

**Supplementary
Submission
No 155c**

**INQUIRY INTO INQUIRY INTO MUSEUMS AND
GALLERIES**

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The Hon Robert Borsak MLC
Committee Chair,
General Purpose Standing Committee No. 4,
Legislative Council
Parliament House
Sydney NSW 2000

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Upper House Inquiry into museums and galleries No. 4

Submission from Lionel Glendenning

Terms of reference: 1e)

Lionel Glendenning

I am prepared to be a witness in response to this paper and my role in the development of the Powerhouse Museum, Ultimo.

Re Site Infrastructure Assessment: MAAS Powerhouse, Ultimo

Building Services Masterplan Assessment, 8 August 2018

Steensen Varming

Ultimo Presence project 6 Development Options Assessment, undated Nov 2017?,

Johnstaff with Crone and Ethos Urban Att E to No 1 in NMWS

OPENING STATEMENT:

One could reasonably assume most of these reports were written by acolytes for Donald Trump for they are based on fake news, untrue facts, biased conclusions and fake survey results that are statistically invalid. Based only on a conclusion that accords with the Government flawed 'visions' then argued after-the-fact ie Baird's move the PHM then do a business case, then bad-mouth the existing PHM – a cultural icon which belongs to the people of NSW.

Apart from the usual wear & tear, with regular maintenance and new electronic controls & sensors, the Museum would be capable of continuing in

service performance & reliability for another 70 years – ie 100 years of full service life.

At the time of design and construction, the Powerhouse Museum at Ultimo was beyond state-of-the-art:

Sea-water heat exchange and cooling system; 24hour AC 60% +/- 5% humidity, 22deg C +/- 1 deg C; Low UV lighting and glass systems; High filtration micro dust & gases; Heavy loadings and power systems; Steam boilers etc (recently replaced).

The most pertinent comment comes from the NSW Government's own report commissioned by Infrastructure NSW in June 2012: on the very same subject.

NSW Infrastructure Recreation and Arts Baseline Report by PricewaterhouseCoopers Australia June 2012 which identified that:

'The Museum of Applied Arts and Sciences has an estimated backlog maintenance of \$1.8m. The average condition of the facilities of the Museum of Applied Arts and Sciences built assets and infrastructure were ranked as good with moderate deterioration.' p35

'Maintenance funding as a proportion of asset replacement value is of 2.3% for the Museum of Applied Arts and Sciences.' p36

'Recurrent maintenance funding for the cultural institutions has been significantly less than the overall 2.5% of built asset value across NSW Government and a backlog of maintenance has been identified.' p16

This is despite the fact that:

The assets of NSW's cultural institutions (Opera House, Art Gallery of NSW, Australian Museum, Museum of Applied Arts and Sciences and State Library of NSW) are worth over \$7.5bn, with collections alone worth over \$4.2bn. p3

See att extracts.

Comments:

1.1 Intro:

- How were Crone and Steensen Varming selected? Were they lowest bids after open tender, nominated by government or selected?
- Confidentiality – why?
- Sensitivity – by/for whom?

- Aspects: more like lack of aspects as the report only looks at 1 development option and this is predicated upon the destruction of the Powerhouse Museum and the move of its collection to Castle Hill in toto and, later relocation of less than 2% to public display on a flood prone over developed compromised site. at Parramatta.

1.2 Aim:

The aim is heavily compromised by the basic premise of Crone et al of 'development' (read developer) ie divestment ie sell off of the site.

The vision is very limited as little or no potential is identified for the Powerhouse Museum in Ultimo (estimated refurbishment \$150m not the \$540m nominated by the government nor \$250m in the Museum's 2014 Masterplan which was an ambit claim at a time when the other state cultural institutions ie SOH, AGNSW, Aus Mus etc sought funds in excess of half a billion.

The Powerhouse when it opened in 1988 had more vision and impact than proposed at Parramatta by this Government's culturally tragic 'vision.' The Powerhouse was a paradigm shift for museums whereas only a small element of the PHM collection would be required for a STEAM/Science Centre.

