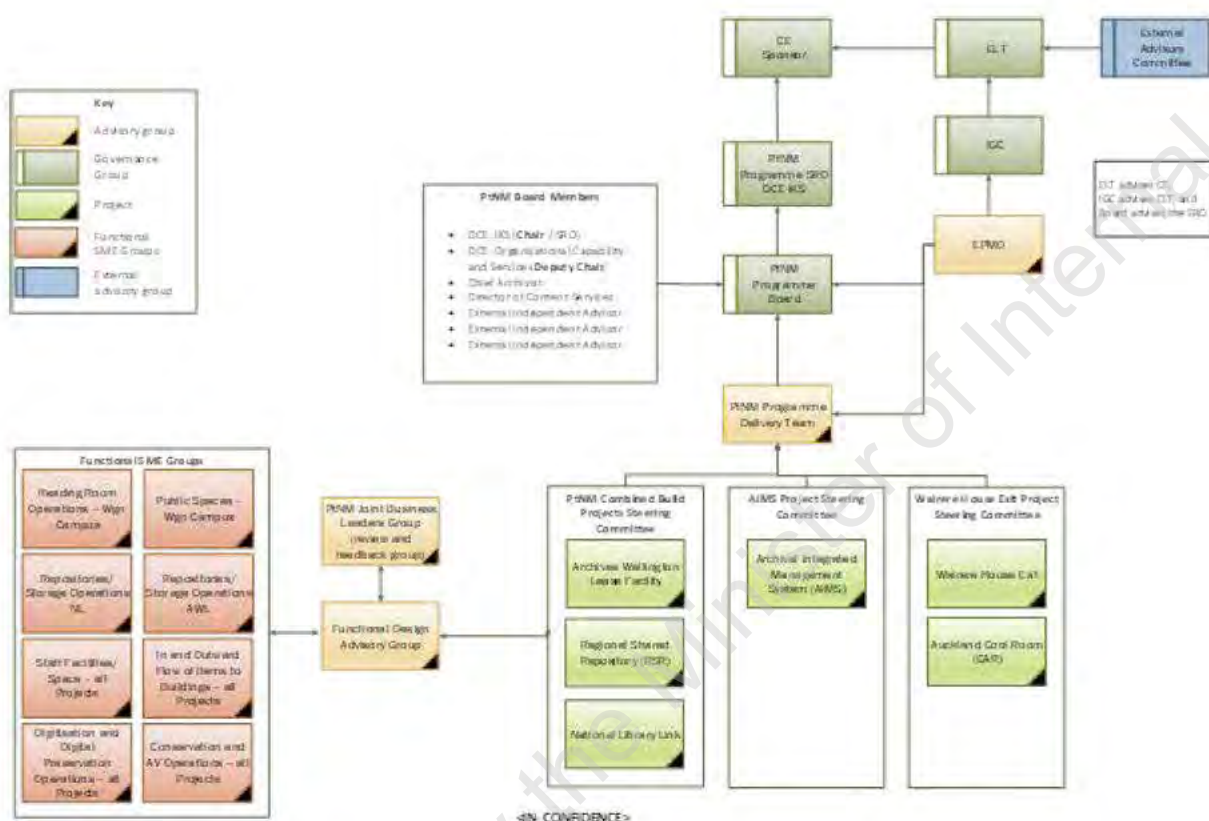
The approach to this programme's structure reflects the Department's intentions to ensure the management of complexities given the programmes impact on Archives and the National Library properties, people and their ways of working.

Management and coordination of the projects through the programme structure allows the facilitation of key resources such as subject matter experts and funding to be managed across the work while monitoring and planning for dependencies for milestone delivery. The programme management office and logistics team, which are shared programme level resourcing, have been structured within the programme to facilitate this.

The programme structure is designed to span several management levels to ensure full visibility within the Department and integration with its existing control framework. Accordingly, it features a Governance Board with strong accountabilities and representation from both suppliers and users. The Board membership will also include external independent members to further strengthen input into the decisions made by the Board. Further expert independent advice in the form of independent quality assurance will also be sourced as an additional assurance over the programme. The Board's membership and Terms of Reference has been reviewed and refreshed to ensure that the programme has appropriate governance for the next phase.

The programme's governance structure is as follows:

**Figure 6: PtNM Governance and Programme Structure**



The table below summarises the primary responsibilities of the positions and groups shown in the diagram above. The roles will be reviewed and updated if required. In recognition of the significance and importance of this programme and in accordance with the established practice for programmes of this size, the programme governance will be led by the Deputy Chief Executive (DCE) of Information & Knowledge Services.

### Table 28 – Accountabilities and responsibilities

Individual or group	Key responsibilities
Chief Executive	<p>The carrying out of the functions and duties of the Department (including those imposed by Act or by the policies of the Government)</p> <p>The tendering of advice to the appropriate Minister and other Ministers of the Crown</p> <p>The general conduct of the Department</p> <p>The efficient, effective, and economical management of the activities of the Department</p>
Executive Leadership Team (ELT)	<p>Ensure programmes align with organisational and business strategy</p> <p>Endorses programme approval documents</p>



Individual or group	Key responsibilities
	Approve resources
Investment Governance Committee (IGC)	<p>The IGC was established to support ELT by providing direction on, and overseeing the Department's investment system and portfolio</p> <p>IGC has a role in reviewing and approving or endorsing to ELT (in line with its delegated authority) programme and programme Business Cases and investment-related matters. They also consider reports such as the quarterly investment review</p> <p>IGC work closely with the Enterprise Portfolio Management Office (EPMO) and Finance (CFO), to provide oversight and advice to ELT on overall investment system performance and all key system risks</p>
Programme Executive/Senior Responsible Owner (SRO)	<p>The Programme Executive is ultimately accountable for the programme and is the ultimate decision maker. The Executive is supported in the decision making by the board.</p> <p>The Programme Executive's role is to ensure that the programme is focused on achieving objectives and delivering a product or service that will deliver the forecast benefits.</p> <p>The Programme Executive makes certain that the programme provides value for money, ensuring a cost-conscious approach and balancing the demands of business, user and supplier</p> <p>The Programme Executive may delegate to members of the board, however retains overall accountability</p> <p>The Programme Executive 'owns' the Business Case</p> <p>The Programme Executive is responsible for ensuring the benefits are defined and mechanisms are in place for tracking and realisation of the benefits</p> <p>The Programme Executive is responsible for assurance of the programme</p> <p>Accountable to ELT for the success of the programme</p> <p>Authority to direct the programme within the remit set by ELT</p> <p>Responsible for communications between the programme management team and the business</p>
Programme Governance Board	<p>Responsible for advising the Programme Executive/SRO, and supporting the decision making process for the Programme.</p> <p>Includes expert independent board members</p> <p>Activities include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Optimising benefits and opportunities</li> <li>• Minimising risks</li> <li>• Meeting stakeholder objectives, including the Cultural Strategy and Engagement Plan</li> <li>• Manage budget constraints</li> <li>• Approve the Programme Charter</li> <li>• Endorse the Programme Assurance Plan</li> <li>• Approve supplier contracts</li> <li>• Approve supplier contract changes</li> <li>• Make decisions on escalated issues</li> </ul>



Individual or group	Key responsibilities
	<ul style="list-style-type: none"> <li>• Provide overall guidance and direction to the programme ensuring health and safety</li> <li>• Set tolerances for each programme stage and approve programme stage plans</li> <li>• Approve completed products</li> </ul> <p>Aside from senior users and suppliers, board members also include advisor attendees from Finance, EPMO and PMO</p>
Senior Users	<p>The Senior Users are responsible for specifying the needs of those who will use the programme's products (including operations and maintenance), for user liaison with the programme management team, and for monitoring that the solution will meet those needs within the constraints of the Business Case in terms of quality, functionality and ease of use. The Senior Users also commit user resources</p>
Senior Supplier	<p>The Senior Supplier represents the interests of those designing, developing, facilitating, procuring and implementing the programme's products. This role is accountable for the quality of products or services delivered by the supplier(s) and is also responsible for the technical/specialist integrity of the programme</p>
Portfolio Director	<p>The responsibilities include:</p> <ul style="list-style-type: none"> <li>• Planning and designing the workstreams and proactively monitoring their overall progress, resolving issues and initiating corrective action as appropriate</li> <li>• Managing and resolving risks and other issues that may arise including risks that have been escalated by the workstreams</li> <li>• Maintaining overall integrity and coherence of the programme, and developing and maintaining the programme environment to support each workstream under it</li> <li>• Overseeing the budget, monitoring the expenditures and costs against benefits that are realised</li> <li>• Overseeing the appointment of individuals to the programme delivery teams</li> <li>• Ensuring architectural coherence within the programme via design authority alignment (and possible creation)</li> <li>• Ensuring that the delivery on new products or services from the programmes meets requirements and is to the appropriate quality, on time and within budget</li> <li>• Ensuring maximum efficiency in the allocation of resources and skills across the programme</li> <li>• Managing the communications with stakeholders at the programme level</li> <li>• Initiating extra activities and other management interventions wherever gaps in the programme are identified or issues arise</li> <li>• Reporting progress of the programme at regular intervals to the SRO</li> </ul>
Programme Management Office (PMO)	<p>The Programme Management Office (PMO) is responsible for the support of the programme. The PMO is implemented to provide programme support by;</p>



Individual or group	Key responsibilities
	<ul style="list-style-type: none"> <li>• Setting up tools and standards for managing the program</li> <li>• Planning, tracking, and reporting on outputs and outcomes</li> <li>• Financial planning and tracking</li> <li>• Risk and Issue tracking</li> <li>• Cross-project interdependency management</li> <li>• Setting quality control standards and tracking implementation</li> <li>• Setting and tracking change control procedures</li> </ul>
Functional Design Advisory Group (FDAG)	Ensure cross business unit input has been considered, provide guidance and advice on facilities design direction and approve the delivery of facilities design decisions for the programme.
Project Managers	<p>Project Managers will be appointed to manage each work stream. The project manager is the single focus for the day-to-day management of the project. This person has the authority to run the project on behalf of the Executive and Programme Board with the constraints set by the Programme Board</p> <p>Responsibilities include:</p> <ul style="list-style-type: none"> <li>• Day-to-day management of the project, including taking the work stream forward from appointment, supervising and closing the work stream</li> <li>• Being the day-to-day agent on behalf of the Executive and Programme Board, for successful delivery of the new capability</li> <li>• Planning and designing the project and proactively monitoring its overall progress, resolving issues and initiating corrective action as appropriate</li> <li>• Managing and resolving risks and other issues that may arise</li> <li>• Maintaining overall integrity and coherence of the project, and developing and maintaining the project environment</li> <li>• Managing the project's budget, monitoring the expenditures and costs against benefits that are realised as the project progresses</li> <li>• Facilitating the appointment of individuals to the teams</li> <li>• Managing the work stream leads and project support</li> <li>• Ensuring that the delivery on new products or services meets project requirements and is to the appropriate quality, on time and within budget</li> <li>• Ensuring maximum efficiency in the allocation of resources and skills</li> <li>• Managing third-party contributions to the project</li> <li>• Managing the communications with stakeholders</li> <li>• Reporting progress of the project/work stream at regular intervals to the Programme Executive</li> <li>• Liaison with EPMO, PMO and the Programme Board</li> <li>• Developing project status reports on a monthly basis for the programme board</li> </ul>
Project team	<p>The project teams will include:</p> <ul style="list-style-type: none"> <li>• Project managers (to manage each project) see above</li> <li>• Procurement specialists</li> </ul>



Individual or group	Key responsibilities
	<ul style="list-style-type: none"> <li>• Project business analyst</li> <li>• Project coordinators</li> <li>• Management accountants</li> <li>• Subject matter experts (e.g. curators, preservation, legal, procurement, transportation and storage of archives, communications etc.)</li> <li>• Legal expert</li> <li>• Property advisors</li> <li>• IT architect</li> </ul>

## Change management and stakeholder engagement

The preferred option creates both temporary and permanent changes for staff and stakeholders to varying degrees. To manage the change, the Department's intended approach to change management consists of four stages:

*Stage 1: Preparing for change* – This stage involves defining the strategy for stakeholder engagement, preparing the change team and developing sponsorship model. This includes:

- Identifying and segmenting the key stakeholders and channels for engagement
- Setting out the relationship characteristics with key stakeholders
- Setting out how engagement should proceed
- Outlining how this plan fits together with the Department's other programmes and projects
- Providing the basis for the programme's communications and stakeholder engagement along with a plan for its evolution over time
- Providing a set of key messages and talking points.

This stage will also focus on planning, collaborating and implementing engagement with our Treaty partners and mana whenua, with the application of a Programme Cultural Strategy.

*Stage 2: Developing change plans* – This stage includes a change readiness assessment, identification of change impacts and development of a Programme Charter including critical milestones, Project Initiation Plans and Programme Assurance Plan. These plans will be completed to the satisfaction of the Governance Board and as a collective will represent the overall programme plan.

