

Annual Plan Consultation Supporting Document

Taihape Town Hall / Civic Centre



I. Better Business Case Methodology

In 2010 NZ Treasury identified systematic problems with Public Sector decision-making which included late scope changes, pet solutions looking for problems, undefined and untracked benefits, little consideration of genuine strategic alternatives, lack of stakeholder engagement, lack of supplier relationships, and millions of dollars wasted on poorly justified projects.

When the BBC was developed by NZ Treasury the following requirements were considered:

Requirement	Resulting in...
Systematic	Avoid missing or under-weighting key steps
Disciplined	Managing optimism and anchoring biases
Tests a wide range of options	Avoiding pet solutions
Evidence-based	Providing rigor to the narrative
Staged	Providing point for checking in with decision-makers
Scalable	Fit for purpose effort to avoid over-analysis
Onboards stakeholders	Early and regular engagement
Uses standard and tested tools	Assurance of best practice
Avoids surprises	Managing risks of late challenges
Avoids regret	Pre-challenged recommendations that stick

The BBC process has been designed to enable sound decisions to be made by addressing the context and drivers, defining problems, objectives and needs and at the very last step looking at and designing options.

The five cases look in detail into the following five questions:

- STRATEGIC Case – Is there a compelling case for change?
- ECONOMIC Case – What is the preferred solution that optimises value?
- COMMERCIAL Case – Is the preferred solution attractive to suppliers (and to us)?
- FINANCIAL Case – Is the preferred solution affordable? Can it be funded?
- MANAGEMENT Case – Is the preferred solution achievable? Can it be delivered successfully?

Options Framework within the BBC

The options framework within the BBC aims to identify all possible options by collating all options in a “long list” which then gets reduced to a “short list”.

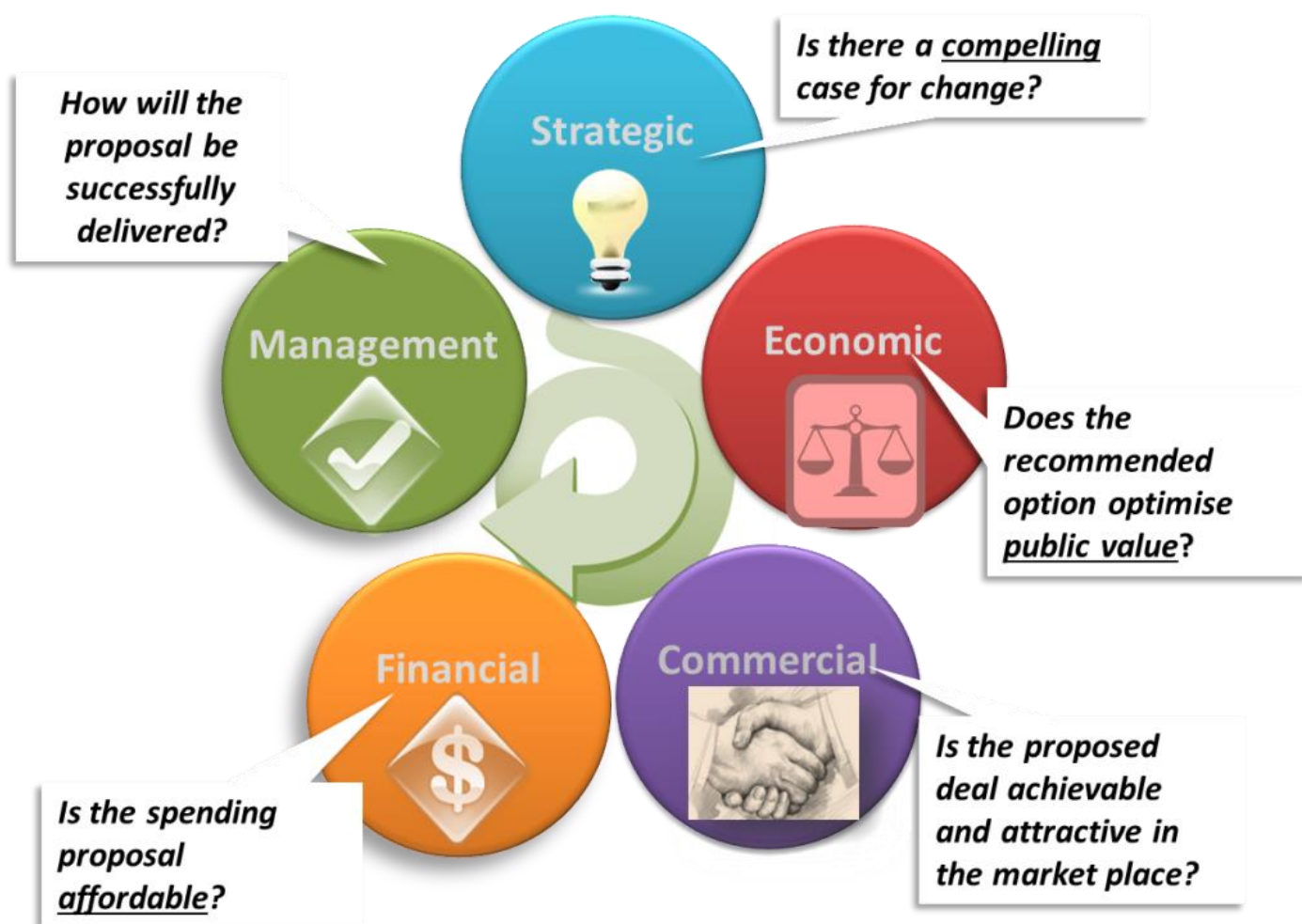
Demonstrating public value requires a wide range of realistic options to be appraised (“the long list”), in terms of how well they meet the spending objectives and critical success factors for the project; and then a reduced number of possible options (“the short list”) to be examined in further detail.

The “short list” must include business as usual, a realistic and achievable “do minimum” that meets essential requirements, the preferred way forward and any other options that have been carried forward. These options are subjected to cost benefit analysis, to identify the option that offers best public value to society (“the preferred option”).

The outcome of the business case process is to present the preferred option to council along with the draft business case. Council then decides on the next steps which may include public consultation on the preferred option.

Potential benefits for the different parties involved are:

- Council decision-makers gain the assurance that they are doing the right things (business assurance), and in the right way (programme and project assurance)
- Managers can successfully deliver on their strategic plans
- Officials have the tools they need to develop robust, high-quality advice to decision-makers
- Stakeholders have opportunities to engage in the decision-making process.



TAIHAPE TOWN HALL / CIVIC CENTRE OBJECTIVES

(defined through workshop process)

- 1) **IMPROVE THE USER EXPERIENCE OF RDC SERVICES**
- 2) **A BETTER-CONNECTED COMMUNITY**
- 3) **INCREASED COMMUNITY WELLBEING**

II. Short-listed options meeting the objectives

	Key Choice 1 – Option 1 Fully Restored and Earthquake Strengthened Taihape Town Hall / Civic Centre	Key Choice 1 – Option 2 Earthquake Strengthened Taihape Town Hall / Civic Centre & Transformation of Taihape Memorial Park Grandstand
Objective	Meets objective	
1) Improve the user experience of RDC services	✓✓	✓✓
2) A better-connected community	✓	✓✓
3) Increased community wellbeing	✓	✓✓
Risk & Cost		
Risk level of cost overruns during construction	Very High (Renovation always comes with unknowns, town hall is more complex and has less of a good structure)	High (Renovation always comes with unknowns, however a lot of the scope will be like a new building with less risks)
Complexity Level	Very High (Renovation always comes with unknowns, town hall is more complex and has less of a good structure)	High (Renovation always comes with unknowns, however a lot of the scope will be like a new building with less risks)
Sub-total project cost estimate Town Hall	\$14 million	\$7 - \$10 million* (*Range of cost because scope and complexity of town hall could be reduced with services in grandstand)
Sub-total project cost estimate Grandstand		\$8 million
Total project cost estimate combined	\$14 million ** (**no improvement to the grandstand as part of the upgrade)	\$15 – \$18 million

III. Financial Implications & Notes

The Long-Term Plan (LTP) 2021-31 includes a provisional total project budget of \$9,700,000 for the Taihape Town Hall / Civic Centre and Council was successful applying for Better Off Funding for this project worth \$1,883,000.

The cost estimates for all options are high-level estimates costed by a professional independent Quantity Surveyor.

Total Project Cost Estimates include the following:

- \$750,000 Restoration sum added to grandstand (very high-level with no current design inputs)
- Location Factor: 30% location premium to construction costs
- Contingency of 25%
- \$650,000 fitout cost (Furniture Fitout and Equipment, IT & AV)

Important Notes:

- For both options value engineering may be available to save some costs, for example there is likely a cost saving when only the façade of the town hall is being kept and a new purpose build building is erected behind the façade.
- Out of caution some of the costings may be a little inflated.
- There are potential offsets through grants, property sales and fundraising. However, at this point in time it is impossible to put a confident value to this.
- The grandstand is now heritage listed and will require working closely with Heritage NZ to achieve a good outcome.
- Renovations always carry risks around unexpected weaknesses when the construction starts.

Current state of the Taihape town hall

- The current state of the building is very poor which explains why the first three options are so close in their cost estimates. There needs to be a lot of investment to bring the building to a minimum level of safety and compliance which will be very cost intense.
- Renovations always result in restrictions as there is only the existing space to work with.
- Examples of the current poor state of the Town Hall:
 - The windows are not tight and leak when it rains
 - The building is structurally unsafe and has restriction currently due to the fire safety
 - The layout is restrictive and not purpose build which leads to challenges staffing the whole place
 - There is little structural value in the current structure other than the look of the building from SH1 and the ballet floor on the stage

Key Choice 1 – Option 1 Fully Restored and Earthquake Strengthened Taihape Town Hall / Civic Centre (preferred option)

This includes new heating, improvements to fire safety and accessibility, and full restoration to improve all spaces. The Library, Information Centre and Council offices will return to the Taihape Town Hall / Civic Centre. Under this option Council will continue to commit up to \$1 million towards the earthquake strengthening of the Taihape Memorial Park Grandstand.