If future proofing means continued underfunding of maintenance and upgrades by government as necessary to plant and equipment (as has happened to existing plant and equipment to date) then it is hardly 'future-proof!' (see opening statement in this report)

1.3 Reference Material used in this SV report is heavily compromised by the use of massively flawed supporting documents used as references without qualification vis:

1. Backlog and Capitalised Maintenance Report:
Comment: its very name suggests:

Backlog – maintenance, repair and replacement have been deferred or delayed for both level of funding or staff reasons.

Capitalised – ie. accounted for and thus of little or no cost to the bottom line.

2. Business Case: See Dr Sharp's analysis of the 'BC'. The Government's Business Case is a document that has no valid data nor conclusions as a 'Business case' – that even used in any way to justify any 'move' or development of the Ultimo site is marginal at best ie.
 - Barely reaches 'break even' (1.0) using flawed data overly optimistic projections and modelling, doctored summaries of

surveys and no alternative options considered (a basic requirement for a 'business case'.

- Site massing plans are based only on moving and destroying heritage and award-winning museum buildings that are designed for a 100 year life - forever losing a major state owned cultural site in Sydney's CBD

1.4 Limitations: Asbestos: At the time of construction, 1980 – 1988, of the Powerhouse Museum and in any subsequent operation, the PHM was and is free of any asbestos! This is a desperate ploy on the part of the proponent to add risk when none is apparent. (See PWD NSW construction Ultimo PH asbestos study.)

2. Executive Summary

Under the heading Existing Electrical Services Conditions in the Steensen Varming report the author says that the majority of the major plant equipment, contradicted later in the report, is at, or near the end of its useful service life and will have to be replaced.

Given this is specifically because of the proposed **over development** of the site when sold, this would be true of any substation. (it is noted as being installed and owned by the energy supplier.) The Powerhouse Museum does not need to have the 'low voltage' systems replaced. This is only because 'low voltage' systems would not be adequate to serve the massive over development proposed by the Crone 'massing plan' for residential development on the Powerhouse Museum site.

This is an 'a priori' argument that ignores the 'chicken and egg' argument of the government and its underlying assumptions ie:

- Move the **PHM** to Parramatta – not possible – the **Powerhouse** only exists on the Ultimo Power House site. What this jargon really means is moving the collection at vast expense (\$1.2bn + all up) and high risk to storage at Castle Hill.
- Sell and overdevelop the Ultimo site
- Leave a token element of 'fashion' on 3-4,000m² on the site.
- A last desperate vote buying pork-barrel for Western Sydney government seats.

Given the basis of this SV report, of course you would replace the service infrastructure. Indeed the developers of any office or residential development in the CBD would remove all infra-structure - even when a building's structure is kept - all else is destroyed. (eg. the old Water Board building – Bathurst St, Sydney.

So this report argues 'ad hominem' for destruction, but not because as a museum the services infrastructure is other than poorly maintained and in need of some relatively minor low cost (**see NSW Infrastructure Recreation and Arts Baseline Report by PricewaterhouseCoopers Australia June 2012**) upgrades to maintenance procedures and electronic controls after 30 years regular 24 hour operation and intense public use (say 18,000,000 visitors to Ultimo)- most new office, commercial buildings have an economic life of 25 years – PHM was designed for a 100 year life!

The costs and replacements of the services infrastructure are based on the absurd proposition that any proposed future development of the Ultimo site – if it were part of a revitalised PHM (estimated cost \$150m) - would be affected by any proposed developments of the residual site eg coal bunker, forecourt, and Harwood building forecourt as office or residential or comparable cultural space would necessarily involve full replacement and high costs. These costs are and would be always included in the 'cost of development' and incorporated as service infrastructure in any stand alone development – as is normal when any addition is made to existing infrastructure.

Indeed the SV report alludes to the maintenance of the existing substation during any development '**- the original systems were well constructed**'... after 30 years "all other systems are somewhere between fair order and dilapidated.' This is a contradictory - meaningless statement! The PwC 2012 report says "**The average condition of the facilities of the Museum of Applied Arts and Sciences built assets and infrastructure were ranked as good with moderate deterioration.**' p35.

