

PRIME MINISTER

THE THYSSEN COLLECTION

You may like to see, over the weekend, Sir Robin Butler's draft minute for the Meeting of Ministers on Wednesday about the Thyssen collection (Flag A). His draft covers a note, (Flag B) which sets out the details of the arrangements so far envisaged for acquiring the collection. Also attached is the agreement signed between the Baron and the Spanish Minister of Culture (Flag C).

N. L. W.

N. L. WICKS

6 May 1988

SLHAWA

DRAFT MINUTE FROM FERB TO PRIME MINISTER

The Thyssen Collection

An informal group of Ministers is to meet under your chairmanship on Wednesday 10 May to discuss our proposal to the Thyssen Trust for the acquisition of the Thyssen collection for permanent exhibition in this country. As a basis for that meeting I attach a draft proposal with two annexes, the first covering heads of agreement and the second sites for the exhibition. This has been prepared by an Official Group under my chairmanship comprising the Treasury, Department of the Environment, Office of Arts and Libraries and the Treasury Solicitor. The draft agreement draws on the work done by an informal group set up by the Minister for the Arts under Mr Peter Palumbo and have been discussed informally with Mr Jacob Rothschild and the Director of the National Gallery.

2. The following paragraphs draw out the main points for Ministerial decision.

The Agreement

3. The Agreement provides for the British Government to spend up to £120 million on acquiring the B and C pictures of the collection, which would be vested in a new trust to which the A pictures would also be made over in perpetuity for exhibition in this country. The agreement also provides that the British Government should provide up to £38 million for the construction costs of a gallery and £5 million per year for its maintenance and running costs.

4. It is thought that Baron Thyssen might want the Thyssen family to retain control of the trust by having the right to nominate the majority of the trustees. We do not think this is acceptable. The agreement therefore provides for [5 trustees to be appointed by Thyssen interests in addition to the Baron for as long as he wished to be Chairman, and 7 by the British Government].

5. The draft agreement provides that the trust should be set up by the end of this year and that the pictures should then be vested in it. The trust could then appoint a director and provide the

building within the cost limit imposed by the Government.

6. The draft agreement also provides that, while negotiations are in progress, no other negotiations will take place with any other Government or interested party. Counsel's advice is being sought on whether the agreement signed by Baron Thyssen with the Spanish Government is binding. [It is hoped to have this advice by the time of the Ministerial meeting]

Sites

7. Annex B to the draft agreement offers three sites, reflecting the preliminary discussion with Baron Thyssen - Canary Wharf, The Grange near Winchester and Centenary Square, Birmingham. It is thought that all could be available by 1991. The developer of Canary Wharf would make the site available free of charge and would be prepared to contribute to the cost of the gallery. Birmingham City Council is also prepared to donate a site. Sir John Baring, who owns the site of The Grange has not yet agreed to the development of a gallery on it and this obstacle would need to be cleared.

Finance

8. It is obviously desirable that as much private finance should be attracted as possible. However, once the Government has committed itself to the acquisition of the collection and the site has been chosen, it will be difficult to attract further public finance. [It would be possible to explore whether the Prince of Wales would agree to make a contribution from the funds of the Duchy of Cornwall but no approach has yet been made and it is not clear whether the Duchy would have powers to use its funds for this purpose.] The approach taken in the proposal therefore is to set a limit on the British Government's contribution of £120 million for the pictures, £38 million for the building and £5 million a year for the contribution to running costs of the gallery.

9. It is for consideration whether the Government's contribution to the purchase of the pictures should be paid as a lump sum or over a period. The draft assumes the former. On the timetable envisaged, the payment would be made in the latter part of this financial year when the

trust has been set up and the B and C pictures are acquired.

[Legislation]

10.

Timetable and Handling

11. Baron Thyssen is hoping to receive a proposal from the British Government by mid-May. The Thyssen trustees meet formally at the end of June and are then expected to decide what proposition to adopt. If they choose the United Kingdom's proposition, negotiations with others would be required to cease.

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13. One alternative is to seek to submit the note below and the annexes to the Baron before 14 May. But Ministers may feel that this gives insufficient time to consider adequately, and achieve collective authority for, the commitment of substantial public funds to a project which is certain to be

controversial. Although the acquisition of the collection would be a coup, the commitment of up to £200 million for this purpose is bound to be criticised both by the rest of the arts world who have been pressing for funds to maintain adequately their existing collections but also by other pressure groups (eg those who have suffered from the recent changes in social security).