A working group was established in 2018 to investigate opportunities for collaboration across the Archives and National Library spectrum. High level opportunities have been agreed with further work to be undertaken with specialist staff to develop the operating model for co-location and collaboration.

A number of benefits have been identified through the collaboration spectrum work:

- **Collection Care:** The Library will benefit from new purpose-built conservation, preservation, digitisation, and AV suites. This will allow for the ability to expand where necessary and adapt to new ways of working.

9(2) (b) (ba)

- **Collection Management:**

Separation of National Library collections and Archives holdings can be managed through good policy and processes. The proposed addition of a goods lift will provide for improved movement of collections.

- **Reading Rooms:** Joint reading rooms will improve physical access and provide greater convenience for the public and customers.

Archives NZ reading room demand will reduce through time, as digitisation significantly expands.

*Stage 3: Implementation* – This stage involves facilitation of the stage 2 plans and employs strategies identified in stage 1.

*Stage 4: Reinforcing change* – This stage is designed to embed the change and involves collecting and analysing feedback, identifying gaps and addressing them using corrective action.

Aspects of stage 1 have already begun. Permanent staff in locations that could be affected have been involved in option development and briefed on all the options including:

- short-term and long-term implications of the options
- evacuation and temporary accommodation plans
- benefits, opportunities and risks associated with the options.

The wider briefing of staff will be dependent on the outcome of the Budget Bid.

### **Strategic alignment to optimise the benefits of shared facilities**

The location of the AWL adjacent to the National Library's Molesworth Street facility provides the opportunity to physically link the buildings by an airbridge, creating the opportunity for shared facilities and services for Archives, the National Library and Ngā Taonga.

A working group has been established to investigate the collaboration opportunities for Archives and National Library provided by linked buildings, and further work was commissioned to investigate opportunities in relation to Ngā Taonga. This work provides the opportunity to manage changes to ensure all three institutions leverage the benefits of the programme overall.

Having determined the high-level opportunities, further work has been undertaken with specialist staff to develop collaborative and co-located functions. This commenced with establishing the baseline of existing business processes. Following this, process outlines were developed for five proposed co-located functions:

- Conservation (four scenarios developed)
- AV conservation
- Receiving and transfers
- Reading rooms
- Digital preservation laboratories.



## Programme plan and milestones

There are multiple programme phases and stages to complete to deliver a programme of this complexity. Approvals by the Programme Governance Board will be required at each major programme milestone, phase or stage with the purpose of ensuring the scope and delivery of the programme continues to align with the required outcomes.

At each decision point, the Programme Executive/Board and IGC or ELT will review whether the programme remains viable and provide approval for the programme to continue to the next stage.

The following details the required programme stages and indicative timeframes for delivery of the programme, preceding as well as following this Single Stage Business Case (SSBC):

### **Programme Approvals**

The approvals listed below will be required at key stages throughout the programme for it to progress:

- Programme Charter approval by the Programme Governance Board
- Programme Assurance Plan endorsement by the Programme Governance Board, with final approval at CE level
- Management Case updates approved by the Programme Governance Board
- Programme Delivery Stage approvals by the Programme Governance Board
- Approval of exceptions by Programme Executive/Governance Board
- Approval of facilities design direction and the delivery of facilities design decisions for the Programme by the Functional Design Advisory Group
- Project Initiation Plans approval by the Project Steering Committee.

### **Plan and Analysis – Completed 2018 - 2019**

Utilising the seed funding received through Budget 2017, the programme has been progressing the undertaking of planning, investigations and analysis. Planning and analysis have identified the following steps as requiring completion during the Initiation Phase:

- Preparation of risk and quality management strategies
- Preparation of a Programme Charter, and detailed Project Level Initiation Documents
- Preparation of Programme Assurance Plan
- Preparation of a detailed Change Management Plan
  - As part of the Change Management Plan a communications and engagement strategy will be developed – both to internal staff and stakeholders, and wider external stakeholders and customers. This will be vital for this programme as there will be significant stakeholder interest and potential impact on customer service delivery models.

### **Programme Initiation – Plan and Design Phase (2019 - 2021)**

Utilising the funding received through Budget 2019, the programme has been progressing the business requirements investigations, procurement planning, and design. Planning and analysis has identified the steps noted above, as well as further key items as requiring completion during this phase:

- Finalising of Programme Cultural Strategy
- Finalising of Programme Communications and Engagement Strategy



- Finalising of a Programme Procurement Strategy
- Finalising of a Programme Charter
- Finalising detailed Project Level Initiation Documents.

#### **Programme Delivery – Construction and Decant Phase (2021 – 2025)**

The Programme Charter will document and record the overall management of the programme. This programme will require multiple complex stages of delivery over a six-year time-period (financial period) to ensure overall success. Many stages will be dependent on the completion of previous stages within the programmes' projects before they can commence. Others will be able to be run in parallel and/or independently. Each stage will require careful planning and delivery, particularly in relation to risk management.

During each stage, the Project Manager will be responsible for:

- Delivering the project as outlined in the PID and business case. Any deviations from the agreed Project Plan will be monitored and reviewed to avoid uncontrolled change "scope creep" using the Change Management Process and overall Programme Plans
- Keeping risks and issues under control and escalating where necessary
- Ensuring that the Department can support the deliverables of the project, contributing to the overall programme completion
- Ensuring the Change Management Plan and the communications strategy are implemented in an effective and timely manner
- Reviewing the Business Readiness checklist
- Monitoring and reporting project progress as well as maintaining the Project Plan and developing Stage Plans for each phase
- 9(2)(i)

- Archives Wellington Lease (AWL) Building Project – With the following key activities;

○ 9(2)(b) and (ba)

- Design and build of the AWL fit-out including shelving and some specialist building services plant
- Business readiness, decant and logistics of the holdings and collections

- Procurement of services to undertake the relocation of Archives' staff to the new building
- National Library Link Project
  - Design and build of the National Library Molesworth Street alterations, including the airbridge linking the AWL and National Library, both in terms of aesthetics and functional operations
- Wairere House Exit Project
  - The decant and logistics associated with the removal of the collections to Molesworth Street, Rugby House and Archives Auckland
  - The construction of a Controlled Atmosphere Room at Auckland Archives facility.

Each project will require appropriate change management with key approval points in order to move into subsequent phases.

#### **Programme Completion/Closure – Completed 2025**

On completion of the programme, final approval is required to formally close the programme and hand the ongoing management over to the business. At this point Asset Management Plans will be required to ensure the portfolio is maintained to the appropriate standard so that it remains fit-for-purpose on an ongoing basis. The requirements for programme closure are as follows:

- Approval to close
- Lessons learnt workshops and reporting
- Programme reporting
- Handover to 'business-as-usual'.

Key programme milestones and indicative target dates for the preferred option are presented in the table below:

**Table 29 – Key Programme Milestones**

Key Programme Milestones	Indicative target date
<i>Business Case and Budget 2020 Activities</i> Full Business Case update Budget 2020 bid	Up to 30 June 2020
<i>Programme planning and analysis</i> Project Management roles and responsibilities and communications pathways formalised (Completed) Internal resourcing model approved by the programme's governance Board for each Project (Completed) Procure external resources (project management, change management, backfill) (Underway)  <i>Programme management (Completed)</i> Programme approach and structure approved (Completed) Develop Programme Assurance Plan, Programme Charter, Programme Communications and Engagement Strategy, Cultural Strategy (Underway)	Up to 30 June 2021



Key Programme Milestones	Indicative target date
<p><i>Archives Wellington Lease Building</i></p> <p>Market engagement to identify available land and developer's interest (Completed)</p> <p>Selection of preferred site and provider (Completed)</p> <p>Letter of Intent (Completed)</p> <p>Start negotiations for Development Agreement and Commercial Lease (Conditional Agreement completed)</p> <p>Completed Funding confirmation process</p> <p><i>Regional Shared Repository</i></p> <p>Start procurement of PM and QS teams (Completed)</p> <p>Start procurement of Design teams</p> <p>Review location criteria and options (Underway)</p> <p>Commence identification of vacant sites</p> <p><i>Ngā Taonga Sound and Vision</i></p> <p>Planning and investigation of accommodation and storage capacity requirements (Completed)</p> <p>(once further analysis is completed around Ngā Taonga requirements, new milestones will be included and updated throughout the programme life)</p>	
<p><i>Archives Wellington Lease Building</i></p> <p>Complete negotiations of Unconditional Development Agreement and Commercial Lease (Parties execute)</p> <p>Commence Detailed Design</p> <p><i>National Library Link Project</i></p> <p>Confirm Project scope (Underway)</p> <p>Procure Construction Project Manager (Underway)</p> <p>Start procurement of Design Team for sub-divisional fit-out</p> <p><i>Regional Shared Repository</i></p> <p>Land Identification and due diligence activities (Underway)</p> <p>Commence procurement of PM and QS teams (Underway)</p> <p>Commence procurement of Design teams</p> <p><i>Wairere House</i></p> <p>Develop and sign-off Business Case (Completed)</p> <p>Procure project resources (Completed)</p> <p>Project Initiation Document, Project Specific Communications Strategy (Underway)</p> <p>Risk Strategy</p> <p>Design and construction for Controlled Atmosphere Room (Archives Auckland) (Underway)</p>	<p>From 1 July 2019 to 30 June 2020</p>

Key Programme Milestones	Indicative target date
<p>Procure packers and movers for archival materials to be moved to National Library (Completed)</p> <p>Commence removal of archival material – ATL newspapers</p> <p><i>Mulgrave Street</i></p> <p>Pre-decant work stream commenced – business readiness</p>	
<p><i>Archives Wellington Lease Building</i></p> <p>Resource consent application process</p> <p>Complete Detailed Design</p> <p>Construction lead time</p> <p><i>National Library Link Project</i></p> <p>Start design stages for sub-divisional fit-out</p> <p><i>Regional Shared Repository</i></p> <p>Complete Geotech investigation</p> <p>Commence Design</p> <p><i>Wairere House</i></p> <p>Move ATL microfilms to CAR Auckland</p> <p>Overseas Published Collections (OPC) transeferred and/or removed (Underway)</p> <p>Removal of archival material complete</p> <p>Building formally transferred to DIA property group for disposal and transfer to Land Information New Zealand (LINZ)</p> <p><i>Mulgrave Street</i></p> <p>Pre-decant work stream commenced – business readiness</p>	<p>From 1 July 2020 to 30 June 2021</p>
<p><i>Archives Wellington Lease Building</i></p> <p>Start construction build</p> <p>Commence procurement of FF&amp;E</p> <p><i>National Library Link Project</i></p> <p>Complete procurement of main contractor construction</p> <p>Complete design of subdivision fit-out</p> <p>Start construction sub-division fit-out</p> <p>Complete Assess and Pack of archival materials for transfer to RSR</p> <p><i>Regional Shared Repository</i></p> <p>Complete early design phase</p> <p>Commence early works construction package</p> <p>Commence procurement of main contractor for construction works</p>	<p>From 1 July 2021 to 30 June 2022</p>



Key Programme Milestones	Indicative target date
<p><i>Mulgrave Street</i></p> <p>Complete procurement of packers and movers for archival materials</p> <p>Complete Assess and Pack of archival materials for transfer to RSR</p> <p>9(2) (b) (ba)</p>	
<p><i>Archives Wellington Lease Building</i></p> <p>Complete procurement of FF&amp;E</p> <p>Commissioning of building commences</p> <p><i>Regional Shared Repository</i></p> <p>Early works construction package complete</p> <p>Construction phase</p> <p>Completion of Furniture Fittings &amp; Equipment (FF&amp;E)</p> <p>Receive and complete transfer of archival material from National Library, 9(2) (b) (ba) and Mulgrave Street</p> <p><i>Mulgrave Street</i></p> <p>Commence of packing of archival material to RSR and Archives Wellington building</p> <p>9(2) (b) (ba)</p>	<p>From 1 July 2022 to 30 December 2024</p>
<p><i>Archives Wellington Lease Building</i></p> <p>Commissioning of building and practical completion</p> <p>Soft fit-out completed</p> <p>Furniture Fittings &amp; Equipment (FF&amp;E) phase</p> <p>Start receiving archival materials from Mulgrave Street Building</p> <p>Commence staff transfer from Mulgrave Street Building</p> <p><i>National Library Link Project</i></p> <p>Complete Construction build sub-division fit-out</p> <p>Complete installation of FF&amp;E</p> <p>Completion of Assess and Pack of archival materials for transfer to RSR</p> <p><i>Regional Shared Repository</i></p> <p>Completion of Construction phase and Practical Completion</p> <p>Furniture Fittings &amp; Equipment (FF&amp;E) phase</p> <p>9(2) (b) (ba)</p>	<p>From 1 December 2024 to 30 June 2025</p>

Key Programme Milestones	Indicative target date
<i>Mulgrave Street</i> Reduced services for Mulgrave Street building Completion of Assess and Pack of archival materials for transfer to New Archives Wellington Lease Building and RSR Change management process for the transferral of staff to New Archives Wellington Lease Building	
<i>Regional Shared Repository</i> Receiving holdings and collections completed Building complete and BAU commences September/October 2025	From 1 July 2025 to 31 December 2025

### Programme constraints and dependencies

The programme will undertake detailed analysis during the Initiation Phase to determine all external dependencies and dependencies between the Programmes' projects. Key dependencies confirmed to date are:

**Table 30 – Programme dependencies**

Dependency Type	Description	Responsibility
Upstream External	Availability of subject matter expertise from across the Department to support the programme	Programme Executive and Programme Governance Board
Upstream External	Suitable technology systems to manage the tracking of collections and holdings through multiple moves (AIMS project currently under development)	Programme Executive and Programme Governance Board
Internal	Completion of milestones key to the meeting of coordinated decant activities across the portfolio of properties (either delivered by the Projects tasked with the build of new properties, and/or existing properties held by National Library NZ or Archives)	Programme Executive and Programme Governance Board Day to day management by the Project Steering Committee

The main constraint is the overall programme deadlines. Project delivery dates that represent critical programme milestones cannot go beyond the target dates. If this occurs, the lack of archives storage capacity will continue to adversely impact on its ability to meet its statutory obligations. Any programme delays are also likely to affect standards of access to the holdings and collections. The design and build of an 11,500m<sup>2</sup> RSR allows for archival storage requirements during the programme completion and to meet anticipated demand to 2030. The land purchased for the RSR will be of a size to allow for a second phase construction to be undertaken later, to meet storage demand beyond 2030 through to 2045.



