

Inquiry into Museums and Galleries Hearing
11 February 2019
Questions on Notice – Planning and Environment

Question

Mr DAVID SHOEBRIDGE: Did it go to the board?

Mr LIMKIN: Did the options go to the board? The board was briefed. So I and my deputy secretary have briefed the board of trustees of the museum multiple times on this project. In addition a representative from the board of trustees has always sat on the project steering committee and the two individual project control groups. The board, to my understanding, provides internal briefings based on that role.

Mr DAVID SHOEBRIDGE: Did they sign off on the \$540 million refresh?

Mr LIMKIN: You mean the original?

Mr DAVID SHOEBRIDGE: No, the one that you have come up with.

Mr LIMKIN: The \$524 million?

Mr DAVID SHOEBRIDGE: I forgot the inflation on it. Sorry.

Mr LIMKIN: I understand. The board was briefed on that option. I would have to go back and check what they actually signed off, because I do not know, but I can tell you they were definitely briefed on that option.

Answer

The Trust of the Museum of Applied Arts and Sciences (Trust) were briefed regularly on the business case throughout 2017 and 2018. The Trust provided input that was considered as part of the business case developed. The options modelled in the business case were signed off by the Project Steering Committee, which included a representative of the Trust. I can advise that I briefed the then Director of the Museum of Applied Arts and Sciences and the Chair of the Trust, on the business case and the options developed and sought their endorsement.

Question

Mr DAVID SHOEBRIDGE: I understand that you cannot give us information about who proposed the current round of board members. Please take on notice whether or not they were recommended by your agency, some other agency or the Minister. Can I ask you to take that on notice?

Mr LIMKIN: I am happy to take that on notice.

The Hon. WALT SECORD: Also on notice, were any reservations or concerns expressed about those appointments?

Mr LIMKIN: I will take that on notice.

Answer

I am advised by the Deputy Secretary Create NSW - the appointments were made in line with the Museum of Applied Arts and Sciences Act 1945 and with processes for the trustees of the Museum of Applied Arts and Sciences were conducted consistently with the Appointment Standards of the Public Service Commission.

In accordance with the *Museum of Applied Arts and Sciences Act 1945*, the Minister for the Arts nominated, for the approval of the Governor, individual appointees to serve as Trustees of the Museum.

Candidates were assessed against specific criteria for those institutions, linked to the enabling legislation and organisational requirements. Create NSW undertakes probity and conflict of interest checks for all nominees for appointment to trusts of NSW Cultural Institutions and other advisory committees and panels. In accordance with that process, the Minister determined to nominate Ms Kellie Hush, Mr Eddie Woo, Mr Darren Steinberg, Mr David Borger and Ms Paddy Carney for appointment to the Trust.

Advice was sought by Create NSW on whether there was a potential perceived conflict of interest in relation to Mr Steinberg, Executive Director of Dexus Funds Management Limited. Create NSW proposed that the perceived conflict be mitigated by Mr Steinberg declaring this conflict and that Dexus Funds Management Limited not submit any proposals for any work related to the Museum of Applied Arts and Sciences while Mr Steinberg was a Trustee. Mr Steinberg's letter of appointment from the Minister noted the potential perceived conflict of interest and the mitigation proposed, namely that Dexus Funds Management Limited would not submit any proposals relating to the Museum of Applied Arts and Sciences while Mr Steinberg was a Trustee.

Any perceived or actual conflicts of interest are required to be declared and managed through standard Board practice. The Museum of Applied Arts and Sciences has advised that all new Trustees have completed conflict of interest declarations and that Mr Steinberg's declaration reflects the terms of the letter from the Minister.

Question

The Hon. WALT SECORD: What is your estimation on the escalation or contingency for this project?

Mr LIMKIN: I will have to take that on notice, because I am not sure if the Government chose to release that information publicly. I will have to check that.

Answer

The Government decided to redact this information in the Business Case to minimise any impact on the future cost of the Project. I am advised that the Government has made available a copy of the unredacted information to Members of Parliament through the Clerk's office.

Question

Mr DAVID SHOEBRIDGE: Did anybody at all—one person—come forward to say that they wanted a planetarium?

Mr LIMKIN: Yes, and I am happy to provide—

Mr DAVID SHOEBRIDGE: The GIPA that people have referred to me suggests that nobody there supported a planetarium.

The CHAIR: Name them.

Mr DAVID SHOEBRIDGE: Who supported the planetarium?

Mr LIMKIN: I am happy to take that on notice and provide the Committee with the information.

