



PRIME MINISTER

RICHMOND YARD/BRIDGE STREET SITE

I have seen a copy of Michael Heseltine's minute to you of 22 July about the redevelopment of the Richmond Terrace/Bridge Street site. His proposals fall into three parts and I deal with them in turn.

2. First, Richmond Terrace. I accept that if this building is to be developed it can be done most cheaply by using public funds. The feasibility study that has been carried out, shows that private finance would only be available if the building were built to standards well above those suitable for Government accommodation. Michael has entered a bid for the additional funds in the public expenditure survey. A substantial part of the extra cost which falls within the survey period can be met by offsetting savings elsewhere on the PSA programme. I am content that we should discuss the additional funds required in the context of our autumn discussion. But given the difficult prospects for the survey it is very doubtful whether additional money could be made available for this purpose and I would hope that Michael would be able to find the difference from within his existing programme.

3. Second, phase 1 of Bridge Street. Again, I accept that if this development is to take place it could be done most cheaply by public funds. But we have seen no details of this proposal and it will need to be discussed further between officials. Again, I would hope that Michael would be able to find the cost of this project from within his existing allocation.

4. Last, the second phase of Bridge Street. Michael proposes that the remainder of this site should be used for private sector development at a cost of £85 million. Before agreeing that he should explore the possibility of private sector finance for this development, I think we should have further information about the likely split of usage as between Parliament and the private sector. If it appeared that the demands of Parliament on this accommodation were likely to be substantial, then it must be doubtful whether private finance would provide the most cost effective means of development. If on the other hand usage were predominantly private sector, then other options such as outright sale of the site might also be considered. It would be helpful if our officials could discuss this further before any approach is made to private sector developers.

5. Until these outstanding points are resolved I do not think a public statement should be made.

6. I am sending a copy of this minute to members of E Committee, the Lord President, Chief Whip and Sir Robert Armstrong.

L.B.

LEON BRITTAN
29 July 1982



Court Bldgs 2

DEPARTMENT OF THE ENVIRONMENT
2 MARSHAM STREET LONDON SW1P 3EB
01-212 3434

My ref: H/PSO/16257/82

Your ref:

30 SEP 82

MS

Prime Minister

De Hon

JB
1/10

Thank you for sending me a copy of your minute of 18 September to the Prime Minister. I agree that it would be right for the House to debate our proposals for the redevelopment of the Bridge Street site.

My officials have had preliminary discussions with the two firms of consultants so far concerned and I expect a draft brief for Phase 1 - refurbishment of the accommodation between Parliament Street and Cannon Row - to be available to the Accommodation and Administration Sub-Committee by the end of November. The exact timing of the debate will have to be decided in light of their response to the proposals.

So far as Phase 2 is concerned the consultants will probably take longer to produce their report on the likely availability of private funds and I agree that it would best be handled in the way you suggest - in the first instance by Government evidence to the Accommodation and Administration Sub-Committee of the Service Committee.

A copy of this letter goes to recipients of yours.

Yes
MS

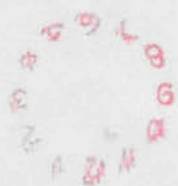
 A handwritten signature in dark ink, appearing to read "Michael Heseltine".

MICHAEL HESELTINE

Gov Buildings

Broad Sanctuary

oct 79



1 OCT 1982



Sar Bridges
Prime Minister (2)

To note

MUS 8/9

MS

PRIME MINISTER

RICHMOND YARD/BRIDGE STREET SITE

Michael Heseltine made a public announcement on 12 August about the Government's intentions with regard to Richmond Terrace and the future development of the Bridge Street site for Parliamentary purposes.

I am sure that this recognition of the need to provide more accommodation for Members on the Bridge Street site will be generally welcome on all sides of the House.

It seems likely, however, that when the House returns there will be a need for further clarification about the Government's proposals, and that Members will want an opportunity to express their views before development work is actually put in hand. I would accordingly envisage that there will in due course be a need for a debate in the House during which it will be possible for the Government's proposals on Bridge Street, particularly with regard to the availability of public funds, to be given in more detail. So far as the proposed first phase of the Casson development is concerned, these proposals could take account of the outcome of the planning work which Michael has now put in hand.