14. [REDACTED]

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15. So far discussions with Baron Thyssen have attracted hardly any notice but, once a formal proposition is submitted, it is virtually certain that news of it will leak, if only because those who oppose it will want to alert the Spanish Government and perhaps campaign more widely. At that point, it will be necessary for the Government

to confirm that discussion are taking place with Baron Thyssen and the trustees but it may be best to say that the details are confidential during the negotiations. Those responsible for the sites under consideration would also need to be persuaded to withhold comment.

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Detailed Negotiations

17. If the United Kingdom's proposition is accepted by the trustees, an expert team will need to be put together for the subsequent negotiations. The constitution of this is being considered.

18. I am copying this minute to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment and the Minister for the Arts.

TAG.

CENTENARY SQUARE: BIRMINGHAM

Background

The site is on the north side of Centenary Square alongside the Repertory Theatre. Construction of a major Convention Centre concert hall and Hyatt hotel will close the east side of the square. Development of the square which will include also the Central Television headquarters and Europe's largest municipal library, is part of Birmingham's plan to establish a very different civic style than that provided by redevelopment of the central area in the 1960s. The site is illustrated in the drawings and photographs attached.

Accessibility

The site is close to the Birmingham inner ring road which links to the Aston Expressway and the M6. 7 Million people live within one hour's travel by road. Parking will be available close to the square for 4,000 cars. New Street Station is within half a mile. Birmingham airport can be reached in 15 minutes by car.

Availability

The city council is prepared to donate the site. Construction of the Convention Centre is expected to be completed by 1991 and the construction of the gallery, timed to follow that, would largely complete the development of the square.

