

FACT SHEET: The Powerhouse Museum 'move' as at 3 Sep 2021 to be published 1 October 2021

This document presents evidence that the NSW Government's plans for museum organisational changes in Paramatta and Ultimo are flawed to such an extent that democratic norms are being constantly circumvented. These are the basic matters on which factual evidence is advanced, supporting the above:

Alternatives were never properly investigated. No significant expert input was involved. There was no consultation on basic issues with any significant stakeholders. These deficiencies have persisted over the nearly seven years since the basic announcement. The Government has imposed excessive secrecy and taken special non-democratic measures to avoid following due process. The opposition to the project expressed by the general public and the and museum and arts community is unprecedented. However their reasoned, evidence based criticisms and the comprehensive Legislative Council Inquiry report have been treated with contempt. The financial aspects of the project have been very badly managed and the waste of taxpayers money is enormous. The heritage aspects of the whole move are relevant here. Though the initial plans have been modified and the situation has improved, the autocratic decision-making process persists, with consequent ongoing problems

A fully referenced copy of this sheet can be found at <https://maasbusinesscase.com/factsheet> (private website). It also contains details of terminology used and expert checking of the facts stated. As always, since these fact sheets were first developed and circulated in 2017, all Government responses will be publicised, and if necessary, corrections of fact will be immediately issued. So far, no evidence of errors has been found in previous fact sheet versions. **The remainder of this sheet is a brief summary of the deficiencies of the Government's administration of this process:**

- 1. Alternatives were not investigated.** There is near-universal support for the general improvement of cultural facilities, particularly at Parramatta, the centre of population of Greater Sydney. The idea of moving the Powerhouse Museum to Parramatta was first suggested in documents such as *State Infrastructure Strategy Update 2014 Recommendations to the NSW Government November 2014*, seeking 'urgent investigation' of the relocation of the Powerhouse Museum to Parramatta, but it seems clear that this investigation was ever done. Government sources claim that Ms Macgregor, Director of the Museum of Contemporary Art, conducted an appropriate study, but this has never been released. There is thus no record of any competent examination of alternatives, either before the initial of the 'move' (26/11/2014) or since. Infrastructure NSW, the relevant body, has clearly stated that its involvement 'takes as its starting point the Government's decision to locate the Powerhouse Museum on the Riverbank site in Parramatta'. It did not conduct any investigation of alternatives. .
- 2. Expert assistance was not involved in the fundamental decision.** Advice given by Ms Macgregor is secret, and its validity is therefore unknown, but she has said that the main people with whom she spoke was the Western Sydney Arts and Cultural Lobby, who gave only limited support and seem to be no longer functioning. There is no evidence of input from any relevant expert, any museum / arts peak body, any of the local government authorities of the area, or any other cultural group.. 37 major cultural institutions of the area were not consulted in any way. Mr Borger, of the then Western Sydney branch of the Sydney Business Chamber seems to have had significant input, but his expertise is in other fields. His business judgement also seems to be questionable, see paragraph 8.
- 3. No consultation occurred with stakeholders before the announcement,** as exemplified by the fact that he Museum trustees and the Parramatta city council were not even informed of the decision before it was announced.
- 4. These deficiencies have persisted over the nearly seven years since the basic announcement.** See paragraph 5 for comments on consultation. At no time has a Government-sponsored group containing people with relevant expertise examined alternatives. If there had been appropriate examination of alternatives, this project would never have been considered, eg for reasons mentioned in paragraph 9. Involvement of museum people at all significant levels seems to have been minimal: the demolition (March 2021) of the massive display structures on level 1 at Ultimo was certainly not done to recognised museum standards. The Trustees' only known requirements (1/10.2016) were for the Parramatta museum to use the whole site, with no commercial encumbrances, and be of at least the scale and scope of Ultimo with sufficient funding for the 'move' and running of the museum. Beginning January 2019, we sought confirmation from Professor Glover that these conditions had been met, but he passed responsibility for the answer to a MAAS executive officer, who did not respond before his departure from MAAS a year later. Professor Glover again did not respond when asked if his conditions had been met at his retirement announcement (November 2020)
- 5. Treasury document tpp08-5 (2008) clearly sets out the need for all major projects to evaluate the base case** (the situation that would obtain if a proposed development did not occur) and then to evaluate the alternatives for achieving the stated aim, which in in this case should simply be to improve the cultural facilities of the Parramatta area. These requirements were strengthened in TPP18-06 of 2917, particularly when considered in conjunction