Cont ../...

As Leon Brittan points out in his minute of 29 July, it would not seem practicable for any substantive decisions to be taken about the proposed second phase of the Bridge Street development until more is known about the terms on which private sector capital might be forthcoming and whether these terms would be likely to be generally acceptable to the House. I would suggest that this aspect might best be pursued in the first instance by Government evidence to the enquiry being undertaken into this question by the Accommodation and Administration Sub-Committee of the Services Committee.

I am copying this to members of E Committee, the Chief Whip and Sir Robert Armstrong.

W. J. B.

W. J. B.

8 September 1982



Govt Bldegs 2

2 MARSHAM STREET
LONDON SW1P 3EB

My ref:

Your ref:

11 August 1982

MS

Dear Tim,

Prime Minister

JF

In your letter of 2 August to David Edmonds, you conveyed the Prime Minister's agreement to my Secretary of State's proposals for the redevelopment of the Richmond Yard and Bridge Street sites, subject to the resolution of certain outstanding points with the Chief Secretary. The Prime Minister hoped that an announcement could be made as soon as possible.

My Secretary of State, with the agreement of the Chief Secretary, now proposes to make this announcement tomorrow. I attach a copy of the draft press notice, the terms of which have also of course been cleared with the Chief Secretary.

yours

Helen Ghosh

MRS H F GHOSH
Private Secretary

Tim Flesher Esq

DRAFT PRESS NOTICE

The Secretary of State for the Environment, Michael Heseltine, today announced a series of Government proposals for the development of the site lying between Richmond Terrace, Whitehall, Bridge Street and the Victoria Embankment in London.

Further remedial work to the Georgian facade of the buildings fronting Richmond Terrace will be set in hand in September; and the main development of the site immediately behind to provide Government offices on the lines of the scheme prepared by Mr William Whitfield, will begin next year. The adjacent property facing onto Parliament Street and running down to Derby Gate will also be renovated and adapted as part of the same scheme.

Mr Heseltine also announced that Cassan Conder & Partners are being commissioned to prepare detailed plans for the restoration of the remaining buildings facing Parliament Street between Derby Gate and Parliament Square, including the restoration to its original appearance of the building on the corner of Parliament Square which was drastically altered in the 1930s. These restored buildings will provide much needed additional accommodation for Members of Parliament and their staff. The decision follows a recommendation by the Services Committee of the House of Commons, that the building should be restored for parliamentary use. Progress beyond the policy stage will be subject to the acceptability of the detailed plans and their cost. The Government have accepted a further recommendation by the Services Committee that the possibility should be explored of developing the remainder of the Bridge Street site in conjunction with appropriate private sector interests, for a mixture of parliamentary and commercial uses.

Note for Editors (To include a brief commentary on the past history of the Richmond Terrace scheme and the new Parliamentary building; plus possibly the offer to include a sight of a sketch showing in particular what the restored building on the corner of Parliament Street would look like.)

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DTde DES
DTrans HMT
CS-HMT FCO
CDL LPS
DEng HO
DEmp
MAFF



10 DOWNING STREET

JK
Govt Building

From the Private Secretary

2 August 1982

Dear David,

The Prime Minister has now seen your Secretary of State's minute of 22 July about the Richmond Yard/Bridge Street site. She has also seen the minutes by the Chief Secretary (29 July) and the Foreign Secretary (30 July) on the same subject. The Prime Minister agrees with Mr. Heseltine that we should proceed with office development for Government purposes for the Richmond Terrace site and notes that the provision of the funds necessary can be discussed in the context of the autumn public expenditure round. She also agrees that phase 1 of the Bridge Street site should be along the lines proposed by Mr. Heseltine; no doubt this will be discussed between the Department of the Environment and the Treasury as necessary. The Prime Minister further agrees in principle to Mr. Heseltine's proposal that phase 2 of the Bridge Street development should be carried out by the private sector, subject to the caveats set out by the Chief Secretary. If at all possible, however, she wishes to go ahead with private sector development which could both relieve the Government of some public expenditure and produce a worth-while development as, for example, in the Westminster Cathedral area, provided that planning and architectural implications were closely watched. Subject to the necessary consultations at official level, the Prime Minister would like to make as early as possible a statement of the Government's intentions.