During intensive periods of change such as when the archival material is packed and relocated it is anticipated that Business as Usual services are likely to be restricted as subject matter expert resources are diverted towards programme delivery. Programme resourcing will include investment in protective packaging and referencing systems to avoid material being lost over the course of the changes. At times some archive material will be in a packed-up state for relocation, as such it may not be practical to grant full public access during these periods.

## Resource management and resource requirements

The programme's resource management strategy will be developed as an element of the Programme Charter and will be detailed during the implementation phase. The resource management strategy is expected to follow the following principles:

- Use of internal services where possible
- Resource projects through internal appointment where possible and backfill for core functions. This is based on the Department's desire to grow its internal capability by:
  - Growing the Department's leaders (to identify, build and support leadership)
  - Lifting workforce capability in key areas (to identify, build and support the depth of skills, numbers, experience and performance)
  - Supporting a culture of innovation (to identify, build and support the change skills and systems that underpin a culture in which people seek opportunities for improvement, ownership and innovation)
- If necessary, where the required expertise cannot be obtained internally or through secondments, external contractors and consultants will be sourced. The programme will require specialist construction service consultants. These will be sourced externally if the Department does not have appropriate expertise. Detailed resource planning will be undertaken for each Project within the Programme.

## Benefits realisation management

Benefits realisation will be conducted in accordance with the Department's benefits management framework and will be under the oversight of the Programme Governance Board.

### Benefits management plan

The benefits management plan provides the basic benefits realisation framework for the programme. Key elements of the plan will include:

- Benefits map will show how benefits relate to each other and to the programme outputs and business changes that will enable them to be achieved
- A set of benefit profiles that define the attributes, dependencies and current/target values, measurement methods for all benefits and their owners
- A plan which schedules benefits measurement activities and benefits reviews to enable tracking of the realisation of benefits across the programme
- Benefits reviews that will involve relevant stakeholders to establish the extent to which benefits have been realised
- Establishing transition plans to ensure that change is properly embedded into business operations.

The plan will contain the conventions and standards for identifying, mapping, monitoring and reviewing the programme's benefits.

## Benefits measures

Investing in additional and scalable capacity and rendering buildings so that they are fit-for-purpose, will protect the Crown's assets, achieve the investment objectives outlined earlier, and will deliver benefits in the following main areas:

- Reduced risk of loss of, or damage to, \$1.7 billion of holdings and collections
- Improved access by the general public, the commercial sector, and the Public sector to access, share and use NZ's documentary and audio-visual heritage
- Increased collaboration with our heritage sector partners, in particular Ngā Taonga
- Improved efficiency of use and cost effectiveness
- Shared public facilities, shared specialist conservation and digitisation facilities
- Creation of co-located documentary heritage and audio-visual materials supports the wider culture and heritage system.

### Lower risk

- Addresses the risk of service failure and supports Archives to achieve full compliance with legislative requirements and improve the reliability of its service delivery
- Increases storage capacity sufficient to meet current and anticipated future demand to 2030
- Increase storage capacity to support a long-term storage solution for Ngā Taonga
- Reduces risk of loss or damage to our documentary and audio-visual heritage currently being stored in:
  - Facilities with seismic resilience significantly below the required standard for the preservation of New Zealand's documentary and audio-visual heritage. The Archives Mulgrave Street building is rated at 45-55 per cent of IL3 and the National Library's Wairere House Whanganui is rated at 40 per cent of IL3. Ngā Taonga's Taranaki Street facility is below 34 per cent of new building standard and within the tsunami evacuation zone.
  - Facilities that are at the end of their service life and where documentary heritage is exposed to such issues as water and sewerage leaks, lack of environmental climate controls, and service plant failure
  - Public sector organisation offices with no environmental controls for preservation and limited security measures
- Reduces system-wide risk associated with storing and preserving collections and holdings, avert service failure and reduce service recovery times following seismic events
- Achieves full compliance with legislative requirements and good practice standards for the storage and preservation of, and access to, collections and holdings for the benefit of current and future generations.

### Improved access

- It is important that New Zealanders are able to use and reuse information to create social, cultural, and economic value. This investment initiative supports this aspiration by increasing the access and availability of quality information for use and re-use



- Access to government records is improved through the transfer of these records from public sector organisations to Archives, as required by the Public Records Act. Archives actively promotes access to the holdings under its stewardship. In contrast, records that continue to be held by government agencies tend to be made available on a reactive basis, for example, following an Official Information Act request
- A new Archives Wellington lease facility provides the opportunity for the creation of a national documentary heritage precinct with wider-use, for example shared facilities with Ngā Taonga. Improving physical access and providing greater convenience for the public and customers.

### **Cost effectiveness**

- Optimises the property portfolio (that is within scope) so that it is cost efficient and well-integrated with the wider Department portfolio and business more generally
- Improves the operational efficiency through purpose-built facilities, co-location and shared services through physical connectivity with the National Library Molesworth Street facility and Archives Wellington lease facility
- Achieves long-term co-location and storage solutions for Ngā Taonga
- Potential for increased efficiency in government archival spending from co-location and collaboration
- Reduced costs through avoided maintenance on buildings that have reached the end of their economic life
- Disposal of Crown assets no longer required or under-utilised
- Efficiencies across the system as public sector organisations are relieved of the cost of storing archival records. The magnitude of the government benefits results from the ability to transfer more government records from individual organisations to Archives which will reduce the overall storage and management costs in the government sector.

### **Shared facilities**


The proposed delivery approach allows for the co-location and more direct collaboration between Archives, the National Library and Ngā Taonga. This also enables the optimisation of expensive and special purpose assets, while continuing to build on a history of collaboration and partnership.

In addition to the main benefit areas elaborated above, investment in the proposed new Regional Shared Repository aligns with the Government's regional economic development priorities and will deliver economic benefits to the selected region through expenditure and employment during design, build and construction phases. This approach also delivers an increase in the presence of central government in the regions.

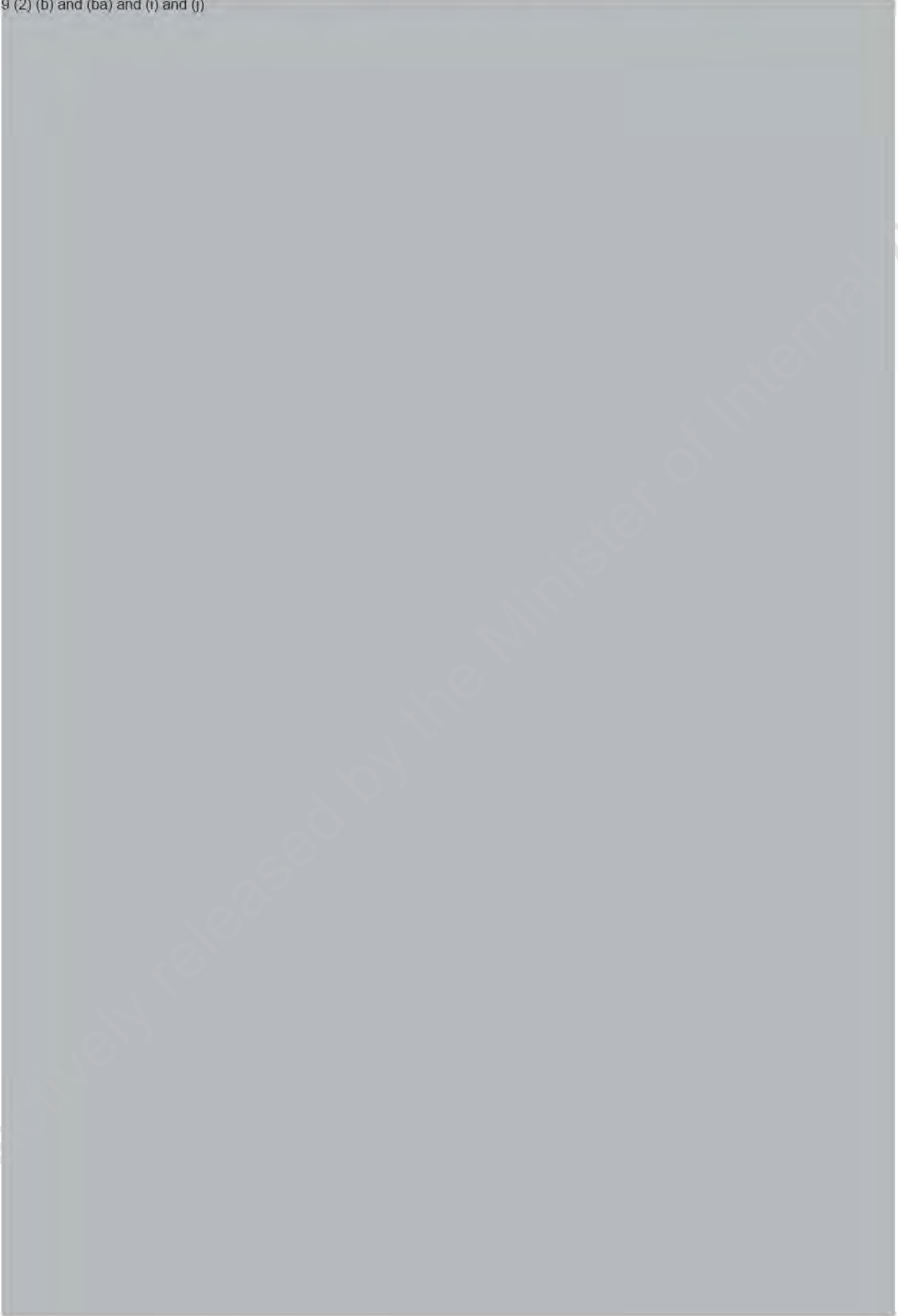
The benefits register summary presented in the table below describes the main benefits sought from the investment proposal and the associated measurement approach.

