Considertial Filing.

GOVERNMENT BUILDINGS

October 1987

The Albert Memorial.

Referred to	Date	Referred to	Date	Referred to	Date	Referred to	Date
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CONTRACTOR STATE

Jill Rutter
PS/The Rt Hon John Major MP
Chief Secretary
HM Treasury
Parliament Street
LONDON
SW1

2 MARSHAM STREET LONDON SWIP 3EB 01-212 3434

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My ref:

Your ref:

2 December 1987

Dear Jill

THE ALBERT MEMORIAL

In his letter of 16 November to my Secretary of State, the Chief Secretary suggested that officials should agree as quickly as possible, arrangements for handling the repair and restoration of the Albert Memorial. With your letter of 18 November you sent a revised draft of the arranged PQ to announce the proposals.

My Secretary of State will make the announcement tomorrow in answer to a PQ put down by Patrick Cormack. The attached draft answer has been agreed with Treasury officials. My Secretary of State has now agreed the broad arrangements for handling the project on the lines suggested by the Chief Secretary, with the Parks and Palaces organisation in DOE advising the Secretary of State on his client responsibilities. Our officials are discussing with yours the details of the arrangements, including those for financial control. Officials have agreed that the aim will be to move to a repayment basis when the restoration works begin, which we would not expect to be before 1 April 1989.

That, I think, only leaves one other issue. The Chief Secretary said that he would expect the costs of restoration to be kept within our existing PES baseline. We expect the cost of any work arising this year and in 1988/89 to be containable within the baseline. But it is too early to say what the position will be after then. As you know, my Secretary of State has offered to seek private sector finance to meet some of the costs, but that has been rejected. He must therefore reserve his position to make a bid for additional provision during the next survey.

/ I am copying this letter to David Norgrove at No.10, Mike Eland (Lord President's Office) and Trevor Woolley (Cabinet Office).

DEBORAH LAMB

Private Secretary



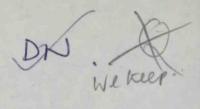
- Q. Mr Patrick Cormack (South Staffordshire): To ask the Secretary of State for the Environment, what plans he has to restore the Albert Memorial; and if he will make a statement.
- A. The Memorial is now over a hundred years old. Water penetration has caused corrosion which has weakened the iron structure of the roof and spire. Below the roof level the structure of the Memorial is generally sound but many of the sculptures and other decorations have been damaged or are badly weathered.

The Government therefore intends that the Memorial should be repaired and restored. Costs will of course have to be contained within acceptable levels. I shall be seeking further expert advice on the feasibility and cost of alternative options before deciding on how to proceed.

I am arranging for an engineer's report on the condition of the ironwork in the roof and spire to be placed in the Library.

GOLT. BUIDINGS:...
ALREET MEMORIAL
10/17





Treasury Chambers, Parliament Street, SWIP 3AG

Robin Young Esq
Private Secretary to the
Secretary of State for the Environment
Department of Environment
2 Marsham Street
London
SW1P 3EB

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18 November 1987

Dea Dorin,

THE ALBERT MEMORIAL

I am afraid that we omitted to attach the Chief Secretary's redraft of the arranged PQ to the Chief Secretary's letter to your Secretary of State of 16 November. I attach the PQ and answer as revised by the Chief Secretary.

I am copying this to David Norgrove at No. 10, Mike Eland (Lord President's Office) and to Trevor Woolley (Cabinet Office).

Yours,

din

JILL RUTTER Private Secretary

PRAFT ARRANGED PQ (as amended by Chief Secretary)

- Q. To ask Her Majesty's Government whether they will restore the Albert Memorial.
- A. The Memorial is now over a hundred years old. Water penetration has caused corrosion which has weakened the iron structure of the roof and spire. Below the roof level the structure of the Memorial is generally sound but many of the sculptures and other decorations have been damaged or are badly weathered.

The Government therefore intends that the Memorial should be repaired and restored, subject to costs being containable within acceptable levels. My Rt Hon Friend the Secretary of State for the Environment will be seeking expert advice on the feasibility and cost of alternative options before deciding on further action.

I am arranging for an engineer's report on the condition of the iron work in the roof and spire to be placed in the Library.





nopm

Treasury Chambers, Parliament Street, SWIP 3AG

The Rt Hon Nicholas Ridley AMICE MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SWIP 3EB

Jear Nick,

6 November 1987

THE ALBERT MEMORIAL

Thank you for your letter of 9 November.