Benefits

- Will improve the user experience of RDC services
- Will create a better-connected community
- Will increase community wellbeing
- The Town Hall / Civic Centre will be more multipurpose than in its current state
- The Town Hall / Civic Centre will be safe, warm and compliant to the Building Act

Disadvantages

- High cost
- No increase in square metres of usable space compared to current building

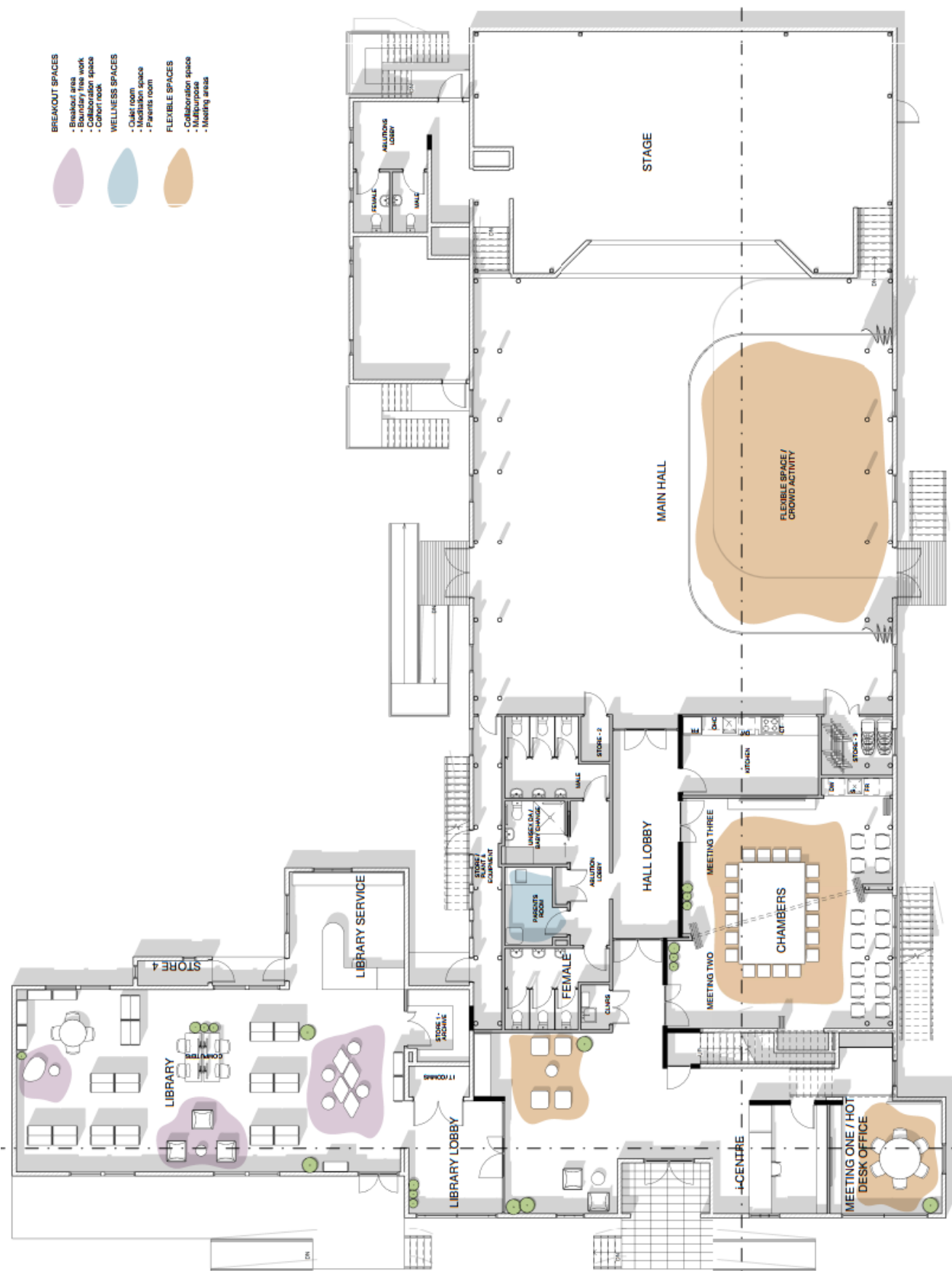


Key Choice 1 – Option 1

Fully Restored and Earthquake Strengthened Taihape Town Hall / Civic Centre



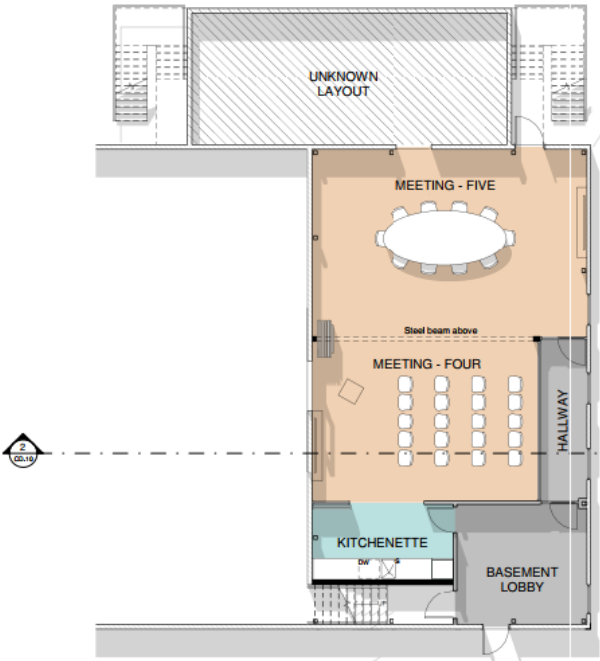
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Fully Restored and Earthquake Strengthened Taihape Town Hall / Civic Centre



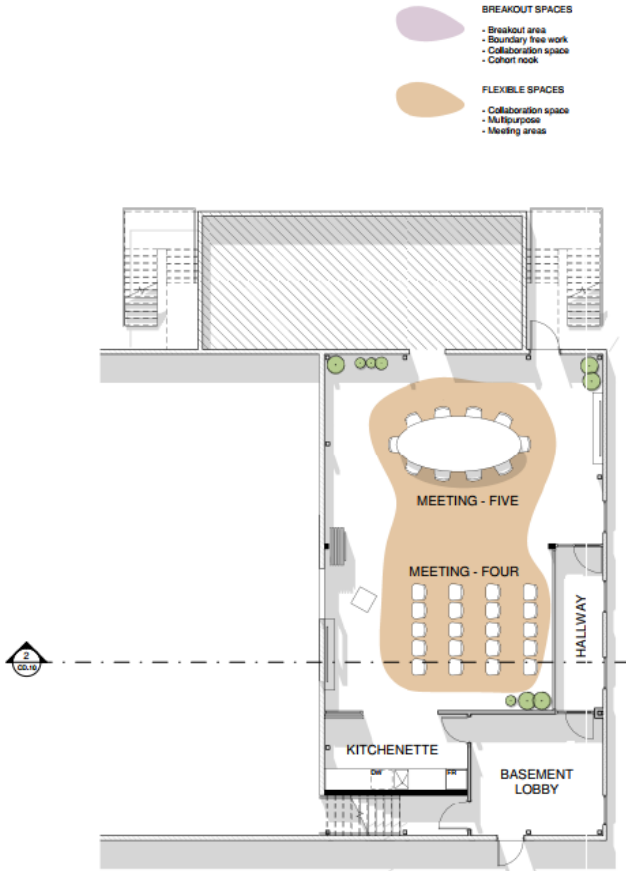
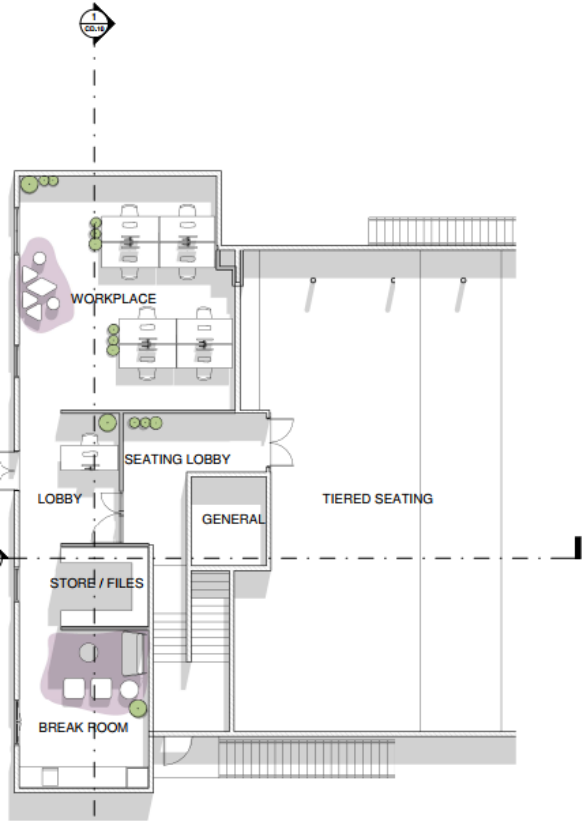
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Fully Restored and Earthquake Strengthened Taihape Town Hall / Civic Centre



TOWN HALL UPPER LEVEL PROPOSED - COLOUR



BELOW STAGE - COLOUR



- BREAKOUT SPACES**
- Breakout area
 - Boundary free work
 - Collaboration space
 - Cohort room
- FLEXIBLE SPACES**
- Collaboration space
 - Multipurpose
 - Meeting areas

Key Choice 1 – Option 2 Earthquake Strengthened Taihape Town Hall / Civic Centre and Transformation of Taihape Memorial Park Grandstand