**Table 31 – Benefits register summary**

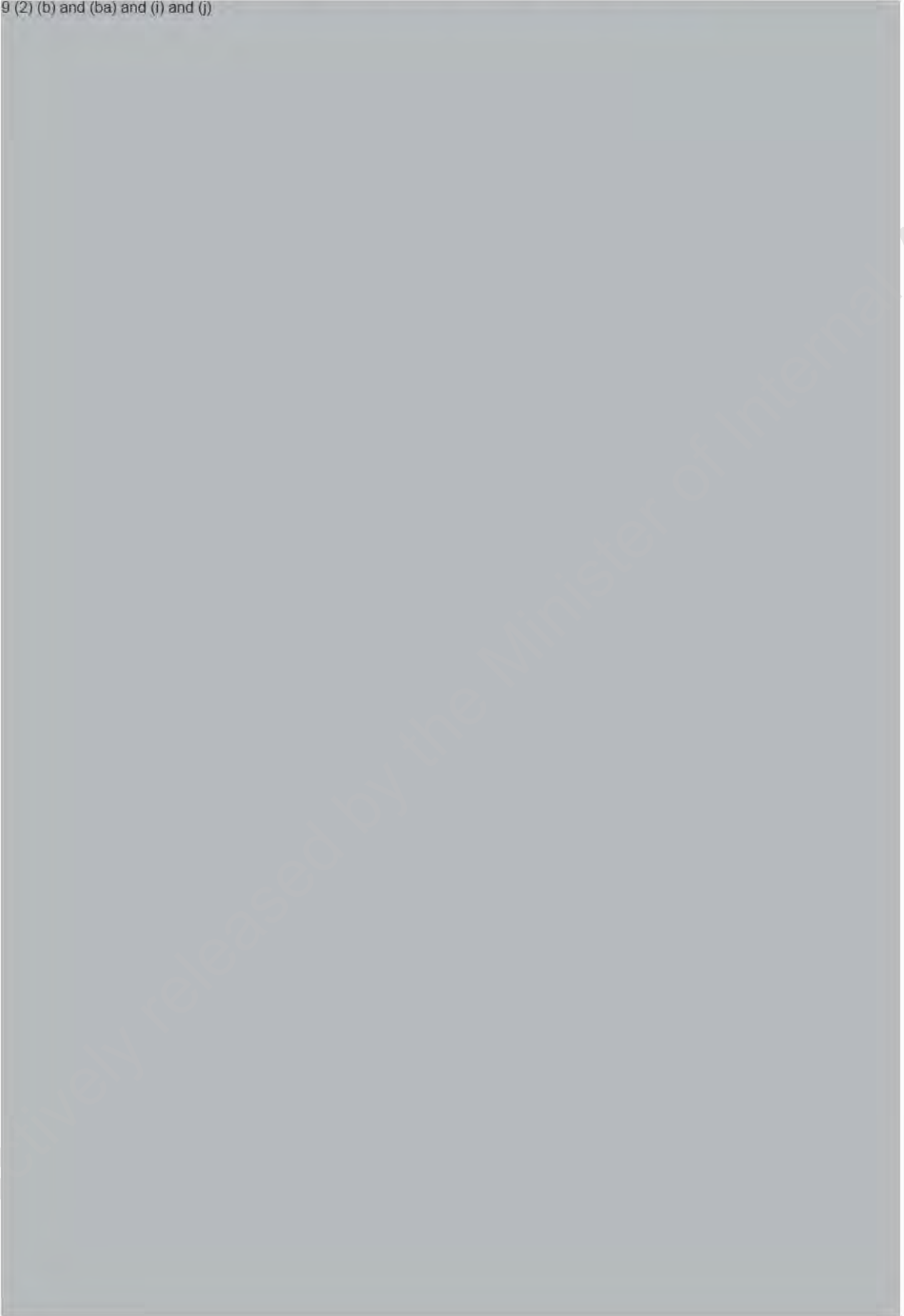
9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)

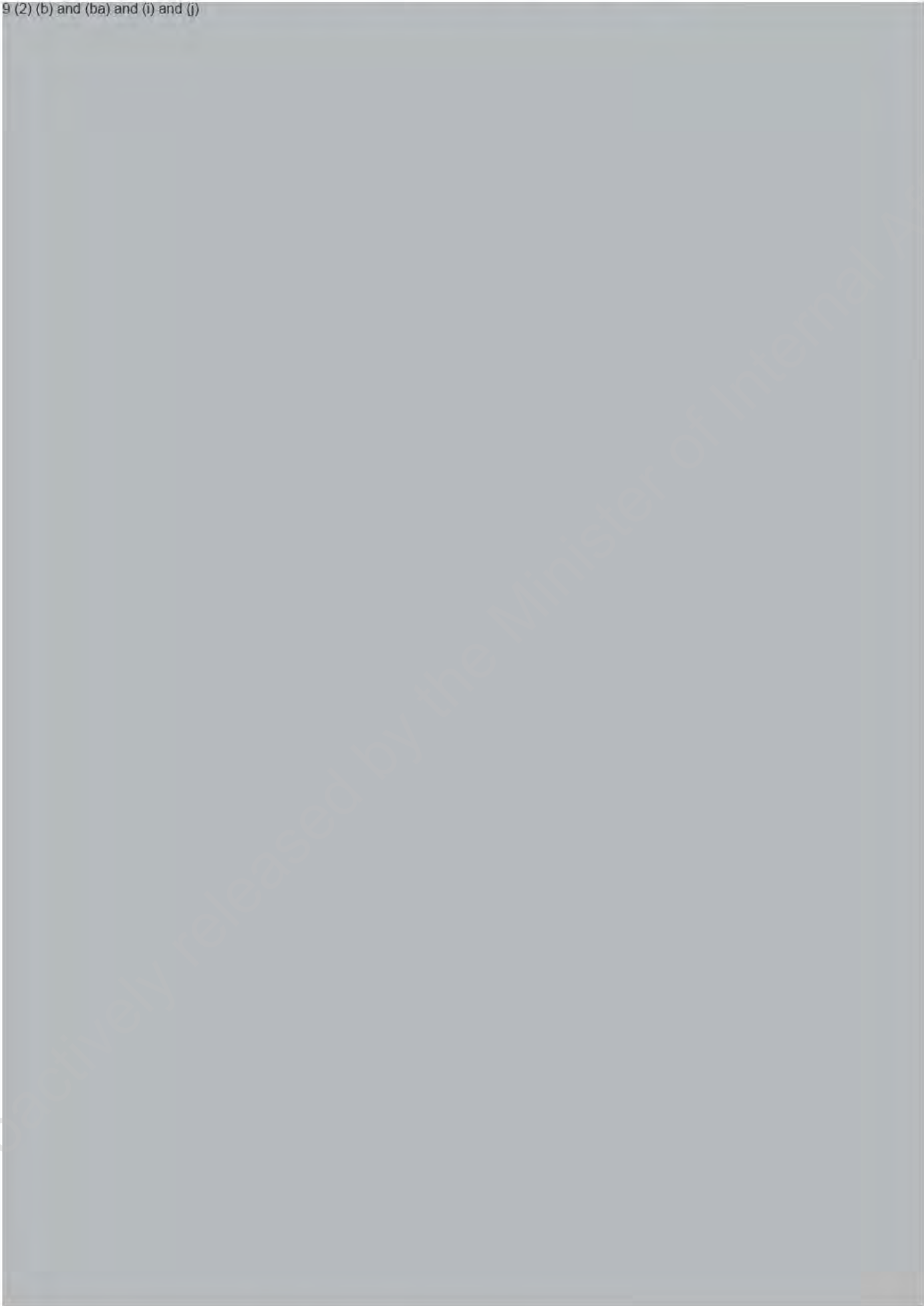




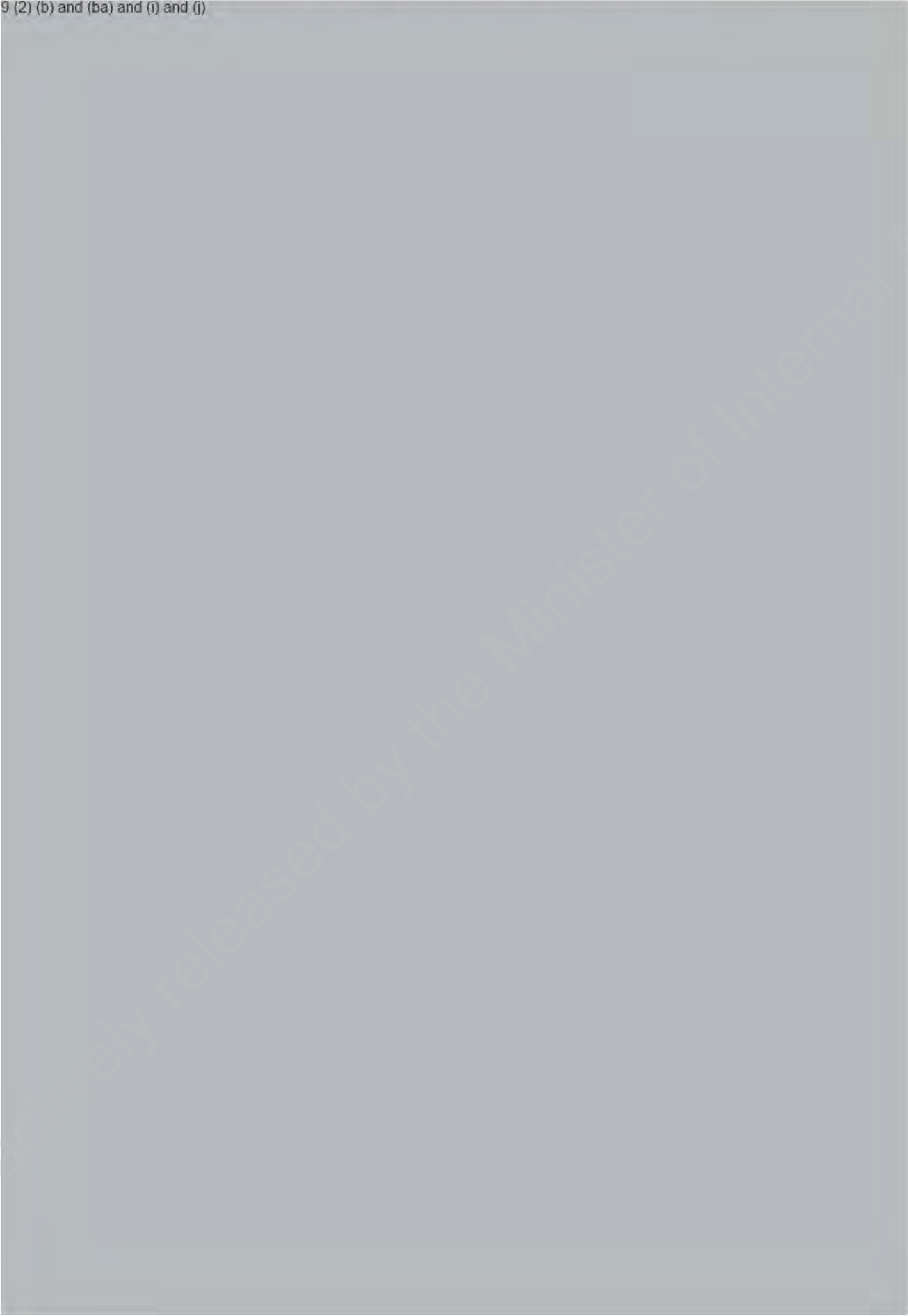
9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



Benefit owners within the business, under the leadership provided by the programme, will have responsibilities that include:

- Being a party to the benefits realisation plan
- Owning the benefit profiles
- Organising and managing benefits measurements
- Organising and leading benefit reviews
- Tracking and reporting on progress of benefits realisation.

A review of programme benefits is planned to take place one year after the programme is completed as part of the post implementation review and the results reported to the Executive Leadership Team (ELT).

## **Risks and issue management**

The Programme Governance Board approve the Risk Management Plan as an element of the Programme Charter. The Risk Management Plan is to be applied across all aspects of the programme. The plan will comprise of:

- Risk management policy and principles
- Risk management approach including roles and responsibilities and success criteria
- A risk management process
- Risk management standards including tools, records, reporting, risk management activities, timing, scales, proximity, risk categories, risk response categories, early warning indicators, risk tolerance, and risk escalation.

### **Risk management framework**

The risk management approach used by the Department and the Programme, and detailed within the Risk Management Plan, involves the following risk management process:

- Establish the context
- Risk identification
- Understand the risk
- Agree on risk owner
- Manage the risk
- Communicate and report (including reporting and consultation across the department and stakeholders)
- Monitor and review (including recording and reporting the results).



## Risk management roles and responsibilities

Risk management is the responsibility of the Programme Executive with support from the Programme Board, the Project Executives, the Project Managers, staff, third party providers inclusive of the Project consultants (Design, Project Managers and QS teams) and contractors. However, as risks are related to the achievement of specific objectives (Programme and Project), the risks are allocated to owners and leads that are respectively accountable and responsible to ensure appropriate action is taken to eliminate or mitigate the severity or likelihood of the potential issue. The specific risk management roles and responsibilities are outlined in the table below:

**Table 32 – Risk management roles and responsibilities**

Roles	Responsibility
Programme Executive	To oversee the development, implementation and maintenance of programme risk management plans. This responsibility includes both risks that are being managed as 'business-as-usual' and risks associated with programme delivery.
Programme Management Office	To ensure consistency in approach Ensure tracking and management is implemented at the Project Level
Project Executives and Project Managers	To develop, implement and maintain a risk management plan to proactively manage key project risks.
Project team members	Responsible for identifying and managing risk effectively and contributing as necessary to the project's risk management processes.
Risk owner	Accountable for a specified risk to ensure appropriate action is taken to eliminate or mitigate the severity or likelihood of the potential issue.

## Risk register

The Programme Governance Board has evaluated the key risks associated with the preferred option, considered the impacts and developed the programme risk register. The risk register is intended to support sound decision making by:

- Identifying potential risks
- Assessing the probability of occurrence
- Qualifying the impact of each risk
- Establishing risk reporting and escalation procedures
- Installing strategies to manage and mitigate the risks.



The risk register is reviewed monthly and updated as part of the review and monthly status reporting cycle by the PMO Manager. High rated risks are included within the monthly reports which are reviewed by the Programme SRO and Programme Governance Board. Project Risks are reviewed monthly and updated as part of the reporting cycle. High rated risks are included within the monthly reports which are reviewed by the Project Executive and Project Steering Committee.