I recognise the pressure you are under to make the Government's position clear. But I think any statement needs to be more cautious about the need for any eventual restoration work to be subject to the containment of costs. Before we have received expert advice, there is no certainty about which options will prove feasible or their cost. And while I would of course expect that the costs of this should be kept within your existing PES baselines through reallocation of priorities, as I understand it neither DOE nor PSA have any earmarked provision for restoration within their PES baselines at present.

I am also concerned about the management arrangements you propose. The arrangements we have agreed for major capital projects require a clear separation of client and project sponsor responsibilities from those of project manager, with the client retaining financial responsibility. Your own proposals would contradict this: they would combine the roles of client and project manager within PSA, but with no separate project sponsor, and they would not give PSA the necessary financial responsibility, since I understand that PSA are not planning to make their own funds available for the work. As such, the arrangements could substantially increase the risks of cost overruns,

on what could already prove an expensive project. They also appear inconsistent with our plans for redefining the role and accounting arrangements of PSA. Nor do they sit well with the proposals for establishing the management of the Parks and Palaces as a separate agency within Government, with increased financial responsibility, or with the arrangements which our officials are separately discussing for strengthening the Parks and Palaces' management's client responsibility more generally in relation to capital projects.

For all these reasons I think a greatly preferable arrangement would be for DOE's Parks and Palaces organisation to take the client responsibility, funding PSA's work, including the preliminary feasibility studies, on a payment basis. I think we need to get these arrangements properly in place right from the start. I suggest our officials should be asked jointly to work up the detailed arrangements as quickly as possible.

Subject to your agreement to this, I am content that the announcement should be made, as I have amended it, and for work to proceed on the feasibility study. As a novel project, and therefore outside normal delegated authorities, I would want my officials to be kept fully in touch with progress, with their approval being sought before any commitment to work was made going beyond the feasibility study.

I am copying this letter to the Prime Minister, Willie Whitelaw and Sir Robert Armstrong.

JOHN MAJOR



SIG



The Rt Hon John Major MP Chief Secretary HM Treasury Parliament Street LONDON SW1 2 MARSHAM STREET LONDON SW1P 3EB 01-212 3434

My ref:

nopm

Your ref:

Q November 1987

Dear Hom

THE ALBERT MEMORIAL

Thank you for your letter of 5 october commenting on my proposals for dealing with the Albert Memorial. I have also seen the Prime Minister's comments conveyed in Mr Bearpark's letter of 30 September and I accept her point that we should not seek private finance for the restoration.

I agree with you that we should not commit the Government publicly to meeting the costs of full restoration until we have seen the cheaper estimates. We are, however, under heavy and continuing criticism for not making our position clear and now that a decision in principle to restore the Memorial has been taken we should say so as soon as possible. I propose therefore to arrange a PQ for John Belstead to answer in the Lords next week, in terms of the attached draft.

You were also concerned about the arrangements for managing the project. I have considered carefully your suggestion that it might be handled by a private sector competitor, rather than PSA, in line with the arrangements we have agreed for untying major capital projects. The nature of the task here is, however, quite different from building a new capital facility to meet a client's clear operational requirement. We are still at the investigative stage when we need to seek the very best advice available before deciding on precisely what is to be done. We will need to keep this firmly in our own hands, bringing in the expert consultants needed to take forward a project of this complexity. I have accordingly asked the Chief Executive of the Property Services Agency to take charge of the project, and to appoint a project manager who will be clearly responsible through him to Ministers for all aspects of the project, mentage value for money optimes

I am copying this letter to the Prime Minister and to the Lord President .

NICHOLAS RIDLEY mule

GOT BUILDINGS.

DRAFT ARRANGED PQ

- Q. To ask Her Majesty's Government whether they will restore the Albert Memorial.
- A. The Memorial is now over a hundred years old. Water penetration has caused corrosion which has weakened the iron structure of the roof and spire. below the roof level the structure of the Memorial is generally sound but many of the sculptures and other decorations have been damaged or are badly weathered.

The Government has rejected possible solutions involving complete or partial demolition of the Memorial and have decided that the Memorial should be repaired and restored. Precise details of the restoration have not yet been decided. My rt hon friend the Secretary of State for the Environment has asked the PSA to take charge of the project and to report to him, including the expert advice they receive on the most cost effective method of restoration.

I am arranging for an engineer's report on the condition of the ironwork in the roof and spire to be placed in the Library.

Cott sudnes:





Treasury Chambers, Parliament Street, SWIP 3AG

The Rt Hon Nicholas Ridley MP Secretary of State for the Environment Department of the Environment 2 Marsham Street London SW1P 3EB

5 October 1987

Dear Secretary of State,

THE ALBERT MEMORIAL

Thank you for sending me a copy of your letter of 28 September to Willie Whitelaw. I have also seen the Prime Minister's reaction.