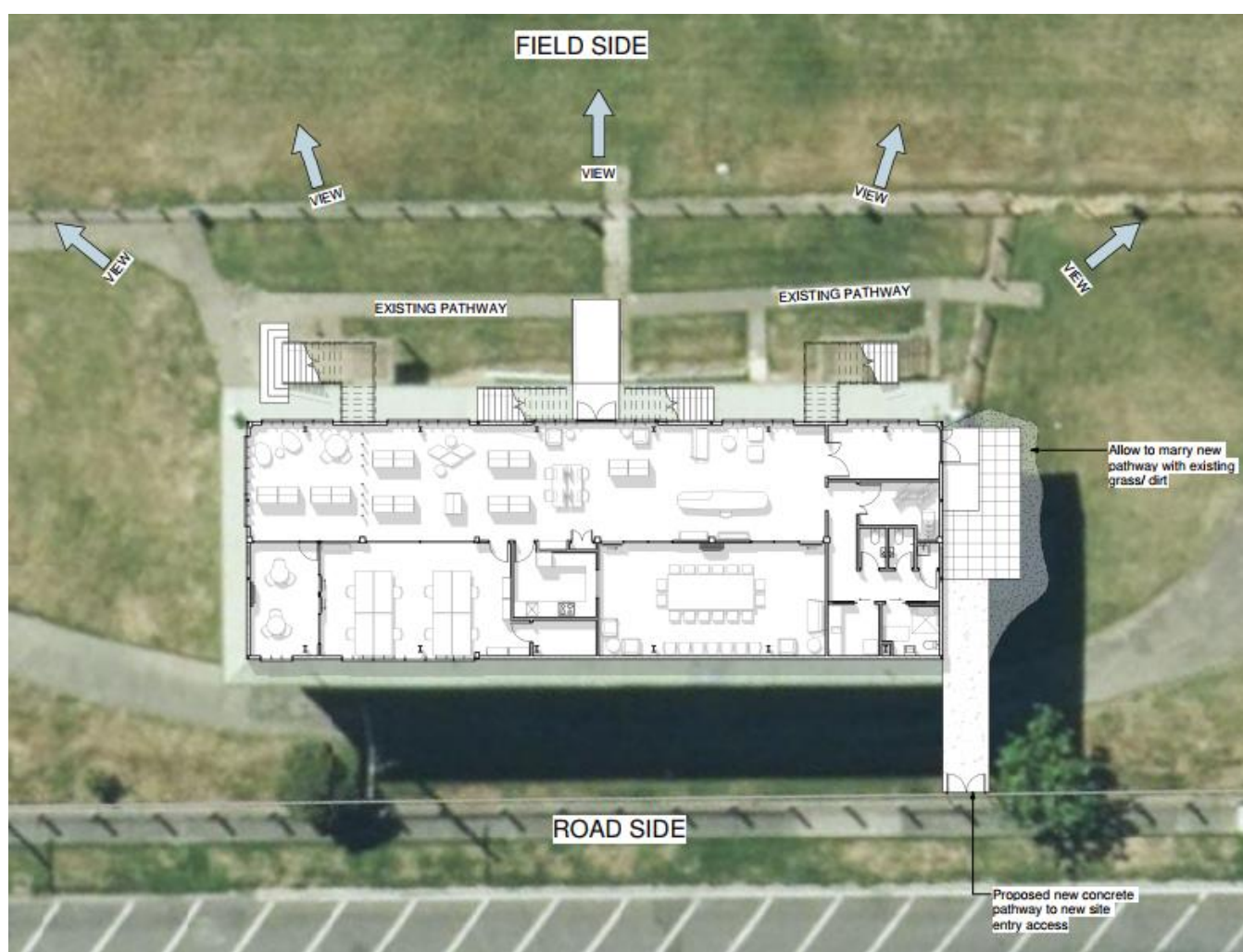
This includes basic earthquake strengthening, heating and accessibility improvements to Taihape Town Hall / Civic Centre but no further restoration to the building. This means that only the hall area will continue to function. The Library, Information Centre and Council offices will be relocated to a transformed and earthquake strengthened Taihape Memorial Park Grandstand.

Benefits

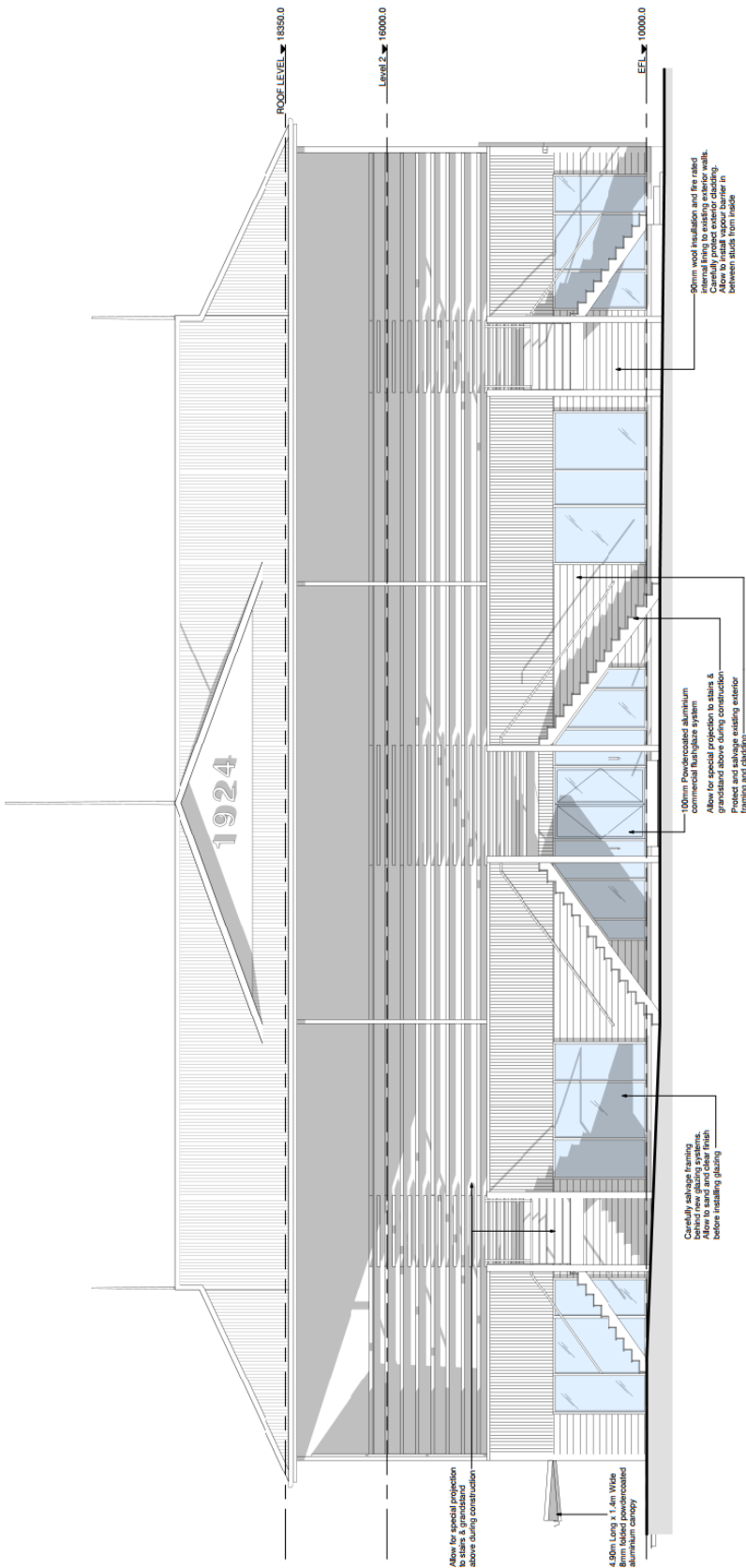
- Will improve the user experience of RDC services
- Will create a better-connected community
- Will increase community wellbeing
- Could be phased/staged easily

Disadvantages

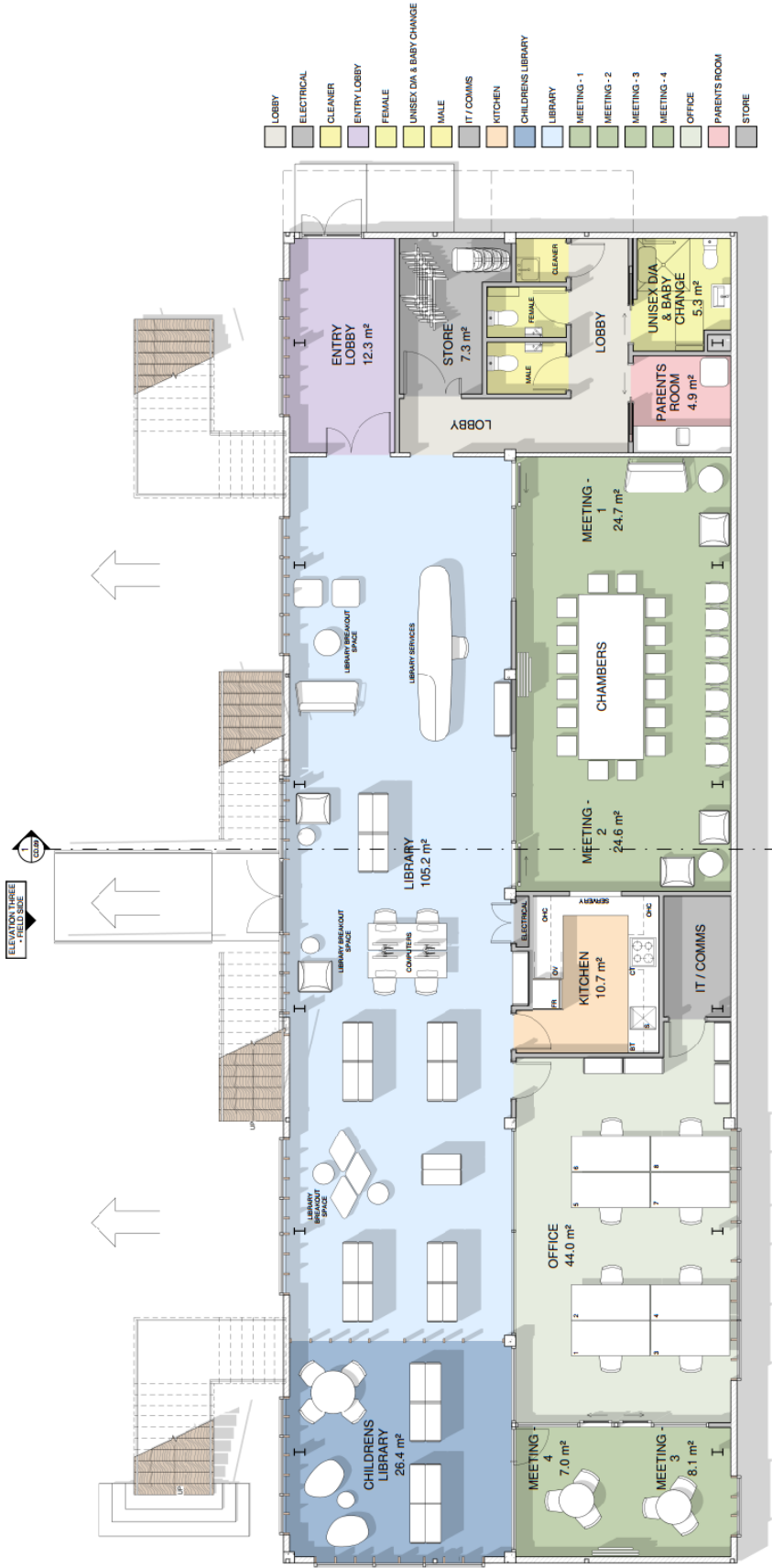
- High cost
- Disconnected town hall from civic centre
- Only the Town Hall part of the current Taihape Town Hall / Civic Centre will be safe, warm and compliant to the Building Act, other parts of the building may need to be removed