I am copying this letter to Private Secretaries to members of E Committee, to Nick Huxtable (Lord President's Office), Murdo Maclean (Chief Whip's Office) and Richard Hatfield (Cabinet Office).

Yours ever,

Tim Sainsbury

David Edmonds, Esq.,
Department of the Environment.

Sup

PRIME MINISTER

Richmond Terrace/Bridge Street site

Attached are minutes from the Secretary of State for the Environment (Flag A) and the Chief Secretary (Flag B) about the future use of the Richmond Terrace and Bridge Street site.

Richmond Terrace

Broadly Mr. Heseltine proposes the use of Richmond Terrace for Government offices at a cost of £22 million. The Foreign Secretary supports this (Flag C) and the Chief Secretary accepts that this would be the most economical use. You will recall indicating in response to Mr. Mount's note about London University that it might be possible to use Richmond Terrace to house the staff of Inland Revenue and the Lord Chancellor's office who might be dispersed from Somerset House by moving part of Kings College there. Mr. Heseltine's minute is clearly compatible with that and Mr. Mount supports Mr. Heseltine's proposals. The Chief Secretary proposes that discussions on the expenditure involved should proceed in the context of the Autumn discussions, but as a sighting shot proposes that the cost be found from ~~those~~ existing allocations.

Do you agree therefore that Mr. Heseltine should be given agreement in principle to proceed with his plans for Richmond Terrace subject to the Chief Secretary's caveats?

Bridge Street

Mr. Heseltine suggests a two-phase development (as proposed by Sir Hugh Casson), the first to conserve and adapt the property facing Parliament Street to provide accommodation for about 100 MPs and second to explore the possibility of private development of the site fronting Bridge Street and the Embankment. The Foreign Secretary agrees and the Chief Secretary favours at least phase one in principle. The Chief Secretary however has greater reservations about the proposed phase two and would prefer further

/ discussions

discussions at official level before any announcement is made.
Mr. Mount too is less happy about the Bridge Street proposals.
Do you agree that Mr. Heseltine and Mr. Brittan should be invited
to discuss the Bridge Street site further?

- Yes - but!

and to agree with Richard Heseltine -

Prudi's notes developments for that site would

relieve some of expenditure 

and could improve the present position enormously

We shall have to watch the planning permission
conclusions.

N.B. Prudi's notes development
did wonders for the Westminster
Collected area. not

30 July 1982



PM/82/68

PRIME MINISTER

The Richmond Yard/Bridge Street Sites

1. I have seen Michael Heseltine's minute to you of 22 July ^{with DF?} in which he asks colleagues to agree that the Richmond Terrace and Bridge Street sites should be redeveloped. I agree that it is time to end the prolonged indecision and uncertainty and endorse Michael's view that the Richmond Terrace project should be revived and the offices used for Government purposes.
2. I was left in no doubt when Leader of the House of the strong interest among Members in the reconstruction of the Bridge Street site to provide facilities for MPs. The pressure for this was evident in the recent report of the Services Committee. I therefore support Michael's proposal that the redevelopment work should be started and carried out in two stages.
3. I am copying this minute to Members of E Committee, The Lord President, the Chief Whip and Sir Robert Armstrong.


(FRANCIS PYM)

Foreign and Commonwealth Office

30 July, 1982

30 JUL 1982



010



Prime Minister

22 July 1982

THE RICHMOND YARD/BRIDGE STREET SITE

We have a unique opportunity to bring to completion the work of restoration and renovation in Westminster, which has already attracted favourable comment. The Church authorities are far advanced with the restoration of Westminster Abbey; work at the Palace of Westminster itself is under way; the Conference Centre at Broad Sanctuary is being built on a site which successive Governments left unused for over 30 years. The Middlesex Guildhall has been restored.

What remains to be tackled is the site bordered by Richmond Terrace, Parliament Street, the Embankment and Bridge Street. I attach a plan of it.

A number of options are open to us, and I set them out below. I hope that colleagues will agree to the proposals I now make to bring to an end a period of indecision and uncertainty which stretches back nearly 20 years.