Mr DAVID SHOEBRIDGE: You with there. Who supported the planetarium?

Mr LIMKIN: I have answered the question; I have taken it on notice. I do not recall, off the top of my head. However, there was discussion about a planetarium

Mr DAVID SHOEBRIDGE: There was a discussion about a planetarium. I am asking if any resident from Parramatta said they wanted a planetarium.

Mr LIMKIN: As I said, I am happy to take it on notice and provide the Committee with an answer.

Mr DAVID SHOEBRIDGE: Could you also review the GIPA information when providing that answer?

Mr LIMKIN: Yes.

Answer

The studies undertaken in July 2017 demonstrated strong consumer support for the inclusion of a Planetarium at Parramatta from both residents of Western Sydney and a broader sample across NSW. An additional sample was collected from 500 Western Sydney households to model what was important to this group. The community consultation conducted at Parramatta showed a strong interest in technology and space, particularly astronomy.

I am advised that the material released as part of the GIPA request only includes the additional feedback provided at two public meetings.

Question

The Hon. WALT SECORD: How many people in Create NSW are working on the Powerhouse relocation project at the moment?

Mr LIMKIN: I will give you an accurate answer and take that on notice. I think at a high level it is about nine people, but a number of people are working on it part-time. Obviously, the museum is also working on it plus there are a number of consultants in Create NSW who are helping us to work on that, such as commercial advice, architecture et cetera. I will take it on notice to provide you with a more accurate answer.

The Hon. WALT SECORD: As part of taking that question on notice, can you give me a breakdown of all the groups you articulated as well as an overall figure of the number of people who currently are working on this project in Create NSW?

Mr LIMKIN: Yes.

The Hon. NATALIE WARD: In addition, I understand that some employees or consultants may be working on different projects as well, so you may wish to delineate whether they are full-time on the Powerhouse project or they are working across a number of projects, or those numbers may not reflect the true number.

The Hon. WALT SECORD: If we are going to specify, I would like the entire global salary of all those people working on this. Do you want to go that way, Natalie?

(The Hon. NATALIE WARD: No.

The Hon. WALT SECORD: No, I think it is relevant.

The Hon. NATALIE WARD: Thank you. When will that start? I merely ask that there be clarification because it may be inaccurate to report the number of people working on the matter, if they are working across different projects. That is all I ask for clarification.

Mr DAVID SHOEBRIDGE: I am sure Mr Limkin will provide us a full and thorough answer...)

Answer

Consistent with the Extended Final Business Case, within Create there are six people working on the project full-time, in addition there are the equivalent of three full-time roles providing policy, legal, communication and finance support. One full-time consultant works in-house to provide specialist advice to the project. The total salary associated with this is approximately \$1.5 million per annum.

Nine Create NSW staff and contractors make contributions to this project and work across several other cultural infrastructure projects being led by Create Infrastructure.

These figures do not include other consultants appointed to work on the project externally.

Question

The Hon. NATALIE WARD: Thank you. When will that start? I merely ask that there be clarification because it may be inaccurate to report the number of people working on the matter, if they are working across different projects. That is all I ask for clarification.

Mr DAVID SHOEBRIDGE: I am sure Mr Limkin will provide us a full and thorough answer. Mr Limkin, will you also possibly provide the amount that this project has cost to date? Now to the extent you can cost the amount of public expenditure—I know that may be hard—but at a minimum you should be able to provide us with the amount that has been spent on consultants and external reports to date.

(The Hon. TREVOR KHAN: It has to be made clear to the witness that he has three days to answer the questions he takes on notice.)

The Hon. WALT SECORD: I am very confident that he can comply.

Mr DAVID SHOEBRIDGE: I am sure there is a spreadsheet there.

The CHAIR: Order! That will come at the end and we will understand.

Mr DAVID SHOEBRIDGE: I am sure there is a spreadsheet there that shows the amounts—I mean, every good department keeps a solid budget.)

Mr LIMKIN: I am happy to take that one on notice. I do not know the figure off the top of my head.

Answer

As at the date that this question was asked, the actual spend to date on the project is approximately \$12.5 million. In addition, there is approximately \$17.5 million of in-progress committed procurements.

The actual work to date includes the preparation of the Business Case and the Extended Final Business Case, project management services, the commencement of works for the design competition, the design work for the expansion of storage facility at the Museum Discovery Centre at Castle Hill and work to prepare for the movement of the collection. The existing commitments relate to the design competition, the design work for the expansion of the storage facility and the work to prepare for movement of the collection. The approximately split between consultants and internal costs is 60/40.