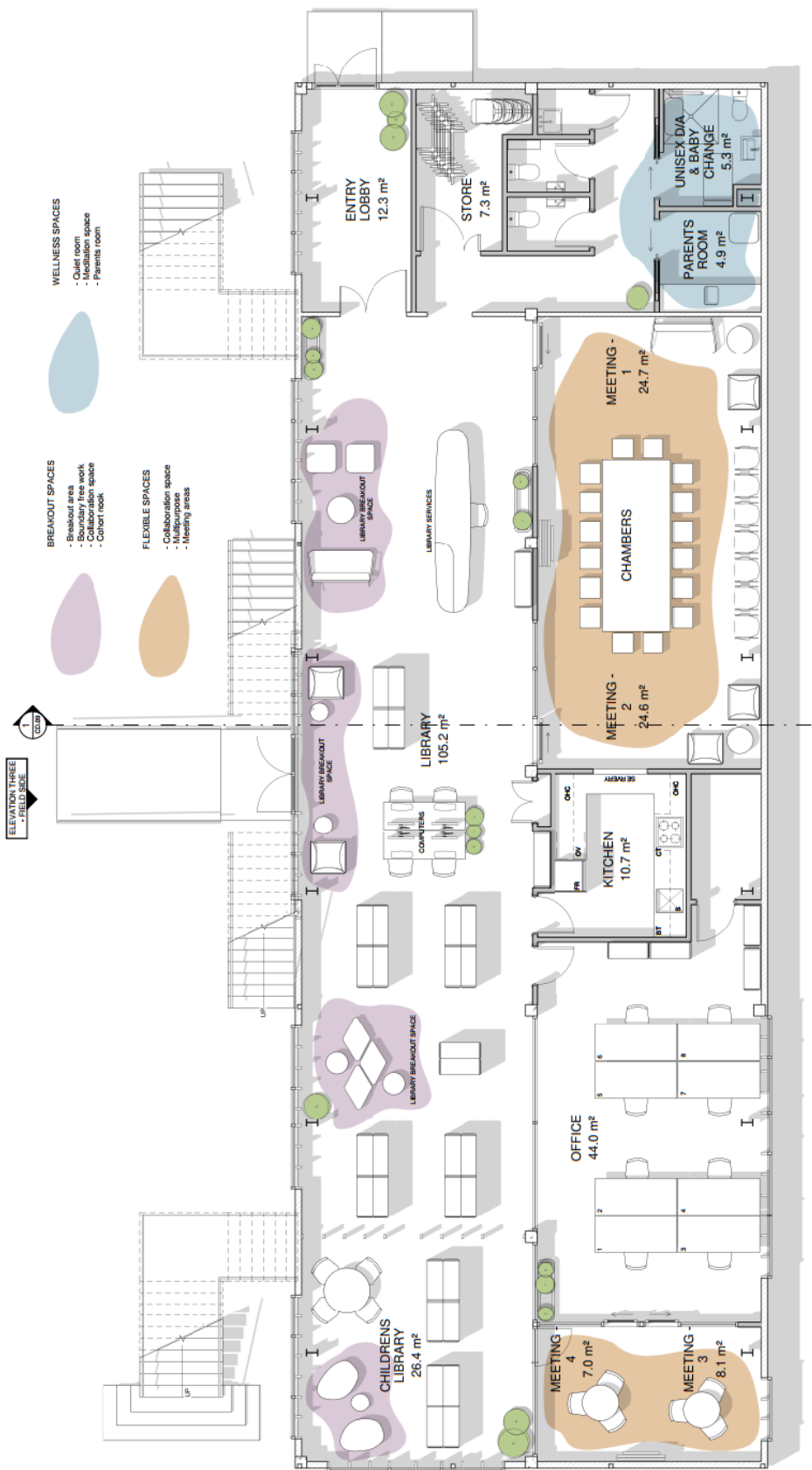
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and Transformation of Taihape Memorial Park Grandstand
Grandstand part of the project



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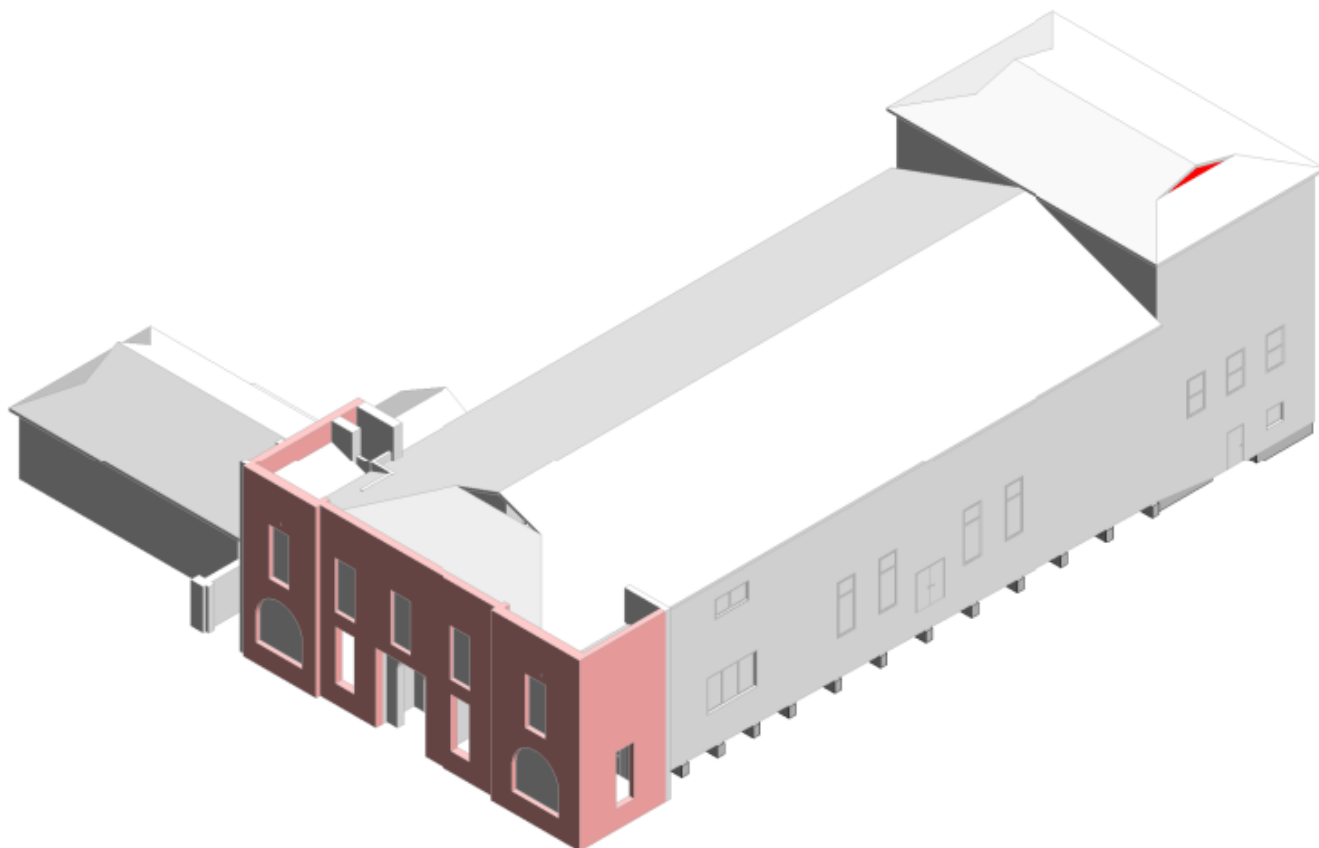
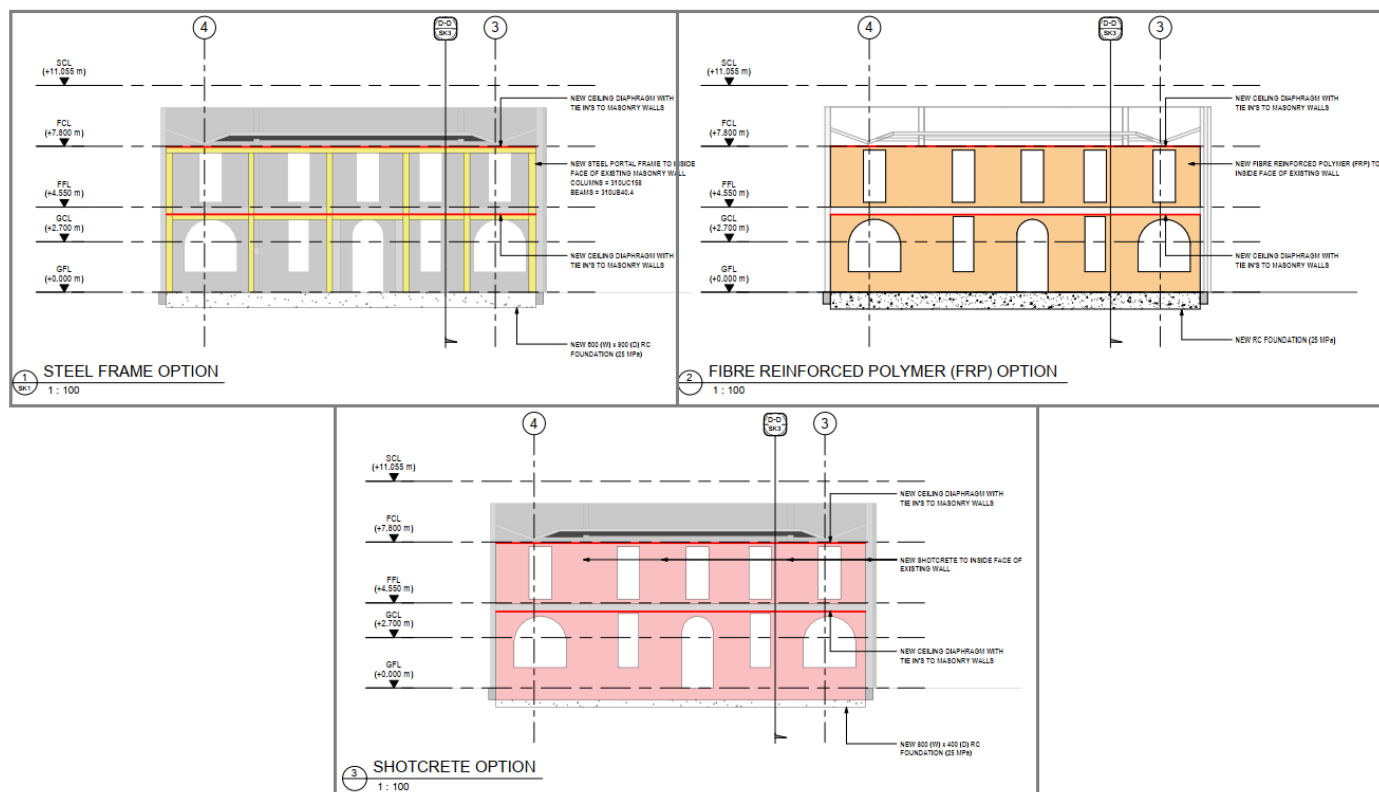


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Grandstand part of the project



Redeveloping Taihape's Town Hall



The (draft) Business Case for the Taihape Town Hall

September 2022

The Strategic Case: Making the Case for Change

Introduction to our Proposal

The Taihape Town Hall is closed to the public due to earthquake risk.

