

<https://www.smh.com.au/culture/art-and-design/minns-government-blunders-in-costing-of-powerhouse-museum-revamp-20240528-p5jhe6.html>

Government blunders in published costing of Powerhouse Museum revamp

By [Linda Morris](#)

May 30, 2024 — 4.24pm

The NSW government has been forced to deny its redevelopment of the Powerhouse Museum at Ultimo faces a multimillion-dollar funding shortfall after withdrawing an “erroneous” independent costing which showed the revamp would cost \$50 million more than budgeted.

Infrastructure NSW (INSW) says a \$350 million costing published to secure planning approval was inaccurate and published in error.



Renders of the new look Powerhouse Museum at Ultimo.

CREDIT: DURBACH BLOCK JAGGERS ARCHITECTS AND ARCHITECTUS

The costing was contained in a spreadsheet document appendix to reports prepared for the agency’s application for the project’s state significance status.

The disclosure came on the final day that public submissions were due for the Powerhouse Museum at Ultimo, and prompted calls for the process to be restarted.

Several sources close to the project but not authorised to comment confirmed to *The Sydney Morning Herald* that the agency was actively pursuing design savings, in a process known as value engineering, to rein in the budget. Expressions of interest for the project were called from NSW major builders only this week.

Australia's flagship science and technology museum controversially closed its doors in February ahead of the redevelopment, which is expected to be complete by 2027.

INSW is seeking permission to demolish the forecourt of the Powerhouse Museum at Ultimo for a new library, learning centre and courtyard, and to strip out modern internal additions made to the museum.

Its plans call for the removal of ramps, stairs, and mezzanines used for smaller-scale exhibitions, education spaces or visitor viewpoints to reveal original heritage features and the facade of its historic buildings. The budget was unchanged at \$297 million, it said.

Greens MP Kobi Shetty said the planning process had descended into chaos and confusion.

"The Powerhouse Museum is part of Sydney's cultural fabric, with families returning time and again to enjoy its world-class science and technology exhibitions," she said.

"It's extremely disappointing that Labor has failed to listen to the community. On top of that, they are now offering only chaos and confusion when it comes to funding the restoration, when what we need is certainty."

Labor has committed \$250 million to the project with a further \$50 million to be raised from philanthropy and corporate sponsorship.

Slattery Australia had estimated the costs to be \$350.4 million, based on the building's footprint and materials and plans the firm had received in March, which covered 85 per cent of the cost of the substructure, superstructure, envelope, finishes, fitments, services, and external work.

It did not include GST, the costs of the museum's new fitout or the removal of collection objects ahead of demolition works. Separately, the firm had [costed the project](#) at close to \$300 million.

The \$350 million figure was used to whip up community opposition to the revamp in print advertising last weekend.

Some \$22 million of the government's \$250 million budget has been already spent on early design and engineering reports for a project reduced in scale by the incoming Arts Minister John Graham.

Former Powerhouse Museum director Lindsay Sharpe said the planning process needed to be restarted. “Where is the business case to justify the expenditure?” he said. “The government breaks its own cost/benefit rules and its undertakings of public transparency.”

A spokesperson for INSW said the total budget for the Powerhouse Ultimo heritage revitalisation was \$300 million, with a \$250 million commitment from the NSW government and a \$50 million philanthropy target from the Powerhouse Museum.

“It will deliver world-class, flexible exhibition spaces to accommodate international exhibitions and increase access to the Powerhouse Collection, reorient the museum’s main entrance and create a major new public domain connected to the Goods Line.

“The designs outlined in the State Significant Development Application reflect the project budget.”

The error is to be corrected in the response to public submissions.

It was standard practice for “value engineering” to occur through the design of any major infrastructure project, they said.

RELATED ARTICLE



[‘Quality space’: New look for Powerhouse Museum at Ultimo revealed](#)