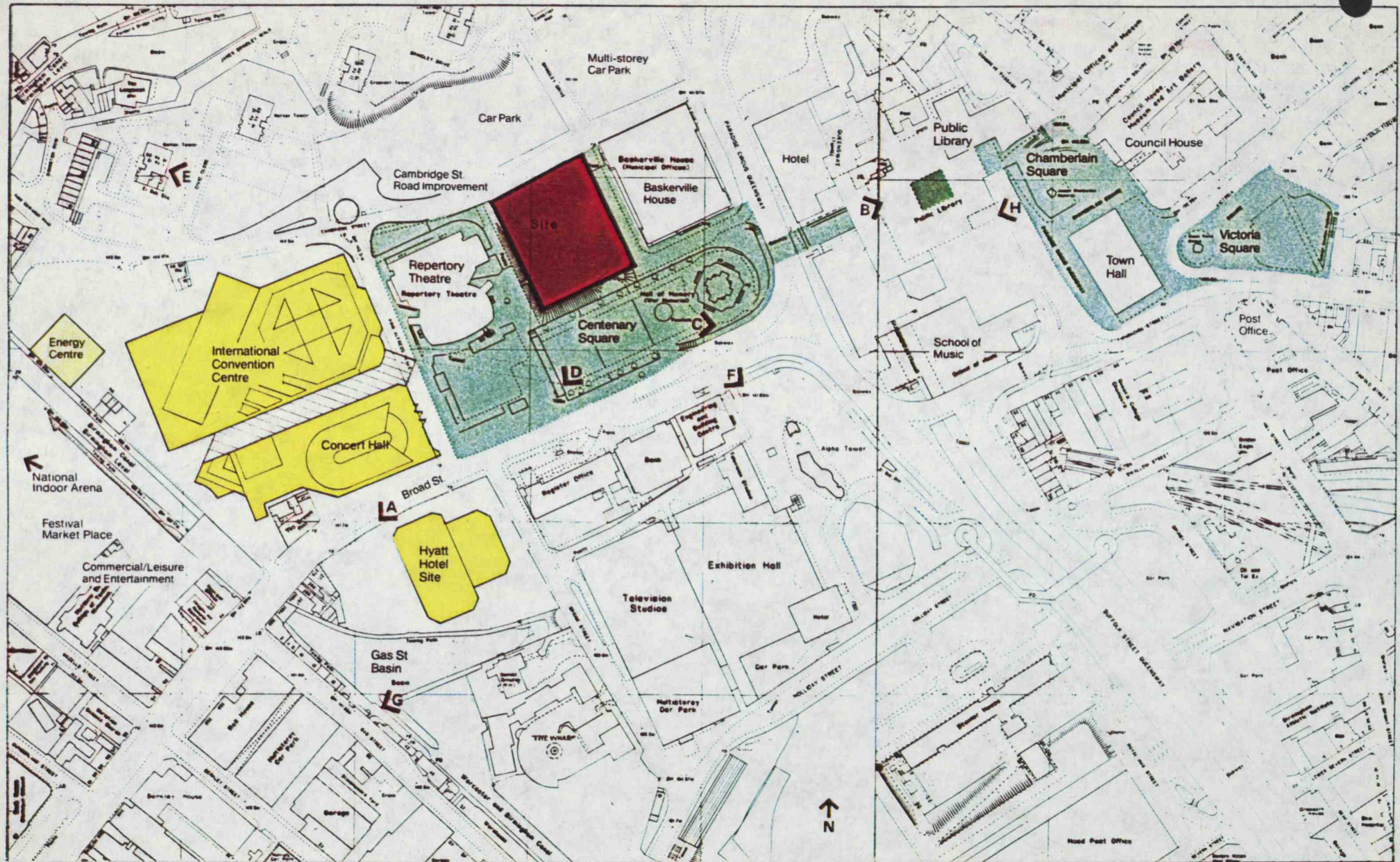
Commentary

Birmingham is embarked on a vigorous campaign to improve the city. It has had an enthusiastic response (600 entries from 33 countries) to a design competition for 6 central area sites. Acquisition of this collection would give great heart to Birmingham in its present efforts and would be seen as a major statement of faith in the region.