Rangitikei District Council are investigating options for the future of the earthquake prone Town Hall. As part of 2015 Taihape Town Centre planning, stakeholder input indicated:

"... that 90% of respondents supported doing something to create a better, more usable civic centre – 85% want something done on the existing Town Hall site."

The Council have commissioned this business case to provide a robust exploration and objective analysis of the options.

This business case is intended to enable fully informed investment decisions that will optimise value to the Council, to the people of Taihape, and to the region.

The Proposal in a Nutshell

To consider the rationale and options for Taihape's Town Hall.



Our Approach

We are using the Government's Better Business Cases™ (BBC) methodology. BBC is the internationally recognised best practice standard to help organisations develop and deliver on their strategic plans.

The five-case model is an organising framework that provides a disciplined, step-by-step approach to decision-making. This ensures each of the key aspects of the business case analysis is explicitly and systematically addressed.



This business case development process:

- demonstrates that the proposed investment addresses genuine business needs and is strategically aligned with regional and ratepayer priorities
- systematically considers a wide range of options and recommend a preferred solution that optimises value for key stakeholders
- outline plans for procurement of the preferred solution, and
- plans the necessary funding and project management arrangements to successfully deliver the preferred solution.

Our Strategic Context

Rangitikei Overview

The Rangitikei District gets its name from one of New Zealand's longest rivers. The Rangitikei river is 253 kilometres long, stretching from its headwaters in the Kaimanawa Ranges to the South Taranaki Bight at Tangimoana, forty kilometres southeast of Whanganui.

The district comprises 4,500 square kilometres of mainly lush, rural land. It is a diverse district, ranging from the hill country of the upper Rangitikei river to the sand plains on the south coast. The river flows southwards past the towns of Taihape, Mangaweka, Hunterville, Marton and Bulls.

The Rangitikei River is at the heart of Ngāti Apa's traditional lands, that stretch between the Manawātū River in the south and the Whanganui River in the north.

The population of the district was estimated as 15,750 at June 2019. This is up 12% from the 2013 Census and reversed the previous trend of declining population observed since 1996. 3,936 people identified as Māori, an increase of 20% from 2013.

The Rangitikei District Council

The Rangitikei District Council was formed in 1989 by the amalgamation of the Rangitikei County Council, Marton Borough Council and Taihape Borough Council, along with parts of the KIWITEA and Taupō County Councils. The Council is a territorial authority governed by the Local Government Act 2002.

The Council provides a range of services including, roads, wastewater disposal, provision of potable water, stormwater drainage, community facilities, parks and reserves, as well as strategic direction and leadership for the District.

The Council's main corporate office is located at 46 High Street, Marton. In the financial year to 30 June 2021, the Council employed 105 employees and received \$41.9 million in operating revenue, against expenditure of \$37.9 million. At 30 June 2021 the Council's net assets were \$611 million. This included accumulated cash holdings of \$6.99 million due to a significant underspend on capital works.¹



¹ Rangitikei District Council (2021), Annual Report 2020/21, downloaded from <https://www.rangitikei.govt.nz/council/publications/reports> on 24 February 2022.

Taihape

Taihape is the main town in the Northern Ward. It is 84 km north of Bulls and 29 km south-east of Waiōuru, sited above the Hautapu River (a tributary of the Rangitikei).

The township was established in 1866. The first settlers arrived from Christchurch in 1894 as part of a government supported scheme – the Collingsville Cooperative Settlement Association. The association was named after one of the Christchurch sponsors, Mr Collins. The settlement was initially named Collingsville, then Hautapu (after the river), and finally Ōtaihape². The initial 'ō' was omitted when the town was gazetted in 1894.



By 1897 thirty-nine people resided in the town. The main trunk railway reached the town in 1904. And through the early 20th century the town thrived, housing rail workers, as well as catering to local farms, sawmills and passing travellers.

The subsequent restructuring and

electrification of the railway in the 1980s saw the population fall, from its peak at 3,500 in the 1960s to 1,575 by 2013. Taihape's population had recovered slightly to 1,790 in 2021.



Due to its location on SH1, Taihape is an important refreshment stop for travellers, with prominent cafes and access to major tourist attractions.

Taihape is an important service centre for local farming community.

Local businesses

established Taihape as the “Gumboot capital of the World” to revitalise the town branding. The annual Gumboot Day festival is a popular event, attracting large numbers of visitors to the town.

Other new business ventures have included outdoor clothing stores and adventure tourism.³

² ō: place of; tai: angle; hape: crooked; or Place of Taihape (a personal name); or Place of Tai the hunchback.

³ Downloaded from <https://nzhistory.govt.nz/keyword/taihape>, <https://taihapemuseum.wordpress.com/about/> and <https://teara.govt.nz/en/whanganui-places/page-9> on 31 May 2022.

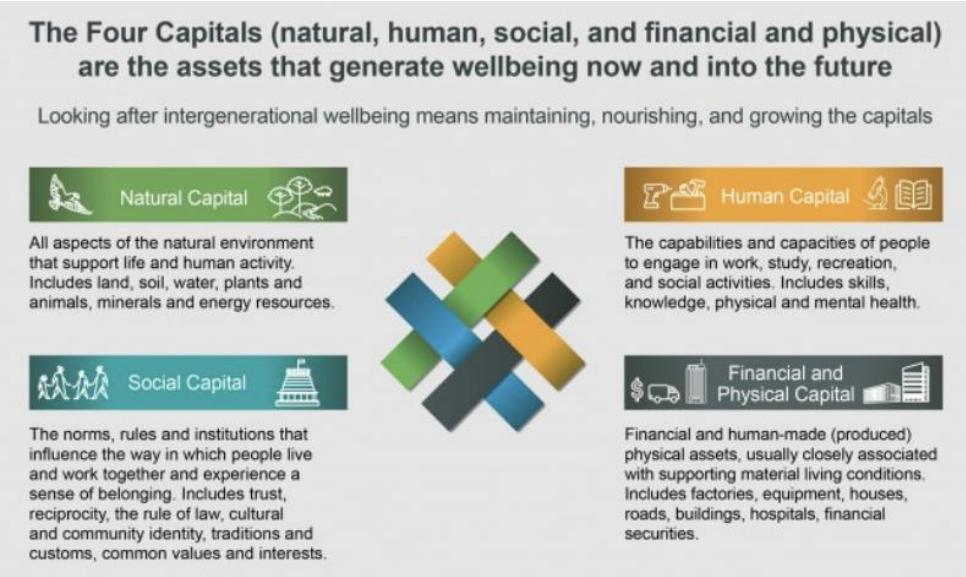
Our Strategic Alignment with Government and Council Goals

Aligning with Government’s Wellbeing Goals

In 2017 the Government signalled a significant change in policy settings towards a focus on greater wellbeing. Life is about more than just profits and money. Investing for wellbeing takes a broader perspective on increasing the opportunities and the capabilities of New Zealanders to live the lives they have reason to value.

This wellbeing focus uses the Treasury's Living Standards Framework to help inform Government investment priorities and funding decisions.

The Treasury vision of “higher living standards for New Zealanders” is based on the stewardship of four capital stocks. Each capital stock – human, natural, social and financial/physical– focuses on a category of assets and resources needed to lift inter-generational wellbeing.



Under the Treasury’s four capitals model sit 12 identified domains of wellbeing, five of which are strategically aligned to the Taihape Town Hall redevelopment proposal.

The proposal potentially aligns with the Government’s wellbeing goals by strengthening:

- 1. Civic engagement and governance - by making it easier to access and engage with Rangitikei District Council services, and
- 2. Social connectedness - by creating appealing places for people to meet, linger and interact.

This proposal could also contribute to improving:

- 3. Cultural identity - by embedding Te Tiriti o Waitangi principles and by strengthening connections with the wider region
- 4. Subjective well-being - by helping people to meet their work, live and play aspirations, and
- 5. Jobs and earnings –the Council’s interactions to support and assist local businesses.



Aligning with the Council's Strategic Direction

Rangitikei District Council is similarly guided by the Local Government Act 2002, which defines the community facing purpose of local government to:

"... enable democratic local decision-making and action by, and on behalf of communities and; ... promote the social, economic, environmental, and cultural well-being of communities in the present and for the future."

These goals are communicated and implemented by key Council strategic planning documents, including the:

- Long Term Plan 2018-28
- Economic Development Strategy, and
- Taihape Town Centre Plan.

Long-Term Plan

The Long-Term Plan 2018-28 identifies the Council's strategy to develop multi-purpose buildings and address earthquake-prone building requirements across the District. New or redeveloped Council facilities are intended to provide fit-for-purpose services for the local communities by integrating learning and information hubs, service centres, meeting spaces, youth spaces and spaces for social agencies. In addition, facilities will enable increased staffing efficiencies. Existing buildings that are no longer required for service delivery are intended to be disposed of.

Economic Development Strategy

The Council is in the process of preparing an Economic Development Strategy. The two key areas of focus are:

- 1) District promotion, and
- 2) Supporting growth

Taihape Town Centre Plan

In 2015 the Council undertook a planning process to guide the Long Term Plan in the development of public areas in Taihape. This planning process developed place-making strategies for:

- 1) Building a coherent visitor experience – to invite travellers to linger
- 2) Making great streets and public places – to encourage more people to spend time in the town centre
- 3) Providing better, adaptable facilities – optimised to deliver a high level of community services
- 4) Delivering "Destination Taihape" – to make Taihape a more desirable place for visitors and new residents.