The register covers all stages of the programme lifecycle. At this stage there is a focus on the current and imminent proximity risks associated with Business Case approval. These are included in the summary the table below:

**Table 33 – Risk Register Summary Table**

Risk	Impact (H/M/L)	Probability (H/M/L)	Risk Management Strategies
A property investment or lease commitment does not meet 10year storage and service requirements	H	L	Forecasting for storage requirements is based upon strongly researched trends that are regularly revisited
Treasury do not support the development of AWL option either in principal or funding is not made available through Budget 2020	H	H	Secure funding to develop the RSR to address immediate Archives need then develop an alternate approach to address the Archives Wellington facility issues and business requirements
Finance lease arrangement for AWL not supported	H	M	
The timelines between Budget and third-party suppliers do not align	H	H	
The investment required to deliver AWL is too high	H	M	
Construction demand in Wellington could restrict resources, escalate costs and cause delay	H	M	Early assessment of commercial viability of the preferred option and of development stakeholder capability  Education of market pre-GETS tenders to aid understanding and quality of tender bids
Solutions developed for AWL through the Master Plan approach are not achievable due to technical issues (e.g. physical connectivity/link to Molesworth Street)	H	M	Secure funding to develop the RSR to address immediate Archives need then develop an alternate approach to address the Archives Wellington facility issues and business requirements
Current accommodation of Archives collection in facilities that are not fit-for-purpose	L	M	Timely decision making on preferred option and funding secured



Risk	Impact (H/M/L)	Probability (H/M/L)	Risk Management Strategies
Growth forecasts estimates do not match actual future storage requirements	M	L	Adopt a phased approach
Machinery of Government changes may affect scope impacting on timing, design and delivery	M	H	Ensure appropriate resourcing to service any structural changes i.e. programme management, design and delivery changes
Colocation, shared facilities or third party lease options with Ngā Taonga and other heritage sector partners could affect timing, design and build of AWL and RSR facility	M	M	Timely decision making on co-location and shared services opportunity. Effective engagement with Ngā Taonga and other heritage sector partners

## Quality management

The programme is subject to various external controls, approvals and review to provide assurance the programme delivers on its promised outcomes.

### Assurance plan

A Programme Assurance Plan has been developed. This Plan will be reviewed and updated throughout the phases of the programme to ensure its continued effectiveness. The plan outlines the objective, criteria for programme success, scope, approach, and assurance arrangements. Assurance reviews will cover all aspects of the programme with emphasis on the following areas:

- Appropriateness of the programme structure
- Effectiveness of the programme control and enablement of the constituent elements
- Effectiveness of preparing the department for change being delivered by the programme
- Effectiveness of the programme in delivering expected benefits and capabilities.

Assurance may also use audits to ensure that that the programme is:

- "Doing things right" as defined in its delivery framework i.e. is it following its own rules
- "Doing the right things" relative to the programme's Business Case.

### Programme management and monitoring

The programme will involve regular health-checks and will monitor, control, and review progress at various stages during its lifecycle. Regular monitoring is achieved via weekly programme team progress review meetings to assess progress against key milestones and deliverables. Progress is included within the programme's monthly status report that is tabled with the Programme Governance Board. The report includes schedule progress, quality, issues, risks, dependencies, and month-end variance on financials.

### External review

The PtNM Programme is both significant and complex in nature, spanning a 5-year+ timeframe. The PtNM investment proposal has been assessed as high risk (refer CO (19)6)

and will have the appropriate level of monitoring applied through the Treasury Gateway Review process. There are seven Gateway Review levels, with the Investment Decision Gateway (3) undertaken by the Programme in November 2019, this includes an overarching strategic assessment.

KPMG was retained to deliver an IQA of the financial model and source information supporting this SSBC. Where appropriate, the Department intends to leverage professional services for targeted IQA.

The Programme will be reviewed quarterly by the External Advisory Committee which provides independent advice to the Department of Internal Affairs Chief Executive.

### **Post-programme evaluation**

Post implementation reviews are indicatively scheduled to coincide with Building and Equipment Reviews, six months after beginning operations for both the new repository phase 1), and the Archives Wellington lease facility.

A review of programme benefits is planned to take place one year after the programme is completed as part of the post implementation review and the results reported to the Department's Executive Leadership Team.



## Next Steps for PtNM Programme

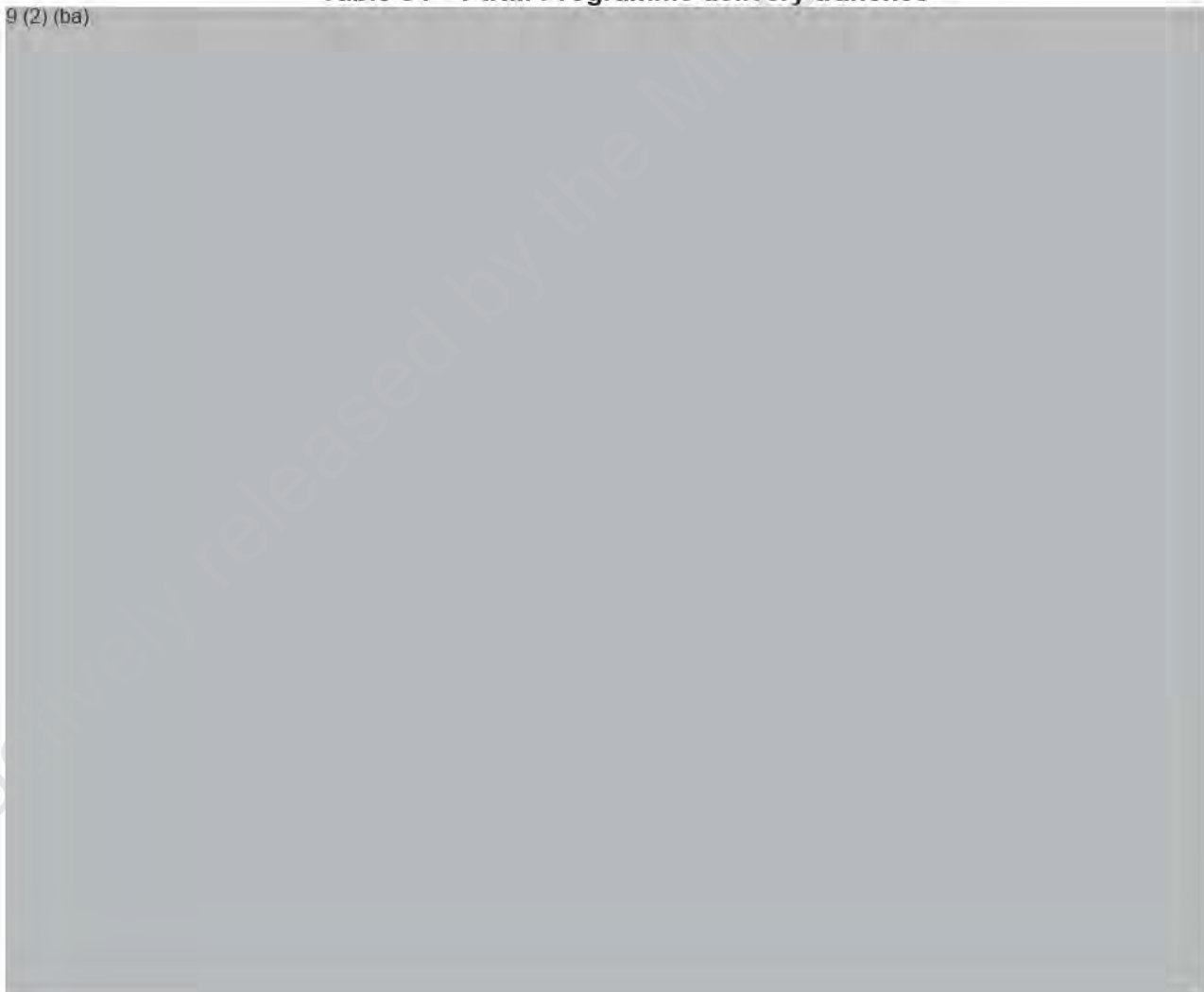
This programme business case will seek investment approval from Cabinet as part of Budget 2020 to progress the programme beyond the two-year funding commitment received in Budget 2019.

- The PtNM Governance Board considered and endorsed the Budget 2020 Programme business case on 18 November 2019
- The Department's Executive Leadership Team (ELT) endorsed the 2020 Budget Initiative for submission to Treasury on 19 November 2019
- The PtNM investment initiative will seek investment consideration and endorsement from Cabinet on 9 April 2020. ELT will endorse the PtNM Cabinet paper prior to being considered by Cabinet (February 2020)
- Subject to Budget 2020 decisions, the Department's Investment Governance Committee will consider and endorse the Programme of work to allow the drawdown of funding on 1 July 2020.

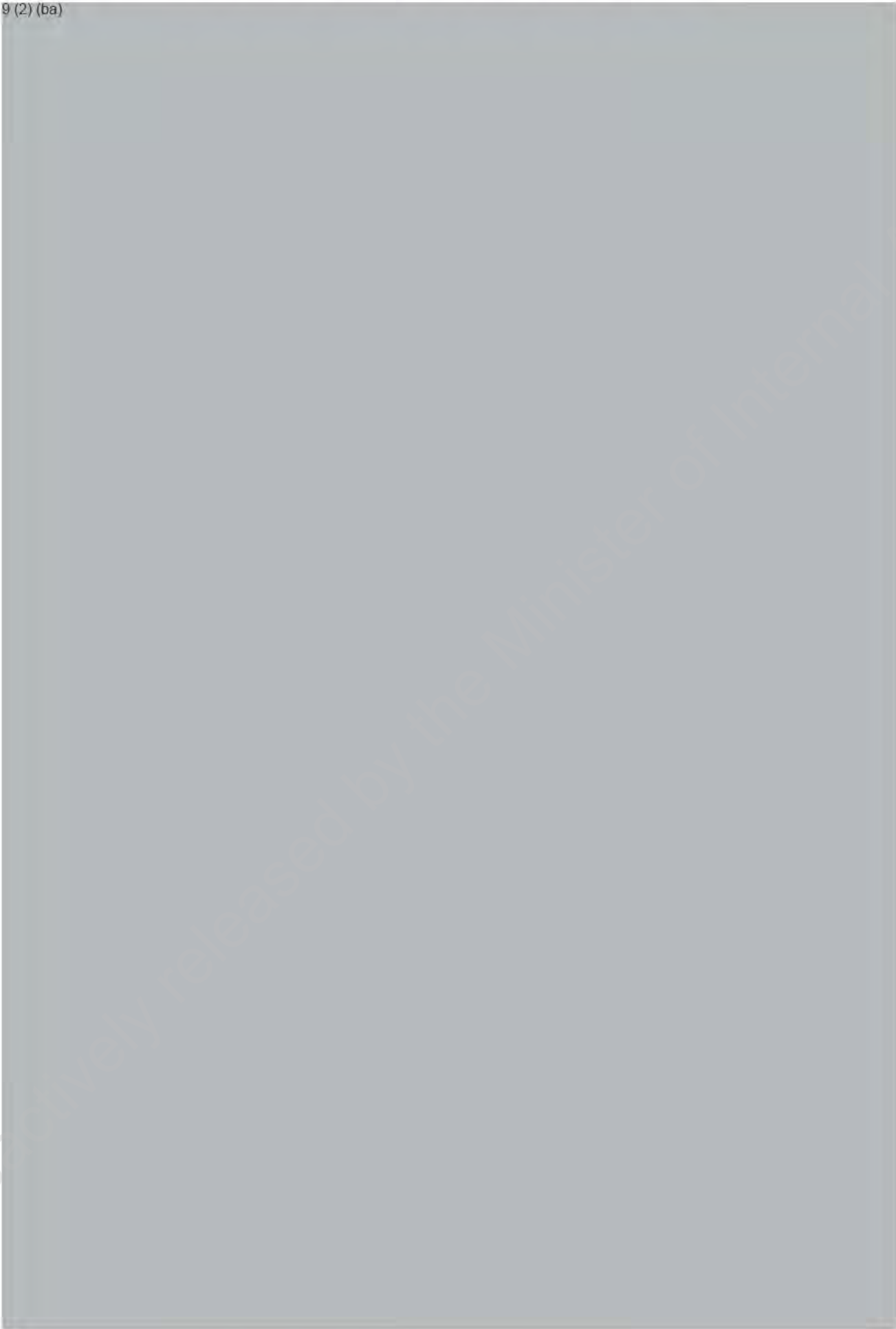
The programme has been structured into six delivery tranches, these are detailed in the table below.