CENTENARY SQUARE
B I R M I N G H A M

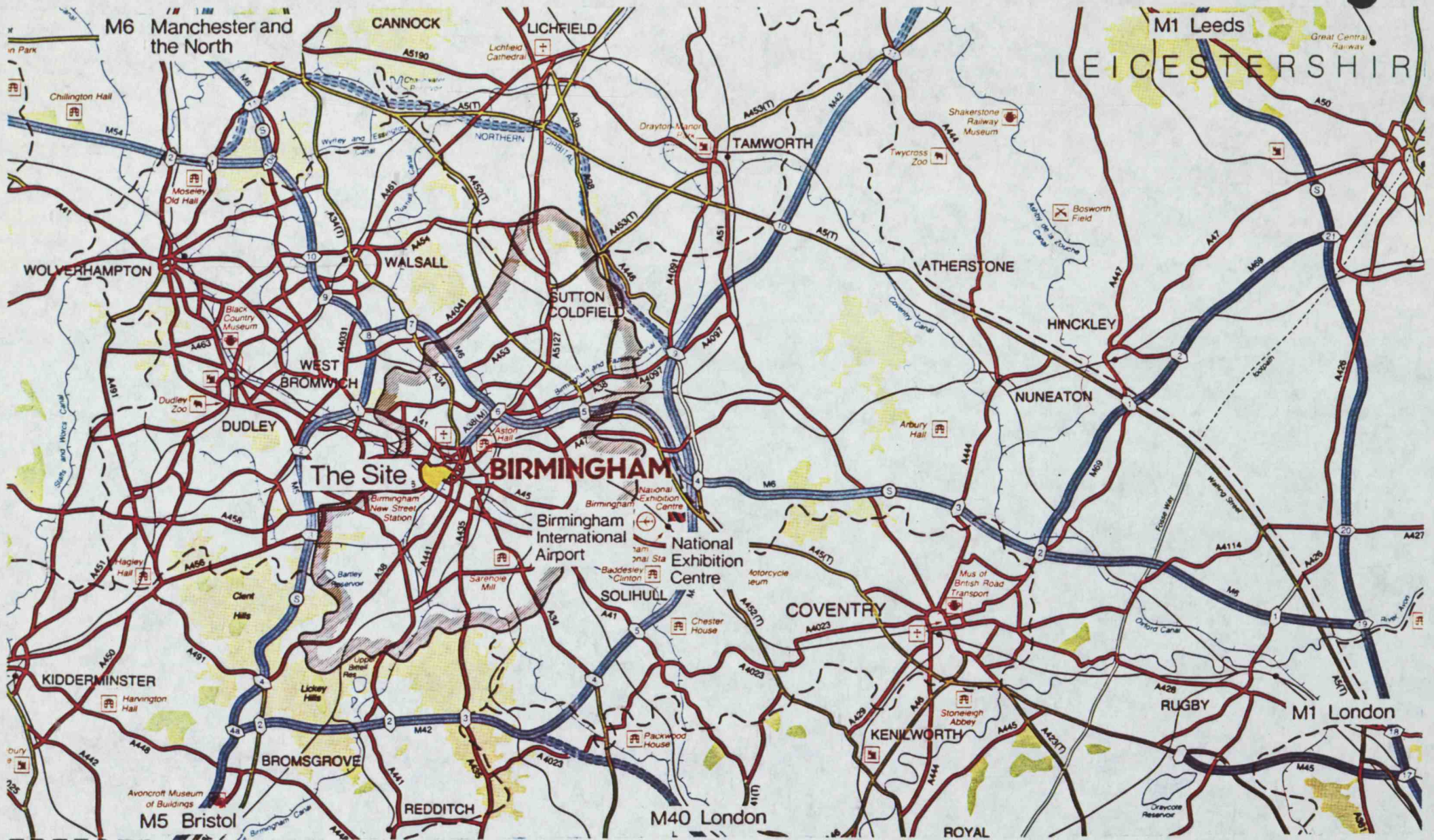
SITE PLAN



CENTENARY SQUARE

B I R M I N G H A M

REGIONAL LOCATION



CENTENARY SQUARE

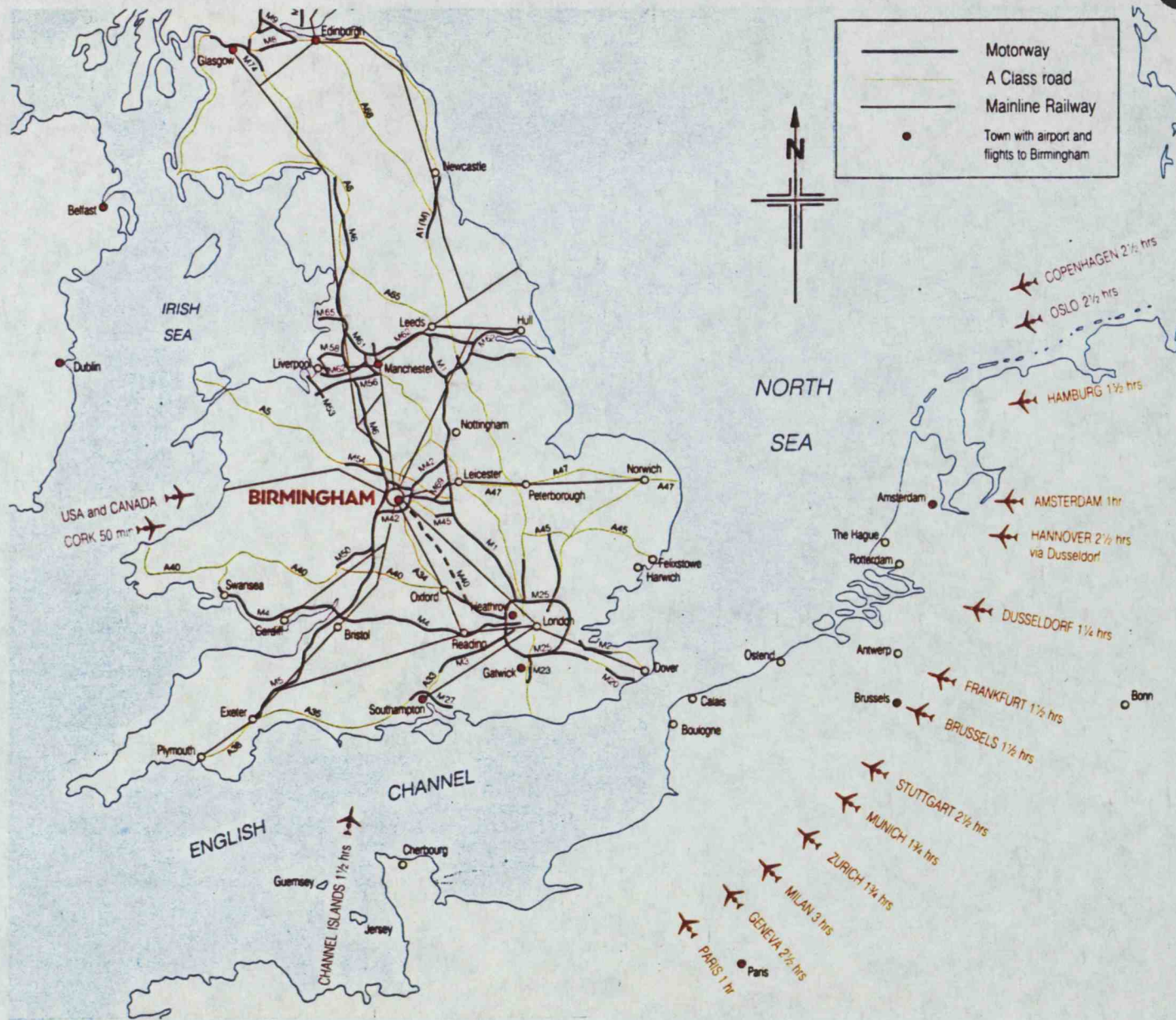
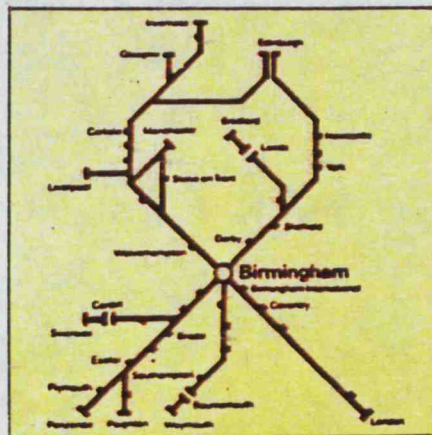
B I R M I N G H A M