The process sought stakeholder input on creating a multi-purpose leisure hub facility in the Memorial Park and redevelopment of the CBD to create a vibrant civic heart. Taihape especially needed to take important decisions about the future of the earthquake prone Town Hall, estimated to cost \$1.9 million in 2015 dollars to strengthen.

Two rounds of community consultation were held on how to provide "fewer but better" facilities. The results from round one showed that there was strong support for the four strategies for making Taihape a better place to live and visit. However, the results on how to provide fewer but better facilities were inconclusive.

A second round of consultation was conducted.

The key result is that 90% of respondents supported doing something to create a better, more usable civic centre – 85% want something done on the existing Town Hall site.

Our Legislative Environment

Legislation relevant to this proposal includes the:

Local Government Act 2002

The Local Government Act 2002 outlines the purpose of local government and the role of local authorities. It sets out the responsibilities of Council – which are mainly to provide for the efficient and effective provision of infrastructure and public services for local communities.

Resource Management Act 1991 (the “RMA”)

The Resource Management Act (RMA) 1991 sets out the requirements for land use and discharges. The Rangitikei District Plan 2013 is developed under the RMA, setting out the land use rules. Relevant resource consent requirements (if any) will guide the scope and nature of any proposed development.

Building (Earthquake-prone buildings) Amendment Act 2017

The Building (Earthquake-prone buildings) Amendment Act 2017 identifies the Rangitikei as an area of high seismic activity. The Act requires earthquake-prone buildings to be assessed within five years and remediated within 15 years. This means that over the next 20 years all earthquake-prone buildings in Taihape will need to either be remediated or disposed of.

3 Waters Review

Central Government has announced a controversial reform programme to transform drinking water, storm water and wastewater. It is focussed on the challenges facing the sector, including funding pressures, rising environmental standards, climate change, seasonal pressure from tourism, and the recommendations of the Havelock North Inquiry. This Review has the potential to create significant shifts in the nature and type of services that Council provides. Any reform will likely affect the staffing requirements of Council, and consequently impact on the portfolio of Council-owned facilities.

The Taihape Town Hall – Background and Current State

The Taihape Town Hall is located at 90 Hautapu Street and was constructed in the early 1900s. Prior to its recent closure to the public, the building housed the Taihape Library, Council and Trust staff, and the Council Chambers.

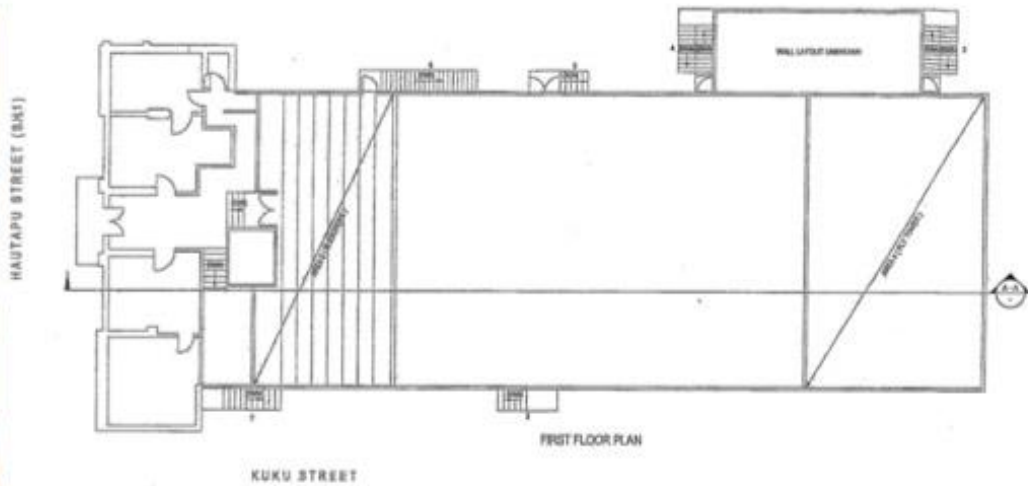
The hall is one of the largest community facilities in the region. It has a sprung stage used by local dance groups and the downstairs rooms are frequently used for catered meetings by community groups. Due to COVID-19 restrictions on gatherings the auditorium and stage have not been used for some time.

In late 2021, the Council commissioned Resonant Consulting Ltd to undertake a seismic assessment. Their report considered the building in four parts:

- Area 1 – front two-story building extending about 5 metres from the Hautapu street frontage
- Area 2 – two-story rear area of the building containing a ground floor meeting room (council chambers) and amenities, first floor projector room and seating bleachers
- Area 3 – hall area
- Area 4 – stage and Fly Tower.

The seismic assessment determined an overall rating of 10% of New Building Standard (%NBS). A rating of 33% or less is considered earthquake prone. As a result of this assessment the building was closed due to earthquake risk.

Library and Council staff have been relocated to temporary facilities to maintain service delivery.



Why Change and Why Now?

The first stage of the analysis is to determine if there is a genuine need for change – why change and why now?

Our business case development approach uses a facilitated workshop process to engage early with key stakeholders to identify and agree the need for investment, outline the case for change and to identify and appraise potential options for achieving the stated objectives.

The goals of these workshops are to:

- engage early and frequently with a group of key stakeholders
- test and challenge our thinking
- enable collaborative thinking, and
- build consensus.

A group of key stakeholders were invited to join the workshop panel, based on their potential interest in, and influence on the successful outcome of the proposal. The panel encompassed senior Council managers, councillors and community representatives. The list of panel members is included in the appendices.

The first facilitated stakeholder workshop was held on 10 May 2022 to ascertain if there existed a genuine need to invest, and to agree the problem definition. The approach taken was to:

- identify threats and weaknesses within the scope of the proposal and the operating environment that needed to be managed, as well as opportunities and strengths that could be built upon
- focus on the vital few issues
- drill down to the underlying causes (by asking “why?”) and consequential effects (by asking “so what?”), and
- determine if there is a compelling rationale or call for action, by answering the questions, why change and why now?

Opportunities to Build Upon:

Council Strategy:

- 2014 direction to revitalise Bulls, Marton and Taihape

Parochialism with ex-residents returning to live:

- while there was a loss of smaller farming families in the 1880s, the next generation are returning with families, skills and innovative business ideas
- ex-Taihape people have a strong affiliation with the district
- attractive for young families
- self-employed – who can work remotely
- low housing costs

Strengths to Develop:

State Highway One:

- Taihape is a popular rest stop for both trucks and travellers
- Seasonal peaks in visitor numbers, including ski field traffic

The Taihape Community:

- Taihape has an established history, both agricultural and as an important railway hub
- An established community – local “born and bred” Taihape people tend to stay
- Established institutions – such as the Brown Sugar Cafe
- Parochial – a strong feeling of ownership and a village community where everyone knows each other

Taihape Town Hall:

- A sprung stage used by local dance groups
- A very large auditorium
- An iconic community asset
- Part of the present history and heritage of a wealthy farming community
- Well-located site, bordering the inter-city bus terminal

Threats to Manage:
Government Policy and Legislative risks: <ul style="list-style-type: none"> • Ongoing political risks (from changes in Government and changes to existing policy settings) • Local Government reform • Building Act requires earthquake prone buildings to be remediated • Carbon Zero requirements • New building compliance regulations Changing community expectations: <ul style="list-style-type: none"> • New Taihape residents have higher expectations of Council provided services and amenities
Weaknesses to Address:
Town Hall closed resulting in a service failure: <ul style="list-style-type: none"> • earthquake-prone • the façade is particularly poorly rated (less than 10% NBS) • building closed due to seismic safety issues and services (including Library) temporarily relocated • dated buildings that are neither comfortable nor attractive to users • poor heating • not fit for purpose for current nor future service delivery • deferred maintenance and past under-investment <ul style="list-style-type: none"> • broadband internet? • Parochial – a fear of change • SH1 – physically bisects the town centre

Based upon the identification of the key issues and an analysis of the underlying causes and effects, the stakeholder panel identified and prioritised three problem statements. The key output of the thinking of this first workshop was a simple one-page Investment Logic Map (ILM) that concisely communicates the rationale for an investment in change. The completed ILM is attached in the appendices.

Earthquake prone Town Hall	Outdated Council facilities	Taihape's Civic Heart
<ul style="list-style-type: none"> • The Town Hall is closed due to seismic safety risks, disrupting the provision of Council administration, library and other public services • 50%. This issue was considered by the panel to have the highest weight, constituting 50% of the overall problem. 	<ul style="list-style-type: none"> • Changing community expectations are no longer supported by the outdated Council facilities, providing opportunities for service offerings that better meet future needs • 25% 	<ul style="list-style-type: none"> • The loss of a key Civic Centre amenity undermines our ability to support the social heart and face of the community • 25%

The closure of the Town Hall represents a Council service failure. Alternative facilities have been used to rehouse the Library, information and other essential over the counter council services. And the response to COVID-19 mean that Council and Trust staff work more from home, alleviating the current need for office accommodation.

While this situation is only temporary until more permanent accommodation decisions are made, reinstating public services to at least pre-closure levels is a priority for the Council.

The closure of the Town Hall provides a timely opportunity to reconsider the services are provided to the community. Taihape's population is less than half of what it was at its peak prior to the 1980s. In addition, the needs of the community have changed drastically. An ageing population has more time to engage and participate in civic life. Similarly, a younger generation that is more technology-enabled and time-poor will have different expectations of their interactions with the Council.

The existing Town Hall had physical limitations that constrained the spaces and limited the provision of these contemporary services. Office spaces are small and siloed. There is neither direct access nor visibility of the Library from the street. The Council chambers were cold and uninviting. This business case will consider options to better meet these changing user needs.

Taihape has an attractive town centre with heritage buildings. In 2015 there were around 34 earthquake prone buildings in the town centre. Over 40% of the buildings on Hautapu Street are potentially earthquake prone and require building owners to consider whether to remediate or exit. Retail buildings in the town centre are showing the effects of deferred maintenance as owners and tenants explore their options.

The heritage aspects of the Town Hall and its prime corner location on Hautapu Street make the building and the site an important centrepiece in the creating a civic heart for the town. This strongly aligns with the objectives of the 2015 Town Centre Plan.