**Table 34 – PtNM Programme delivery tranches**


9 (2) (ba)




9 (2) (ba)



9 (2) (ba)



9 (2) (ba)





## Appendix 1: Chief Executive's Letter

10 March 2020

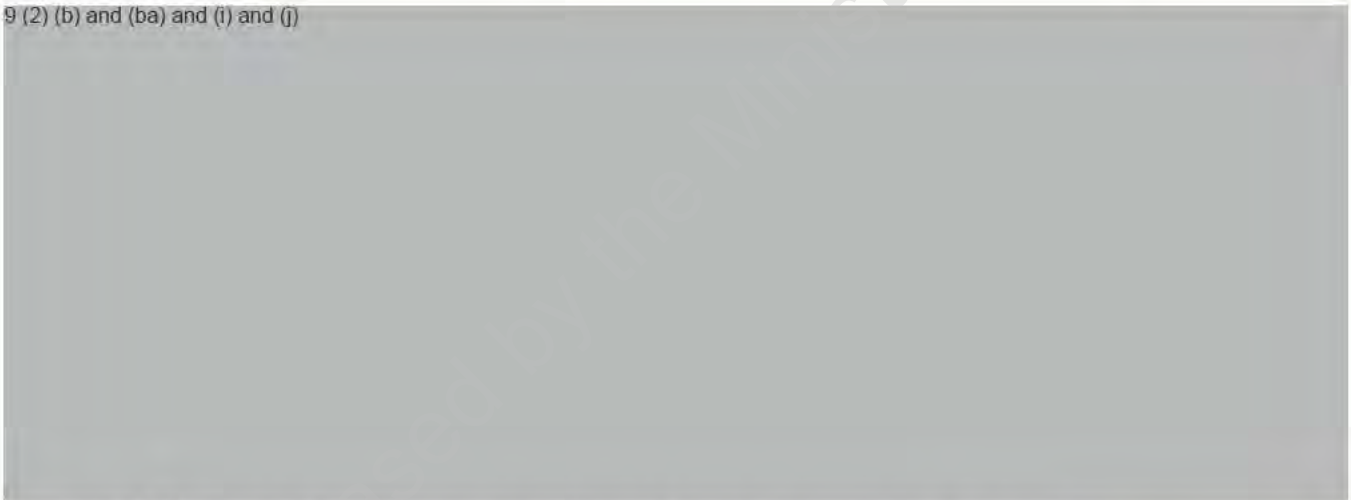
To whom it may concern

### Department of Internal Affairs Preserving the Nation's Memory Programme Business Case

The Preserving the Nation's Memory (PtNM) Business Case seeks investment to address urgent physical capacity issues and the aging property portfolio to ensure the Department continues to fulfil its responsibility to preserve the Nation's documentary heritage and taonga for future generations.

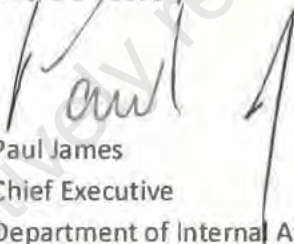
This Programme Business Case has investigated a long list of options. Planning and detailed analysis has been undertaken over the last four years and the analysis has confirmed a 'preferred option'. The detail of this option is set out in the attached Business Case, the level of investment required to deliver the Programme and a plan for its delivery and change management.

9 (2) (b) and (ba) and (i) and (j)



This letter fulfils the requirements of the 2019 Better Business Cases guidance.


Yours sincerely



Paul James  
Chief Executive  
Department of Internal Affairs

## Appendix 2: Key features of the Development Agreement

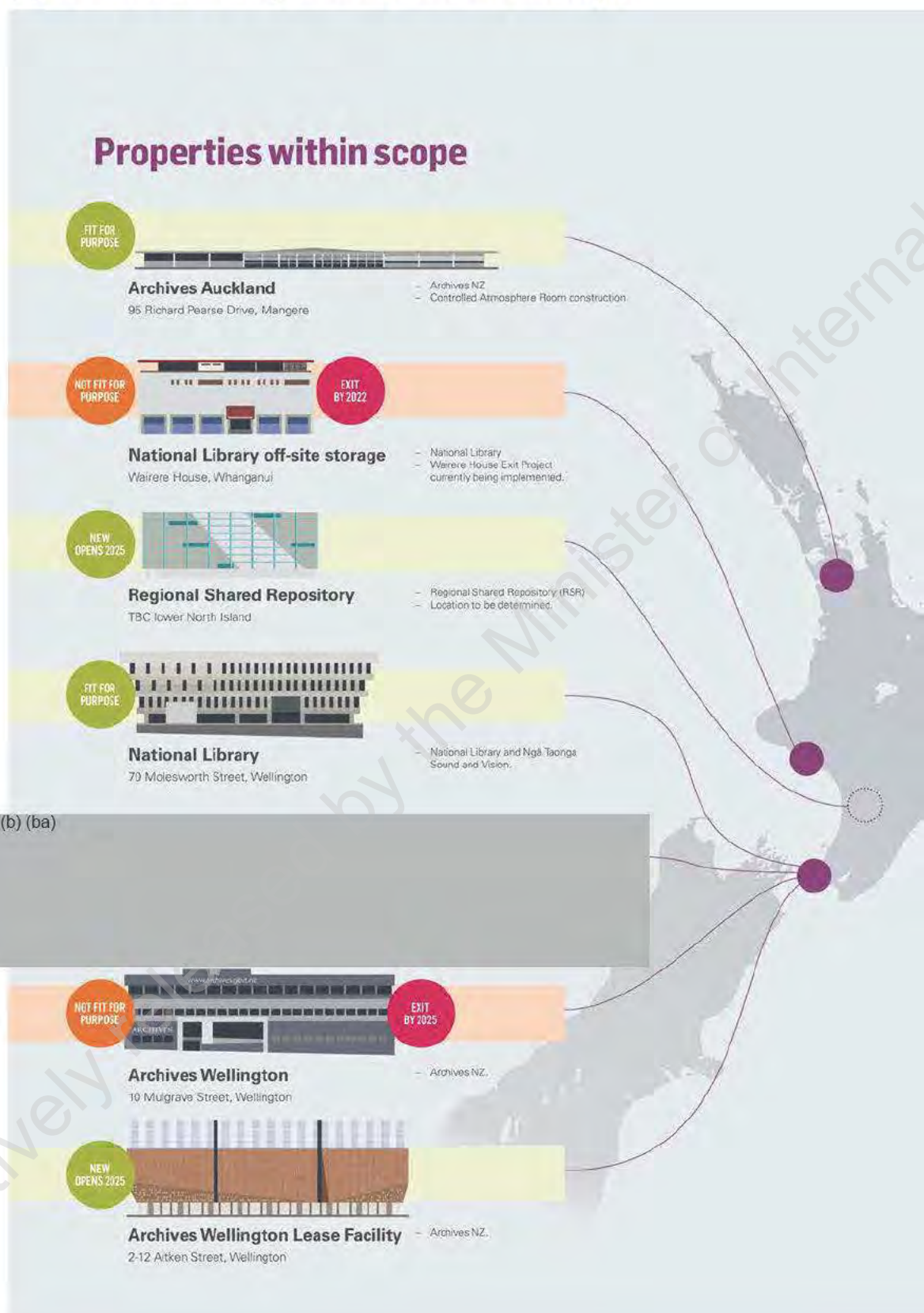
9 (2) (b) and (ba) and (i) and (j)



---


9 (2) (b) and (ba) and (i) and (j)

## Appendix 3: Properties within scope



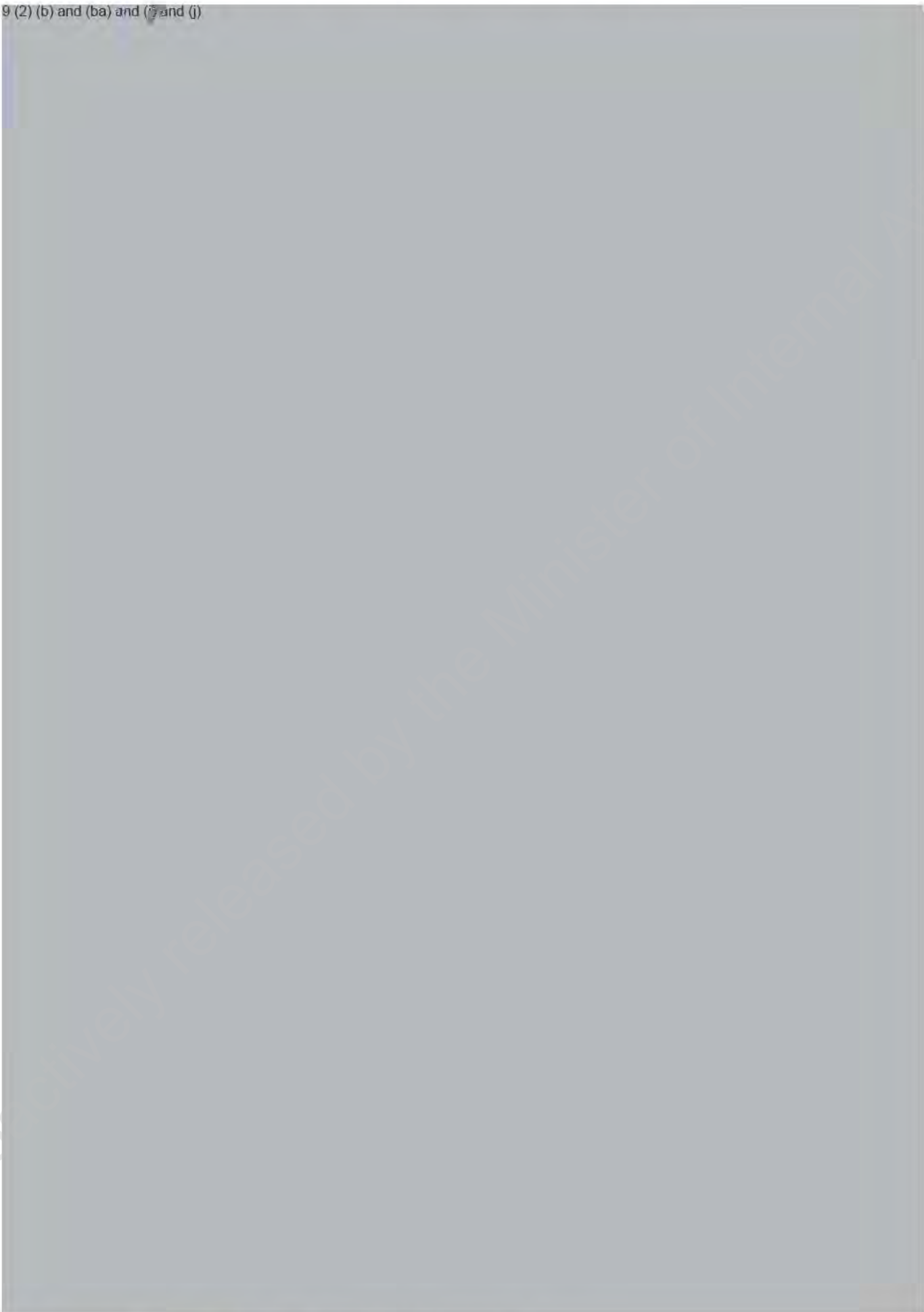
## Appendix 4: Cost Assumptions for financial projections

9 (2) (b) and (ba) and (i) and (j)






9 (2) (b) and (ba) and (c) and (j)



9 (2) (b) and (ba) and (i) and (j)



## Appendix 5: Visual presentation of preliminary design for New AWL facility






## Appendix 6: Aerial view of new AWL facility and Thorndon precinct






## Appendix 7: Quantitative Risk Assessment

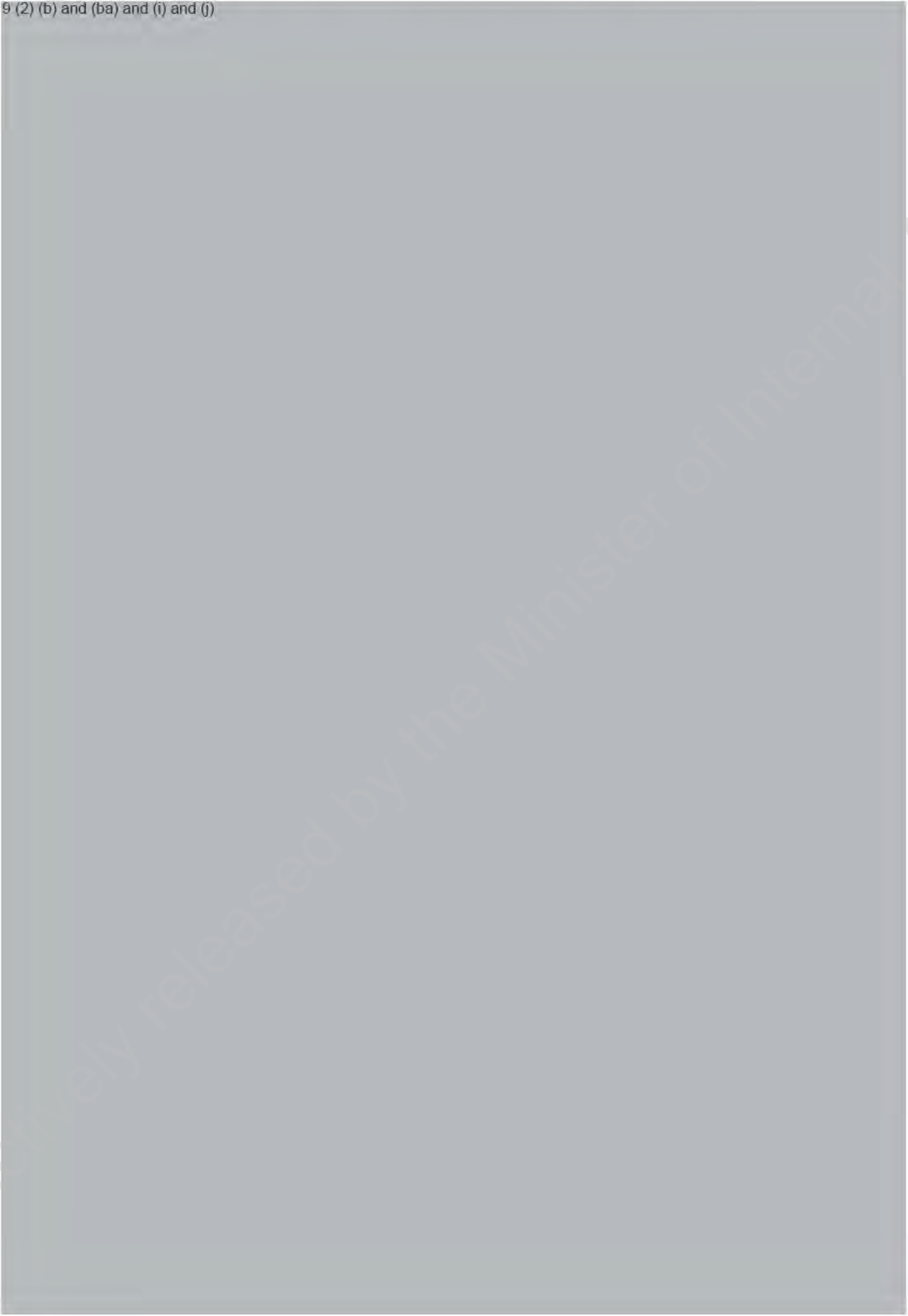
9 (2) (b) and (ba) and (i) and (j)