This SV report's 'Executive summary' is more an argument for over development of the site, not as a museum, but as a major site for sale to developers as office or residential where the existing services infrastructure is measured against a Crone 'plan' that, by definition, meets the government's 'thought bubble' for selling the site for development. Hence the subjective assessments that elements of the services infrastructure are for example: 'not arranged in a typical fashion', 'may not be suitable.....' are largely driven by the Government's proposals for 'future development planning.'

3.0 Museum and Building details:

NOTE: The report states that the combined Floor area of the PHM buildings is approximately **42,594 m²** (p13, 3.2) **which exceeds** government's smaller footprint at **Parramatta (Option 3) by over 20,000m²** thus refuting the government's claim that it is 'moving the PHM to Parramatta' and that it will be bigger than the Powerhouse Museum. (See att extract)

The report fails to mention that the full site development was awarded in 1988, the NSW Sulman Award (the highest award) and 2 major National awards and was a finalist in the Sir Zelman Cowen Award (See attached list)

Referred to in the SV report as 'two non-heritage elements', SV should know better than this lack of awareness of architectural significance (ex Sydney Opera House services engineering firm.)p 15

4.0 Existing Infrastructure Services:

I note that the **NSW Infrastructure Recreation and Arts Baseline Report by PricewaterhouseCoopers Australia June 2012** is not referred to as a source, yet this is a report commissioned by Infrastructure NSW, the government's expert body. As flagged in this 2012 PwC report,

'Recurrent maintenance funding for the cultural institutions has been significantly less than the overall 2.5% of built asset value across NSW Government and a backlog of maintenance has been identified.' p16

The bulk of this section of the SV report identifies normal maintenance and timely replacement of services and really only describes an institution that has been starved of proper funding and expert advice on infrastructure management.

Issues that should have been addressed in a timely manner; many necessary maintenance and replacement activities that have been either deferred (due to underfunding) or ignored due to ignorance, poor advice or incompetence factors which have led to a number of poorly maintained or outdated elements of a substantially well designed and capable engineering services system - eg updated sensors and controls ie digital instead of analogue – big deal!

It is surely true of most NSW cultural institutions over 30 years old that a similar report could be written identifying necessary maintenance, upgrades, (Note: AGNSW spent \$17m removing asbestos from their new major Bicentennial wing in the 1990s), deferred replacement etc. or worse if the absurd CRONE development were proposed at say the Art Gallery of New South Wales or the Australian Museum or the old MSB MCA or the Sydney Opera House.

Note: I assume the reference on p19 to the flooding of a substation is also true of Parramatta's flood-prone site which is in a situation of more extreme risk and location on a flood way (+\$\$\$\$). See Inquiry submission by Dr John Macintosh:

www.parliament.nsw.gov.au/lcdocs/submissions/59449/0174%20Dr%20John%20Macintosh.pdf

Summary Comment:

So much of the condition of equipment is described as poor but is further noted as GOOD....EXPERTLY MAINTAINED. This surely questions the general tenor of the whole report (See Appendix A Building Services 'Matrix' – (it is not a matrix – rather a list + comment).

The conclusions of this SV report do not justify 'moving the PHM to Parramatta but rather:

1. Expenditure over time for regular concurrent maintenance replacement and upgrading to existing services as recommended in **NSW Infrastructure Recreation and Arts Baseline Report by PricewaterhouseCoopers Australia June 2012**
2. Post rationalisation for a decision to move the PHM as an 'instruction' to bias the SV report towards a preferred – albeit preconceived government outcome – an over development plan (CRONE) that realises a developer windfall profit in Ultimo and, a consequent sub optimal development in Parramatta of a smaller museum on a flood prone site (again for super tower developer windfall profit) with smaller display footprints and volumes displaying less of the internationally renowned Powerhouse Museum Collection – a collection held in trust for the people of NSW.
3. The Baird and Berejiklian words were to 'move the Powerhouse Museum to Parramatta' NOT move a priceless collection out of safe, secure and accessible storage, at great risk, high cost, to crowded less accessible storage at Castle Hill – and build a smaller museum at a risky Parramatta site compromised by over development.
4. When Baird announced the project, he said the sale of the Powerhouse Museum's Ultimo site would pay for the new Parramatta cultural presence (site purchase and museum). Rubbish! \$200m now equals \$1.2bn +! From a banker no less!

Lionel Glendenning