The panel referred to the grand old lady as being a significant community asset and the role it has historically played as the social heart and civic face of the community.

It was clear from the stakeholder panel discussion that:

- the existing Town Hall represents an important part of the once grand history of the town (the heart and face of the community)
- the Town Hall façade is an important component of the heritage precinct the town main street, and
- a Council investment could demonstrate leadership and help to reinvigorate the Town Centre.

The panel envisaged a post COVID-19 Taihape town centre that would be more connected, vibrant, inviting and inclusive.

As part of 2015 Taihape Town Centre planning, stakeholder input indicated:

".... that 90% of respondents supported doing something to create a better, more usable civic centre – 85% want something done on the existing Town Hall site."

Objective Two: Create people places that facilitate social interactions

The 2015 Taihape Town Plan focuses on how to create “people places” for locals to engage and interact. While Taihape is a closely knit community with formalised club-based activities, the Town Plan notes a lack of public spaces where people can spontaneously interact.

This outcome aligns with both the Long-Term Plan intent that Council facilities are intended to provide fit-for-purpose services for the local communities, by integrating learning and information hubs, service centres, meeting spaces, youth spaces and spaces for social agencies.

Transforming the Taihape Library to a contemporary learning and interaction hub was seen as a key component.

How would we know that we had been successful?

Potential indicators for observing and measuring success for this objective were identified including:

- increased patronage of public and Library spaces, measured by increases in usage and longer dwell-times, and
- increased participation by the local community in civic engagement.

Objective Three: To increase the attractiveness of Taihape's Civic Heart

The desire is to stimulate investment in the town centre so that the community and visitors consider it their preferred place to work, live and play. Creating a vibrant town with a beating heart aligns with the Town Centre Plan objective of making Taihape a more desirable destination for visitors and new residents.

This outcome aligns with the Local Government Act 2002 focus on reinvestment in community services to “...promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.”

This outcome also directly aligns with the Council's Long-Term Plan – in terms of contributing to addressing town building issues with seismic safety.

How would we know that we had been successful?

Potential indicators for observing and measuring success for this objective were identified including:

- increased patronage measured by increases in walk-by foot traffic, longer dwell-times and changes in car-parking usage
- increases in the number and variety of new retail businesses
- reductions in commercial vacancy rates
- increases in retail spending and repeat customers, and
- increased and longer stays in local accommodation.

Members of the panel also noted that existing car-parking was limited and would come under additional demand pressure. A four-year time frame was agreed for observing significant change. That is, to the end of 2026.

What Needs to Change?

Our needs are the changes needed to existing Council-provided services and processes to achieve our stated objectives. They describe the gap to be addressed between where we are now and where we want to be. The following table demonstrates how the objectives provide the direction for the transformation from where we are now to where we want to be.

Table 1 – Summary of existing arrangements, objectives and our needs – the gaps between where we are now to where we want to be

Where are we now? (Our Existing Arrangements)	What do we want to achieve? (Our Objectives)	What needs to change? (Our Needs)
<ul style="list-style-type: none"> Town Hall closed to the public Library and essential Council services provided from temporary facilities Council staff working from home & other offices No alternative large event space available Cold, cramped and siloed Council staff spaces No longer fit for purpose for service delivery Seismically unsafe facilities 	Objective One: To improve the user experience of Rangitikei District Council services	<ul style="list-style-type: none"> Welcoming and inviting Warm and comfortable Flexible, multi-purpose spaces Improve seismic safety & resilience Improve service mix High trust, safe & secure engagements with staff Easier access to services, people, info & resources
<ul style="list-style-type: none"> Limited public spaces for interaction Families are returning to Taihape with high expectations of services and amenities 	Objective Two: Create people places that facilitate social interactions	<ul style="list-style-type: none"> Multi-purpose spaces Integrated service delivery High visibility and clear purpose (from the street) Spaces that facilitate interaction opportunities Technology enabled More inclusive to all
<ul style="list-style-type: none"> High traffic volumes and access to State highway 1 Hautapu Street developments uncoordinated No “wow” factor Vacant buildings Limited, convenient car-parking Heritage buildings with remediation requirements 	Objective Three: To increase the attractiveness of Taihape's Civic Heart	<ul style="list-style-type: none"> Manaakitanga Physical and social safety Inviting and appealing places More vibrant Better experiences for all Inter-connected amenities and wayfinding Promote environmental sustainability

Scope and Service Requirements

The scope and service requirements outline the boundaries on the quantity, quality and range of services that could potentially be provided. Service requirements relate to the performance characteristics of the outputs or services.

Table 2 – Scope – The preferred boundary conditions for considering potential solutions

	Core Must Haves (Do minimum)	Desirable (Do intermediate)	Nice to Haves (More Aspirational)	Out of Scope
Council Service Centre	<ul style="list-style-type: none"> Over the counter reception space Approx. 50m², 2-3 FTEs (incl library) plus resume services, vaccine passes 	<ul style="list-style-type: none"> Self service 	<ul style="list-style-type: none"> Visual displays/ info 	<ul style="list-style-type: none"> Office space at home
Council Office Space	<ul style="list-style-type: none"> 2-3 FTEs (approx. 50m²) Open plan, flexible with breakout rooms & staff space Multi-use council chambers 		<ul style="list-style-type: none"> Community Trust office space (2 FTEs) (not core business) 	<ul style="list-style-type: none"> Use of existing meeting facilities (at Kokaku Street Hall)
Combined Library & Community use Spaces	<ul style="list-style-type: none"> LEANZ Standards 50% more Library space than current (approx. 100m²) 	<ul style="list-style-type: none"> Additional community spaces 	<ul style="list-style-type: none"> Plus Business hub services 	<ul style="list-style-type: none"> Youth spaces, since existing facilities are available
Public Toilets	<ul style="list-style-type: none"> Internal access Business hours (8am-5pm) Bus users (from adjacent bus-stop) 		<ul style="list-style-type: none"> External access Limited hours 	<ul style="list-style-type: none"> 24/7 Note existing public toilets at the railway station
Auditorium, stage and rooms		<ul style="list-style-type: none"> full-sized community asset 		
Seismic and physical safety	<ul style="list-style-type: none"> 67% of New Building Standard (NBS) 	<ul style="list-style-type: none"> 100% of New Building Standard Security monitoring 24/7 CPTED – crime prevention through environmental design 	<ul style="list-style-type: none"> Over 100% of New Building Standard 	
Access		<ul style="list-style-type: none"> Adjacent car-parking access 		

Potential Benefits from Achieving Our Objectives

Successfully investing in change to achieve the stated objectives will result in realisable benefits to affected stakeholders. There are five key groups of stakeholders – users, community, visitors, staff and Rangitikei District Council (the Council).

The potential benefits from achieving the desired objectives were identified and classified into four classes or types:

1. **Financial and cash releasing (F&CR)**– gains that can be measured in financial terms and accrue directly to the Council, enabling resources to be reallocated
2. **Financial but non-cash releasing (F&NCR)** – gains that can be measured in financial terms but do not release resources or are indirect (i.e. accrue to other external stakeholders. For example, to local businesses)
3. **Quantitative (QUANT)**– can be measured, but not in financial terms
4. **Qualitative (QUAL)**– can be observed but are difficult to measure reliably.

Benefits can either be direct (to the Council), or indirect (to others).

Table 3 - Potential Benefits of achieving the desired change objectives

Ref	Potential Benefit (Disbenefit)	Stakeholders impacted	Benefit Type	Notes
B1	Improved user experience (of Council services)	Community users and groups, businesses	QUAL	Council service satisfaction survey
B2	Increased compliance (of Council facilities)	Council	QUANT	% of New Building Standard
B3	Improved Council staff experience	Council and staff	QUAL	Staff satisfaction survey
B4	Increased community awareness (of public places)	Community, businesses, Council	QUAL	Surveyed by RDC. Contributes to community engagement
B5	Increased community usage (of public places)	Community, businesses	QUANT	Measured by car-parking, foot traffic, Library counter
B6	Improved community experience (of public places)	Community, businesses	QUAL	Community satisfaction survey
B7	Increased visitor numbers	Community, businesses, Council	QUANT	Measured by visitor nights, foot traffic, retail sales
B8	Increased retail sales	Businesses	F&NCR	Contributes to vibrancy & attracts new business opportunities
B9	Improved Council facility space utilisation	Council	QUANT	Multi-purpose spaces that are fit for purpose. RDC metrics. Space per FTE.
B10	Reduced Council operating costs	Council	F&CR	Includes maintenance & utilities costs for modern, fewer, multi-purpose facilities

Potential Risks and Uncertainties

Risks are contingent future events that may or may not have adverse consequences that can hinder or prevent the attainment of our desired objectives. Uncertainty is a measure of what we do not know about future events (including timing, likelihood, and severity of impact). Potential risks were initially identified by the project team.

Table 4 - Potential Risks to objectives by class

Ref	Class	Risk Description	Notes
R1	External - Political	Policy and regulatory change impacts	Government policy or regulatory changes impact on Council planning. Accept and monitor emerging policy intentions.
R2	External – Economic	Economy recovery delayed	Delayed economic recovery sustains supply chain costs and skill shortages. Mitigate with flexible cost/design management.
R3	External - Social	Continued pandemic restrictions	Post COVID-19 restrictions resulting in under-utilisation of facilities. Mitigate with pandemic risk planning.
R4	External - Social	Loss of community support	Facilities and services fail to meet community needs, resulting in under-utilisation. Manage with timely community engagement and consultation.
R5	Council	Loss of stakeholder support	Loss of shareholder support for proposed changes. Manage with timely shareholder engagement and consultation.
R6	Council	Loss of key staff	Loss of key staff undermines Council capability and capacity to implement. Manage with business continuity plans.
R7	Council	Decisions are not timely	Key decisions are delayed or deferred, resulting in gaps in service delivery and opportunity costs. Reduce with effective decision-making support.

Ref	Class	Risk Description	Notes
R8	Council	Loss of funding support	Affordability issues result in re-prioritisation, deferral or de-scoping of Council spending. Mitigate with conservative cost estimation and scenario planning.
R9	Project	User expectations not met	Facility services fail to provide expected user functionality. Manage and monitor user expectations.
R10	Project	Design scope creep	Unexpected scope creep and design changes fail to meet business needs. Reduce with good practice change control and benefits realisation planning.
R11	Project	Benefits are descoped	Insufficient funding results in de-scoping of core capabilities. Reduce with effective value management.
R12	Project	Disruption to business continuity	Implementation results in inconvenience to staff, loss of productivity and disruption to Council operations. Mitigate with business continuity planning.
R13	Project	Capacity constraints	External suppliers and/or project team lack the capacity or capabilities to deliver on expected milestones. Mitigate with good practice project and contract management.
R14	Project	Implementation delays	Delays in project milestones result in delayed go-live. Share risks with suppliers.
R15	Project	Costs exceed budget	Construction and ongoing operating costs exceed budgets, or expected savings are not achieved. Mitigate with conservative cost estimation and quantitative risk analysis.