RICHMOND TERRACE

For 2 years the facade of Richmond Terrace has remained wrapped in plastic sheeting since we demolished the rear of the building in preparation for the redevelopment recommended by the Willis Committee and agreed by our predecessors in 1972.

I cannot allow the facade (which is graded II*) further to deteriorate, particularly after the trouble we have taken to remove and preserve the internal fittings and to underpin the foundations. As it is, I have now had to put in hand further measures to stabilise the structure, on the advice of consultant structural engineers.

I do not accept that we can simply do nothing. The choice before me rests therefore between selling the site for private sector development for offices or developing it, as had been the plan, for Government use.

I do not believe that a private sector development, close to the Ministry of Defence and in the heart of Whitehall would make sense. There are a number of Government Ministers and Departments seeking space in or near Whitehall. Accommodating them in a restored Richmond Terrace would enable me to give up valuable and expensive space elsewhere, more than offsetting the cost of the redevelopment.

Plans for the site have been prepared in detail by Mr William Whitfield, and endorsed by the planning authorities and the Royal Fine Art Commission. For my part, I would wish to make some changes in the detail, but this would not affect the main proposal for the scheme.

I therefore propose that I should proceed with office development for Government purposes. The cost of the project is £22m, spread over 4 or 5 years from 1983/4. I will have to ask the Chief Secretary for the necessary addition to my public expenditure provision (I already have a bid in PESC) but the impact on public expenditure as a whole would be very small and mostly outside the present PESC forecasts.

23 July 1982

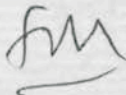
MR FLESHER

SOMERSET HOUSE AND RICHMOND TERRACE

It would indeed be a happy solution if the Inland Revenue and Lord Chancellor's staff could be moved into the new offices behind the facade of Richmond Terrace. It strikes me that they would be more conveniently situated there in any case.

I agree with Michael Heseltine that the development behind the facade of Richmond Terrace should go ahead as soon as we can afford it. The Services Committee produced what seems to me an extremely unpersuasive report and I am happy neither about the role of Sir Hugh Casson as adviser to the Committee nor about the plans he came up with. However, the development of this with private money for private purposes would at least ensure that there was no cost to the Exchequer. But Palace Chambers, St Stephen's Club and the other buildings, although architecturally undistinguished in themselves, do form a pleasant late-Victorian ensemble which is part of the atmosphere of Parliament Square.

FERDINAND MOUNT



BRIDGE STREET

For 20 years one gradiose scheme after another for the redevelopment of this site has been rejected. It continues to deteriorate and much of it is now derelict. The latest proposal from Sir Hugh Casson provides for a comprehensive redevelopment in 2 major parts. The first is to conserve and adapt the property facing Parliament Street. This will provide much needed accommodation for 100 MPs and help to relieve some of the great pressure on space within the Palace of Westminster. The proposals therefore have the strong support of the Services Committee and of a growing body of opinion among Members (I have recently had a letter from Edward Du Cann and John Silkin about it). This part of the work will cost £15m spread over 4 years. I would hope to find most of this from my present public expenditure provision, assuming that this remains broadly at the same level in the years beyond the current PESC period and I will discuss with the Chief Secretary the provision of the balance.

The second phase of development, which might cost some £85m at current prices, relates to the site fronting Bridge Street and the Embankment. I have discussed this also with the Services Committee who would be content to see it used for private sector development on the lines of Sir Hugh Casson's plans, provided we can agree suitable terms which would allow Parliament to acquire space in the development either by leasing or purchase as need be, at a future date. I would need to explore the feasibility of such an approach with private sector developers and will do so if colleagues are content. I am convinced that we cannot allow the building simply to deteriorate further and there is no early prospect of public funds for this work.