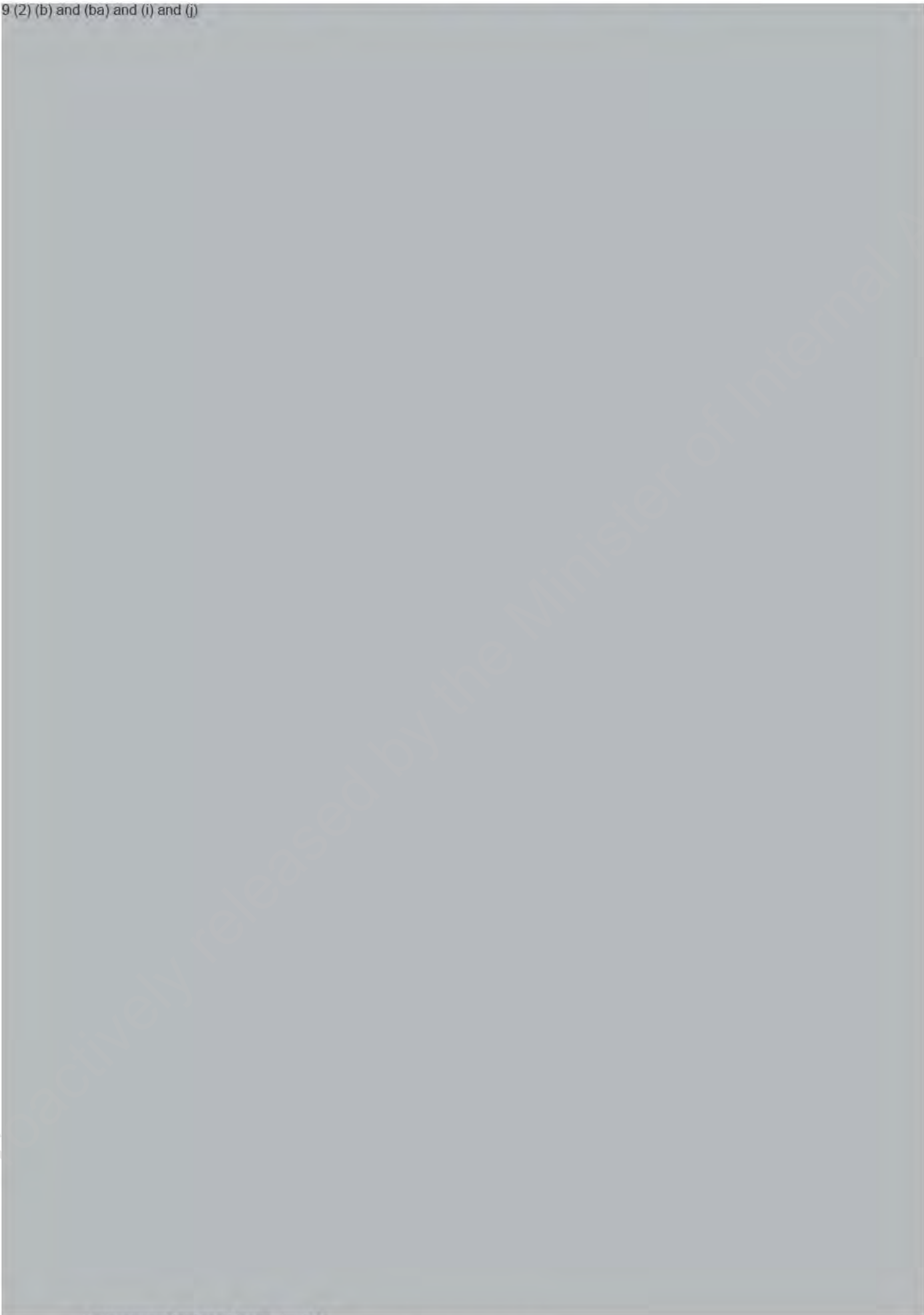
9 (2) (b) and (ba) and (i) and (j)



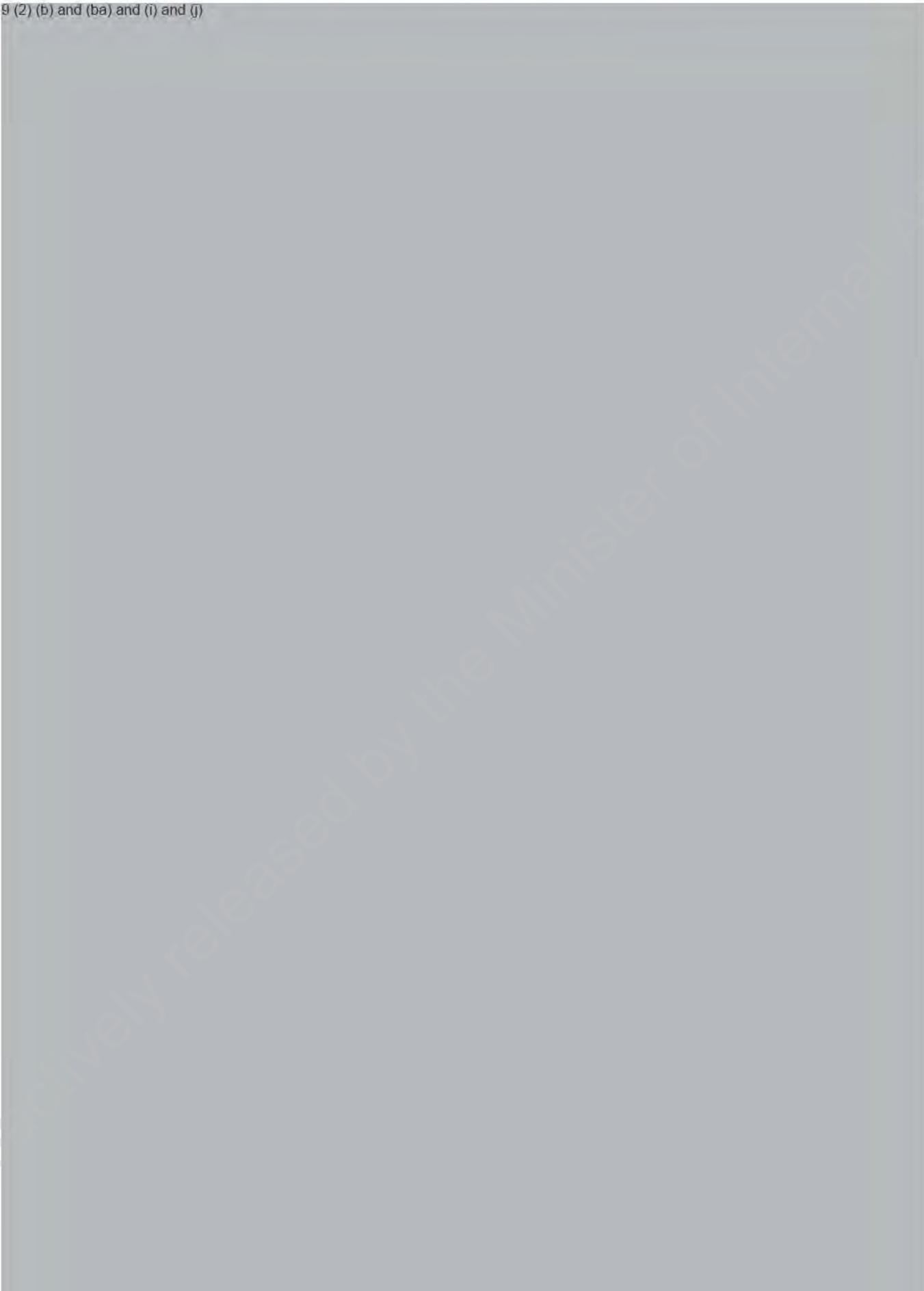
9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (l) and (j)





- 9 (2) (b) and (ba) and (i) and (j) [Redacted]  
[Redacted]
- [Redacted]  
[Redacted]
- [Redacted]  
[Redacted]
- [Redacted]  
[Redacted]
- [Redacted]  
[Redacted]

Proactively released by the Minister of Internal Affairs

## **Appendix 8: Design and functional requirements for AWL and the National Library**

[X.1]: AWL design requirements (Final released version)

[X.2]: AWL functional requirements

[X.3]: Storage Principles for Archive NZ and the National Library

## Appendix 9: Commercial Assessment Criteria


The following table summarises the assessment criteria which reflect the investment objectives and critical success factors outlined in the Strategic Case.

### Commercial assessment criteria

Critical Success Factors	Assessment Criteria	Description
<b>Strategic fit</b>	A. Aligns with the investment objectives, including timing	Enables the completion of the projects on time and achieves the investment objectives
	B. Achieves risk transfer where appropriate and it represents value for money to the Department	Allocates risks to the parties that are best placed to manage them efficiently
	C. Flexible to changing requirements and alternative site uses	Provides flexibility and incentives for the supplier to introduce new features or adapt the uses of the site without undue costs; contract permits variations
<b>Potential value for money</b>	D. Enables lower whole of life costs (adjusted for risks retained by the Department)	Reduces costs through the integration of design, construction and ongoing operation and maintenance and related incentives
	E. Encourages innovation and better design solutions within the Department's requirements	Provides flexibility and incentives for innovation
	F. Facilitates competitive procurement	Optimises supplier interest, competitive tension and transparency of costs, benefits and risks through the procurement process
<b>Service provider capacity and capability</b>	G. Attractive opportunity to suppliers given the scale, risks and rewards of the project	Attractive to a wide range of qualified suppliers, for example, offers sufficient scale, is familiar to suppliers, fits with suppliers' risk preferences and is investible
<b>Affordability</b>	H. Minimise the Department's upfront funding requirements	Reduces the upfront financing requirement and creates greater capacity to deliver capital projects, where it is cost effective to do so on a risk adjusted basis
<b>Achievability</b>	I. Achievable within legal and regulatory constraints and the Department's requirements	In line with legal, regulatory and the Department's requirements. Compliance can be achieved with reasonable likelihood, time and effort
	J. Achievable given the Department's resources and experience	The Department has access to in-house or external capability to deliver the projects under the chosen procurement option

## Appendix 10: Commercial options


9 (2) (b) and (ba) and (i) and (j)