Key Constraints and Dependencies

Constraints describe the limitations on our ability to make change.

Dependencies describe the things that we rely on to achieve our objectives.

This proposal is subject to the following constraints and dependencies, identified during the stakeholder discussions. These are to be closely monitored during the development of business case, the transition period, and the longer-term implementation of transformational change.

Table 5 - Constraints and Dependencies to be monitored and managed

Constraints	Notes
Temporary Library facilities	Possible limitations on how long temporary facilities can continue to be leased
LEANZ	NZ library standards
District Plan on heritage redevelopments	The Rangitikei District Plan 2013 contains assessment requirements for heritage listed buildings within the Heritage Precinct undertaking works.
Inter-city bus-stop	Toilet facilities are required for over-night trips.
Dependencies	Notes
Memorial Park redevelopments	The 2021-31 Long Term Plan commits Council to the preservation of the historic Grandstand on Taihape Memorial Park. Construction of a new amenity building is underway and a “whole-hearted” restoration of the grandstand (to preserve its heritage value) is planned

The Economic Case: Determining the Preferred Option

The purpose of this part of the business case is to determine the preferred option that is most likely to optimise value to Rangitikei District Council and the District.

Having established a robust case for change, this section details the workshop and economic analysis undertaken to:

- systematically generate a wide range of feasible options for appraisal (the long list)
- confirm the ranking process to be used for the initial options appraisal
- appraise the long-list options to determine a focused set of short-listed options, and
- undertake more detailed analysis of the short-listed options to determine the preferred solution for meeting our business needs and achieving the desired investment objectives.



Identifying Long List Options & Initial Appraisal

A wide range of initial options was generated and initially appraised by the stakeholder panel in facilitated workshops held on the 8th of June 2022. The workshop process used the Better Business Cases methodology.

The options analysis was broken down into five dimensions of choice. The panel identified feasible choices under the service scope and service solution dimensions.

Table 6 – Long-list options identification and appraisal process

Stage One: Initial Long-list Options Identification and Appraisal		
Service Scope Choices	the “what”	What alternative choices are there for the levels of service and coverage?
Service Solution Choices	the “how”	What choices are there about where and how the services could be provided?
Stage Two: Short-list Options Design		
Service Delivery Choices	the “who”	Who can help us to deliver the above solutions? Possible choices for who can assist in the design, build and operation of the solutions above.
Implementation Choices	the “when”	When and how quickly can the proposed changes be implemented?
Funding Choices	“how funded”	How might the proposed changes be funded?

The Options Appraisal Methodology

The initial appraisal of the long-list options filters out those choices and options that should not be prioritised for inclusion in the short-list. A variant of multi-criteria decision analysis (MCDA) is applied. For each of the five dimensions, each long list choice is scored by the working group against a set of criteria comprising the three objectives and five criteria success factors.

Table 7 - The five critical success factors agreed by the workshop panel on 8 June 2022

Critical Success Factors	Options Appraisal Criteria Description
CSF1: Strategic fit & Business Needs	How well each option aligns with our strategy, achieves the agreed investment objectives and delivers the related business needs.
CSF2: Value for stakeholders	How well each option optimises value for our ratepayers, iwi, businesses, Council staff and users (i.e., the optimal mix of potential expected benefits, estimated whole of life costs, and residual risks)
CSF3: Supplier capacity and capability	How well each option matches the ability of potential suppliers to deliver the required goods, services and/or works, and is likely to result in sustainable arrangements that optimise value over the contract term
CSF4: Affordability	How well each option can be met from available funding and matches other funding constraints
CSF5: Achievability	How well each option is likely to be implemented given the ability of the Council to access the capabilities required for successful delivery and to manage change.

The critical success factors are attributes that are essential for success. These are confirmed by the panel as a key part of the appraisal process. Where an option or choice fails to meet a critical success factor, it is ineligible to become part of the short-list options and is discarded from further analysis.

A four-point scoring basis was agreed by the panel as being fit for purpose for the long list options appraisal:

3	The proposed option <u>strongly meets</u> the criteria, in all significant respects
2	The proposed option <u>broadly meets</u> the criteria, in most respects
1	The proposed option <u>may meet</u> the criteria, in some respects
0	The proposed option <u>does not meet</u> the criteria, in any significant respect

The panel appraisal considered trade-offs between the relative advantages and disadvantages of each option and choice, considering available evidence on potential costs, benefits, and risks. The results were moderated for consistency and as additional information became available.

Choices were either preferred, carried forward for further consideration as part of the short-list option or discarded from further appraisal.

Note that the business-as-usual option is constructed from the business-as-usual choices in all five dimensions of choice and is always carried forward to the short-list as the baseline comparator for further economic options appraisal.

The Long List Options – Service Scope Choices

The following alternative choices of service scope were identified and ranked by the stakeholder panel.

Table 8 – Service Scope choices identified by the stakeholder panel on 8th June 2022

IDENTIFIED SERVICE SCOPE CHOICES				
Title:	SC1: Do Nothing	SC2: Do Minimum	SC3: Intermediate	SC4: Aspirational
Description:	CONTINUE PARTIAL SERVICES	REINSTATE PAST SERVICES	ENHANCE USER FOCUS	BROADEN SERVICE COVERAGE
Council Office Services and Council Chambers:	<p>The Town Hall remains closed to the public.</p> <p>Some limited Council reception, office spaces and services, are maintained from temporary facilities.</p> <p>Council meetings are held at alternative Taihape venues.</p>	<p>Reinstatement of the core Council services as previously provided from the Taihape Town Hall.</p> <p>Reinstate the Council Chambers.</p>	<p>Future-proofed Council services, including an open plan reception, with flexible staff and user spaces for 4 to 6 full time staff.</p> <p>Flexible meeting space for Council meetings, staff and community users.</p>	<p>Future-proofed Council services, including an open plan reception, with flexible staff and user spaces for 4 to 6 full time staff.</p> <p>Flexible meeting space for Council meetings, staff and community users.</p>
Library & Community Services:	<p>Limited Library services provided from temporary facilities.</p>	<p>Reinstatement of Taihape Library services to users.</p>	<p>Learning and interaction hub.</p> <p>Combined spaces for Library and community users. Storage of ready use Library resources.</p>	<p>Learning and interaction hub.</p> <p>Combined spaces for Library and community users. Storage of ready use Library resources.</p> <p>New, supported business hub office and meeting services.</p> <p>Youth-oriented and outdoor community leisure spaces.</p>
Auditorium Services:	<p>Other potential replacement venues include the Taihape Area School Hall (with dance floor) and the Majestic Cinema.</p>	<p>Reinstatement of core auditorium services (previously provided from the Taihape Town Hall).</p>	<p>Reinstatement of core auditorium services (previously provided from the Taihape Town Hall).</p>	<p>Reinstatement of core auditorium services (previously provided from the Taihape Town Hall).</p>

The Long List Options – Service Solution Choices

The panel discussed the potential existing sites and facilities that could be utilised for the delivery of the preferred council services. The current Council owned sites that the panel identified were the current Taihape Town Hall site at 80 Hautapu Street, the Taihape Memorial Park Grandstand and the Kotako Street Hall. Other potential greenfield sites were considered. None were identified that met the scope of the proposal in terms of location, access and scale. Consideration was also given to avoid duplication of existing venues, such as the Majestic Cinema and the Taihape Area School Hall.

Table 9 – Summary of Identified Service Solution choices

IDENTIFIED SERVICE SOLUTION CHOICES					
Title:	SS1: Do Nothing	SS2: Do Minimum	SS3: Intermediate	SS4: Alternative Site	SS4: New Build
Description:	CURRENT LEASED FACILITIES	REHABILITATE THE TOWN HALL	REDEVELOP THE LIBRARY SITE	REDEVELOP THE GRANDSTAND	NEW BUILD AT KOKAKO STREET
Council Office Services and Council Chambers:	Council meetings held at Kokako Street Hall	Interior refit and modernisation of existing Town Hall offices	Interior refit and modernisation of existing Town Hall offices	New build extension to existing grandstand renovation	Remove the existing Kokako Street Hall building and replace with a new build
Library and Community Services:	Current temporary library facilities and community venues	Interior refit and modernisation of existing Town Hall offices	Remove existing building and new build Library site and outdoors		
Auditorium Services:	Not provided by the Council. Alternative facilities at the Taihape Area School Hall.	Strengthen Town Hall façade, sprung floor and dress circle to 67% NBS	Strengthen Town Hall façade, sprung floor and dress circle to 67% NBS	Strengthen Town Hall façade, sprung floor and dress circle to 67% NBS	Strengthen Town Hall façade, sprung floor and dress circle to 67% NBS

Background on the Taihape Memorial Park Grandstand at 12 Kokako Street

The Grandstand was built in 1924 and has functioned as an important facility at Memorial Park ever since. It was designed to function as a grandstand for the viewing of sporting activities on the park as well as for A&P shows (the first was held in January 1925) and other community activities such as Christmas celebrations, school sports days and other activities. The original design also provided various supporting facilities on the ground floor - ladies and men's



cloakrooms, food preparation, serving and consumption. In recent years the ground floor has been altered to provide for more expansive changing facilities, accommodation of referees and support personnel.

Although the building is not listed in the Rangitikei District Council District Plan in Schedule C3A Historic Heritage as an item of heritage importance, it is regarded locally as being of significant heritage value by the Taihape Heritage Trust who have lobbied the Rangitikei District Council regarding the preservation of the Grandstand.

That Council included the commitment to the preservation of the historic Grandstand on Taihape Memorial Park in the 2021-31 Long Term Plan. The preferred option is to proceed with a new amenity building (underway) and separate a “whole-hearted” restoration of the grandstand to preserve its heritage value.

Appendix One: Investment Logic Map

The investment logic map is a one-page graphical story that provides the logical line of sight from the “why” – the rationale for action, to the “what” – what needs to change to contribute to the three high level outcomes. This map is a key deliverable of the series of facilitated workshops with the stakeholder panel.