CONCLUSION

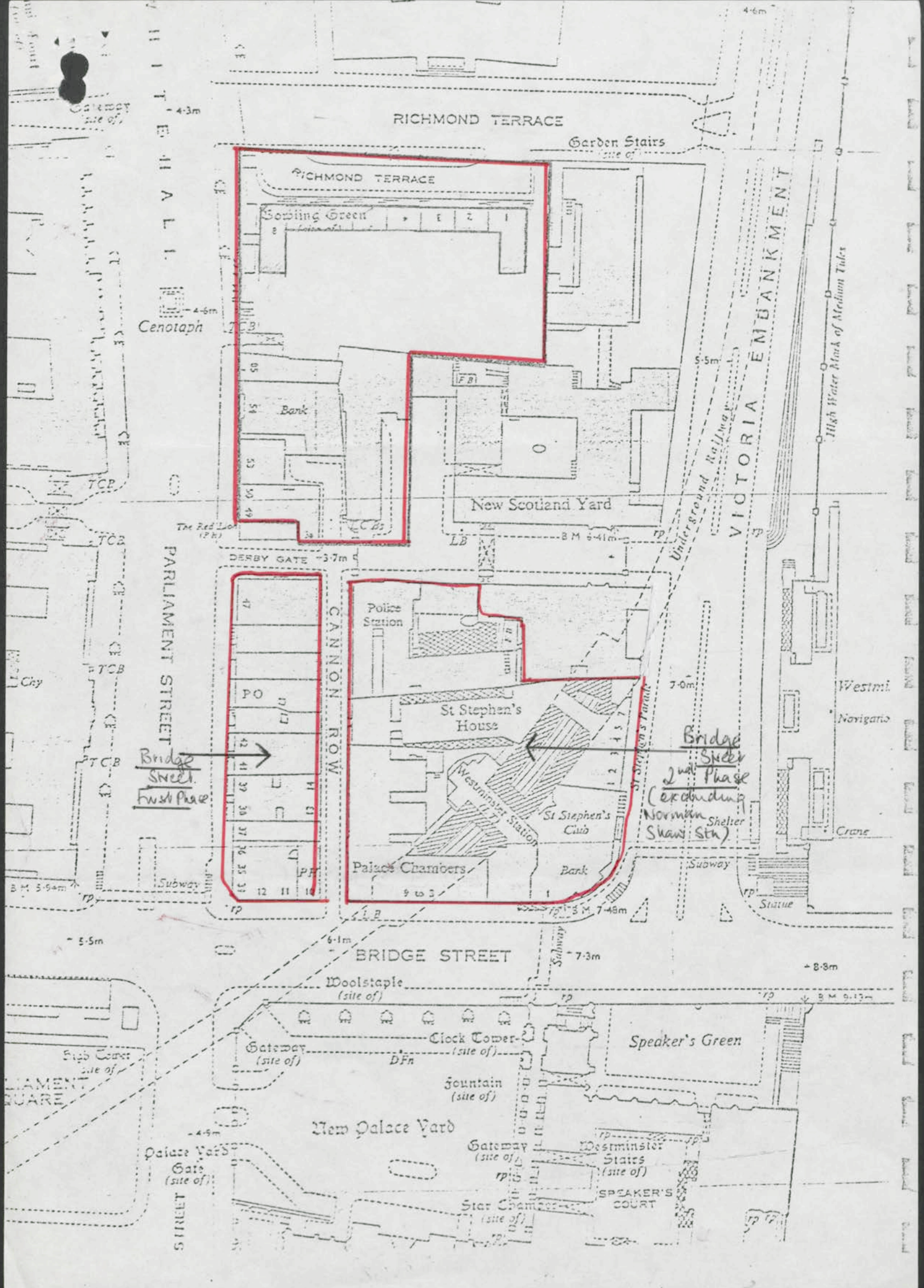
We now have a unique opportunity to develop the Richmond Yard and Bridge Street sites sympathetically and comprehensively; to put them to most effective use and to resolve years of indecision, at a reasonable price using public and private funds for the different elements sensibly in combination. Together with other related work within and around the Palace of Westminster, all this will add up to a significant achievement of which we can be justly proud. I hope therefore that I may have your and colleagues' support to proceed on the lines I have proposed.

I would like to make an early statement of our intentions.

I am sending a copy of this minute to members of E Committee, the Lord President, the Chief Whip, and to Sir Robert Armstrong.

MH

MH





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7 8 9
4 3 2

22 JUL 1982