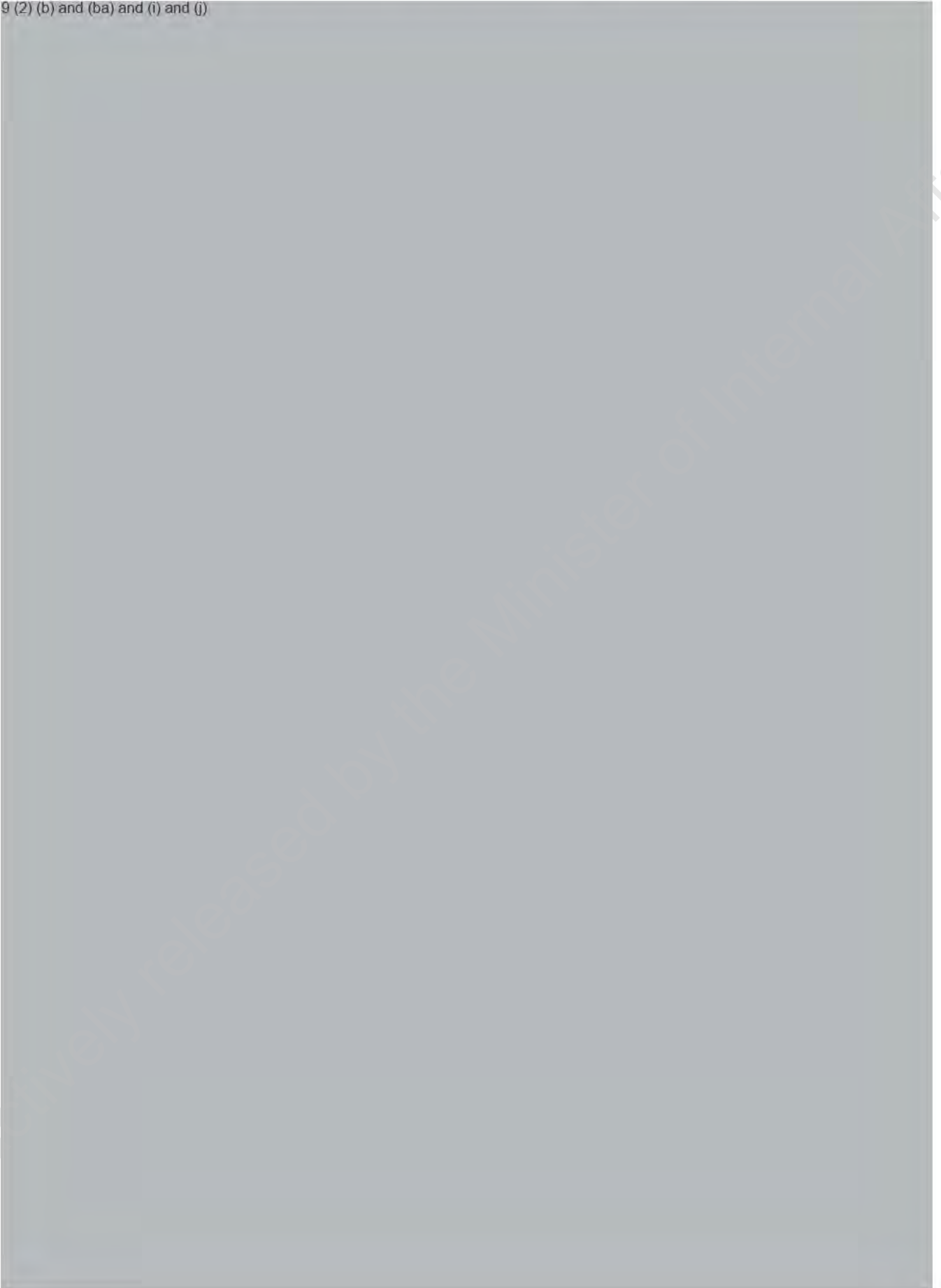
9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)





## Appendix 11: Overview of a two-stage procurement process

The table below provides an overview of the standard two stage procurement process envisaged for the NL and RSR elements of the project.

	Stage 1: EOI	Stage 2: RFP
<b>Purpose</b>	To short-list respondents with the capability and capacity to deliver the required services	To select a Preferred Bidder who offers a suitable solution and value for money, for contract negotiations
<b>Participants</b>	Open tender via GETS	A smaller number (e.g. up to three) of the Respondents to EOI
<b>Response requirements</b>	High level written response setting out capability, track record and proposed approach to developing a proposal to meet the requirements	Detailed written response explaining the Respondent's technical, commercial and financial solution, accompanied by a completed design, project plan and pricing


The specific evaluation criteria and weightings at EOI and RFP stage will be determined during the development of the relevant tender documentation for each element of the Project. For the RFP, pricing is expected to be affordable and demonstrate value for money, with any assumptions clearly articulated. Similarly, contract terms should have an acceptable adherence to the Department's specified terms and conditions. An indicative list of criteria is provided below:

Evaluation category	Potential evaluation criteria
<b>Proposed design and implementation</b>	<ul style="list-style-type: none"> <li>• Fit with the Department's objectives</li> <li>• Proposed design</li> <li>• Proposed implementation, project management approach and timetable</li> </ul>
<b>Capability, capacity and experience to deliver</b>	<ul style="list-style-type: none"> <li>• Demonstrated experience with comparable projects</li> <li>• Demonstrated capacity to complete project within required timeframes</li> <li>• Financial capacity</li> </ul>
<b>Price and contract terms (RFP only)</b>	<ul style="list-style-type: none"> <li>• Overall affordability and value for money</li> <li>• Commercial, financial and other terms and conditions</li> </ul>
<b>Compliance (Pass/Fail)</b>	<ul style="list-style-type: none"> <li>• Health and safety</li> <li>• Conflicts management</li> </ul>


Bidders are asked to provide evidence of their compliance. The Respondent evaluated as offering the best overall solution at RFP stage will be invited to negotiate a final contract with the Department.

## Appendix 12: Preferred option: annual cost projections (\$m)

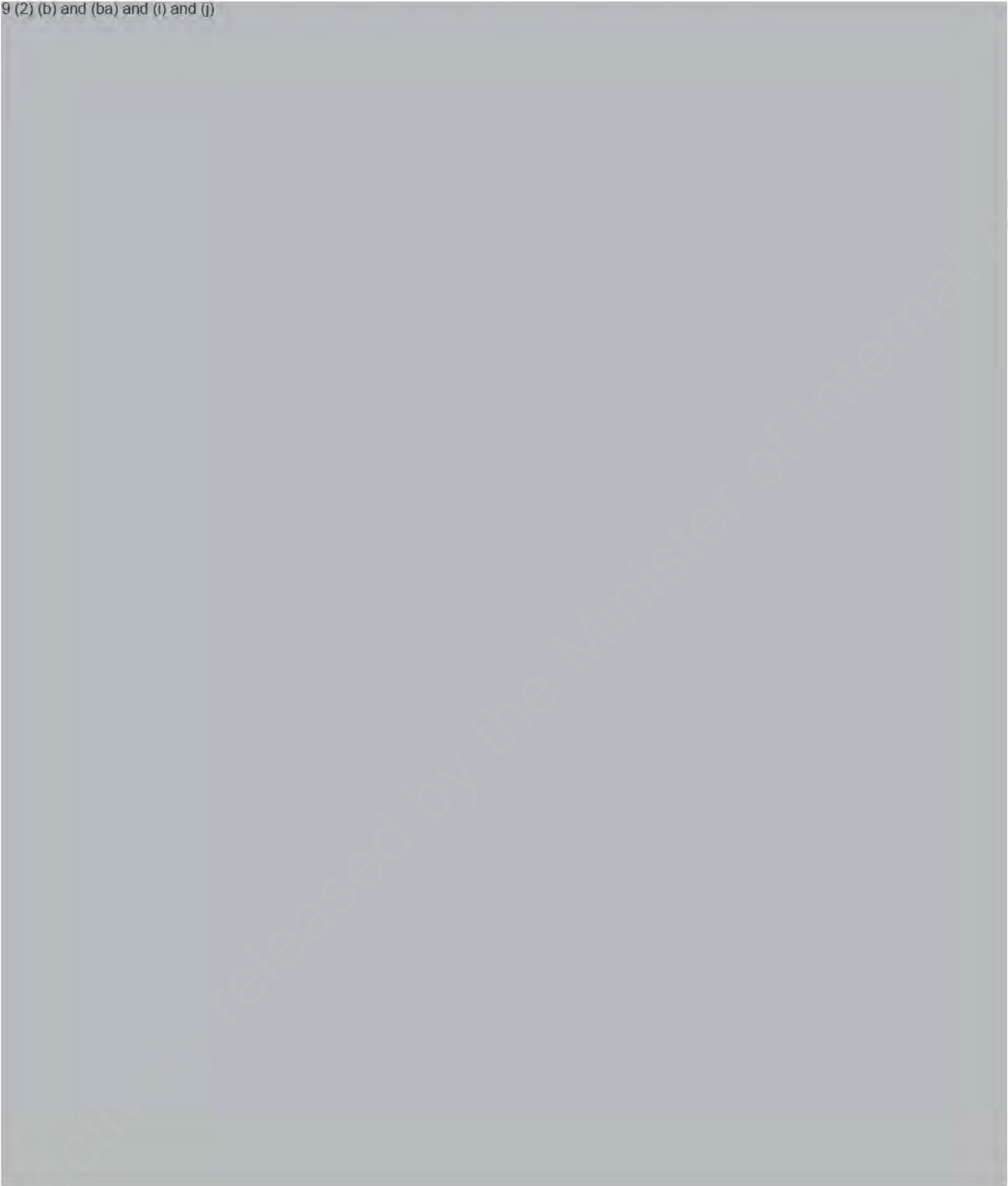
9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)




9 (2) (b) and (ba) and (i) and (j)

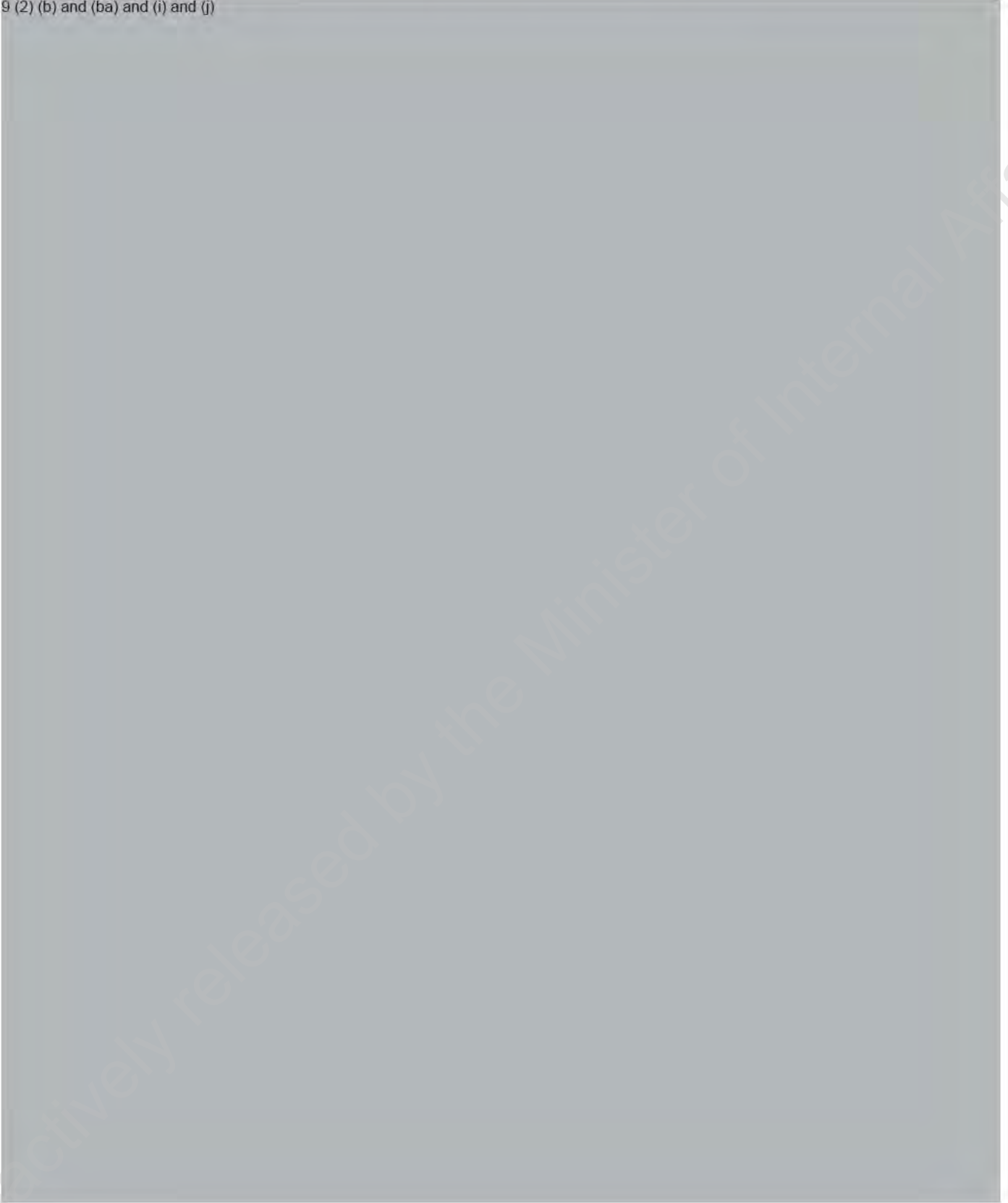





9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



9 (2) (b) and (ba) and (i) and (j)



## **Appendix 13: Funding Requirements for other options considered in Budget 2020**

9 (2) (b) and (ba) and (i) and (j)





9 (2) (b) and (ba) and (i) and (j)