with TPP18-05, Government Commissioning and Contestability Policy. (20i6) **The Government has completely sidestepped these requirements by declaring the base case to be the Government's decision to move the museum. This special measure avoids following due process** as all consultation has been only on what the public wants at the Parramatta facility and at any retained cultural facility at Ultimo. This has resulted in the farcical situation where, for example, the NSW National Trust has constantly and repeatedly expressed reasoned opposition to the entire project but this has been entirely ignored in reporting their reaction to the 'move'. Another case study is the acquisition of the riverside land for the Parramatta facility. The elected Parramatta Council had consistently supported the retention of this area as open space, but was controlled by a Government-appointed administrator due to forced council amalgamations (12/5/2016- 23/10/2019). 68 days before the end of the tenure of the caretaker administrator the deal was completed 'as a matter of urgency'. The Government's statements that the elected council supported the 'move' are manifestly wrong, but this fact has not been acknowledged by the Government, despite clear evidence brought to their attention. The deal has been ratified by the re-elected council, but by a narrow margin, reportedly from fear of offending the Government. Yet another ramification is seen in the recent Land and Environment Court judgement on the future of Willow Grove, where the judgement specifically ignored discussion of the merit of the Government's plans for the site vacated by this heritage building.

6. **Secrecy** has been a major feature of the Government's actions. The lay understanding of 'cabinet in confidence' secrecy is that decisions taken by Cabinet are taken in secret, then supported by the whole group. The Government has used this mantra repeatedly, avoiding releasing basic information, eg the business case, the data used to form the business case and even the terms of reference for people providing data to the people designing the business case. Even the details of the fire regulations which allegedly underpinned the need for removal of the massive structures from level 1 in March 2021 have not been released, despite requests.

7. **Opposition to the 'move' has been enormous** *Inter alia*, full page advertisements were sponsored by notable people and a large grass-roots movement was backed by *Save the Powerhouse* Facebook site. This culminated in the massive first *Inquiry into museums and galleries* (23/6/2017 to 17 July 2019). Support for the 'move' was scant: apart from Government instrumentalities, the only submissions favourable to the move came from Mr Borger's organisation and the Tourism and Transport forum, a minor lobby group associated with Mr Brown of the *Western Sydney Leadership Dialogue*, another business lobby group business interests. The consequent final report made a fully documented Finding that due process had not been followed, and several consequent recommendations. Numerous surveys have resulted in overwhelming support for retaining the Ultimo museum.

8. **The Government rejected the first Inquiry finding** in a brief statement (17/7/2019) that proper governance had been assured by a peer review group and six independent review panels in a statement recycled from the Business Case Summary of April 2017. The Peer Review process has been comprehensively shown to be non-existent, and all the Government will tell us about the review panels is the month in which they were held. In view of the serious criticisms levelled against this project this response is seen by many **as another denial of due process**.

9. **Plans for financing the 'move' have been irresponsible**. The original proposal was that the Ultimo site would be sold for urban development which would fund the new museum in Parramatta, with any surplus used for arts purposes within the Parramatta area. This was supported by studies by professional consultancy groups, eg the Deloitte document *Building Western Sydney's Cultural Arts Economy* (2015) sponsored by Sydney Business Chamber (Western Sydney) and still being quoted in 2021 by Mr Borger. This was soon shown to be ridiculous: the cost of removing and storing Ultimo exhibits and demolishing the museum would absorb any proceeds of land sale (\$250 million maximum). The latest 'official' cost for the project is \$849 million, but museum experts put the cost at around \$1.5 billion. The idea of moving the large objects to Parramatta was far more expensive than any other cultural project: they would have to be last out of Ultimo and first into Parramatta, with consequent delays and huge cost, exacerbated by the need to insert the objects at the first floor level as shown in the design. Another example of financial responsibility is the decision to demolish and rebuild the Willow Grove building at Parramatta: it appears that this is another hurried Governmental decision not backed by any proper costing process and the informed opinion is that proper reconstruction will be prohibitively expensive. This is also relevant to the next section.

10. **Heritage aspects of the 'move' have been overlooked**. The repurposing of the powerhouse buildings was a highlight of the bicentennial celebrations of 1988, and achieved world-wide recognition. The attachment of the community for both the Ultimo building and the heritage buildings at Parramatta is clear, and well-founded: these are marvellous historic buildings. Even if this does not weigh with the decision-makers, **there is a clear and considerable monetary value engendered by heritage factors**, which has been completely overlooked. The 2020 recommendation of heritage assessment of the Pyrmont buildings was restricted to the basic structure of the original Powerhouse, thereby precluding discussion of the overall museum as a heritage item, and leading to the ridiculous assertion that site had *no persons or group of persons with which the building is associated ... and is important for its associations with an identifiable group ... at a local level only*.