I share the Prime Minister's concern with the high estimates of restoration. For this reason I think it would be wrong for the Government to commit itself publicly to meeting the full costs of restoration until we are clear what cheaper estimates might be available and whether the costs can be afforded.

I also think it important that for a large-scale project like this there is a clear client Department with financial responsibility and an identified individual as project sponsor. In this case I suggest that the client Department should be DOE (Central); with PSA, or a private sector competitor, employed by DOE on a full payment basis according to whichever was likely, in DOE's view, to provide the best value for money. These arrangements would be consistent with those we have agreed for other major capital projects.

My officials can discuss with yours further details on these points. I suggest we should aim to sort them out before a public statement is made.

I am copying this letter to the Prime Minister, other members of H Committee, Richard Luce and Sir Robert Armstrong.

Your sincerely, Vinluter pp JOHN MAJOR

(Approved by The Chief Secretary and signed inhis absence).

ALBERT MEMORINE ()



10 DOWNING STREET

LONDON SW1A 2AA

LPO PSO.

LCO. DHSS

HO COL

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WO CA, HIMT

DIEMP COM

ONL

30 September 1987

BG.

From the Private Secretary

THE ALBERT MEMORIAL

The Prime Minister has seen your Secretary of State's letter of 28 September to the Lord President.

She has noted that the restoration of the Albert Memorial is to be the responsibility of the Government and does not think we should try to get private sector assistance for this work - she feels that such assistance is likely to be needed for other things such as the V&A. The Prime Minister has also expressed surprise that the preliminary estimate for full restoration is between £6m. and £7m. She has noted that the PSA is exploring the possibility of using cheaper methods of materials, and would hope that the final bill will be substantially less than this.

I am copying this to the Private Secretaries to the other members of H committee and to Eleanor Goodison (Minister for the Arts' office) and Trevor Woolley (Cabinet Office).

P.A. Bearpark

Alan Ring Esq Department of the Environment.

Prime Mister 2

2 MARSHAM STREET LONDON SWIP 3EB 01-212 3434

The Rt Hon The Viscount Whitelaw CH MC Lord President of the Council Privy Council Office

Whitehall

LONDON SWI

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THE ALBERT MEMORIAL

You may like to know about proposals I am considering for the future of the Albert Memorial.

The Memorial has been in the Government's care since it was built in 1872. It is now in a dangerous condition. Parts of the decorations are falling off and the iron core of the spire has corroded to the point where there is a risk of it collapsing. Though some of the problems are due to inadequate maintenance in the past others reflect the fact that parts of the structure have reached the end of their effective life. Hoardings have been put up around the base to keep the public away from falling pieces of masonry and metalwork.

Because of the possibility of collapse I have instructed the Property Services Agency to put in hand immediately plans to deal with the short term risk. This is likely to involve erecting scaffolding around the Memorial and removing the lead cladding to the spire. That will reduce by about half the dead weight on the iron beams supporting the spire and thereby much reduce the risk of collapse.

Though there is a theoretical option of dealing with the problems by dismantling and removing the Memorial, our responsibility to the national heritage and the certain public outcry against us would rule that out. The Memorial will have to be restored in its essential parts. Preliminary estimates are that full restoration would cost between £6 million and £7 million. But I have asked the PSA to explore the possibility of using modern materials and techniques where they would be cheaper and durable and could be used closely to reproduce the original form. Much of the metal, glass and ceramic decorations are high up on the Memorial and the detail is invisible from the ground. Where full restoration or exact replication would be very expensive we may need to look at the possibility of leaving some of it off or using a cheaper method to give a similar visual effect. It would be prohibitively expensive to regild all the parts which were originally gilded.

Most of the original cost of building the Memorial was raised by public subscription after an appeal by the Lord Mayor of London. I propose to explore the prospects for attracting some private finance to meet part of the cost of restoring it. That could be

either by firms or individuals directly sponsoring the work or by a public appeal for funds organised by an independent body. In the latter case we may to need help find a suitable executive chairman for an appeal committee. The appeal might be launched on the basis that the Government would meet the essential cost of restoring the structure of the Memorial but that the extent and degree to which all the detailed decoration was restored would depend on the result of the appeal. There has already been some media interest in the plight of the Memorial and it is likely to grow. When the soundings about the prospects of attracting private finance have been completed and before the scaffolding is erected I shall make a statement about the options being considered. I will keep you and other members of H Committee, to whom this is copied, informed at that stage. I am also copying this to the Prime Minister, Sir Robert Armstrong and Richard Luce. NICHOLAS RIDLEY



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