STRATEGIC LOCATION

JOURNEY TIMES TO BIRMINGHAM

AIR UK and Eire flights to Birmingham International Airport	RAIL to Birmingham New Street Station	ROAD Vehicles average speed 45 mph, via motorway
Gatwick 50 min	London 1½ hrs	London 2½ hrs Outskirts 100m
Heathrow 40 min	Reading 2 hrs	Heathrow 2½ hrs 115m
Southampton 40 min	Southampton 3 hrs	South- ampton 2½ hrs 130m
Cork 50 min	Bristol 1¼ hrs	Bristol 1½ hrs 80m
Dublin 50 min	Cardiff 1¼ hrs	Cardiff 2½ hrs 105m
Belfast 55 min	Liverpool 1¼ hrs	Liverpool 2 hrs 95m
Manchester 30 min	Manchester 1¼ hrs	Manches- ter 1½ hrs 80m
Edinburgh 55 min	Leeds 2¼ hrs	Harwich 3½ hrs Felizstowe 150m
Glasgow 55 min	Glasgow 4¼ hrs	Glasgow 6½ hrs 290m
Aberdeen 1¼ hrs	Newcastle 3¼ hrs	Dover 3½ hrs 175m

ACCESS BY RAIL



CENTENARY SQUARE

B I R M I N G H A M

VIEWS OF SITE



View A
Aerial view of Centenary Square showing
the location of the site

CENTENARY SQUARE
B I R M I N G H A M

VIEWS OF SITE



View B
Centenary Square from the Central Library



View C
Birmingham Repertory Theatre at night



View D
Baskerville House and the Hall of Memory

CENTENARY SQUARE
B I R M I N G H A M

CANARY WHARF: LONDON DOCKLANDS

Background

Canary Wharf is to be developed by Olympia and York, a Canadian company, owned by the Reichman family, to provide 12.5 million sq ft of office and retail accommodation. It will be the world's largest single commercial development. The company has indicated that it would be prepared to make a key site marked on the attached plan (A), available for the gallery. It lies on the proposed West Ferry Circus and on axis with the main approach to Canary Wharf, and enjoys views back up river to the City. An indication of the proposed style of development of West Ferry Circus is shown in the drawing at B.

Accessibility

The site will be served by the Docklands Light Railway which will provide access to Bank Station and the underground network and London City Airport which lies 2 miles to the east. The Docklands Highway, now under construction, will provide access east and west. Up to 200 car parking spaces could be accommodated on the site. We would expect up to 1.5 million visitors each year, perhaps 80% by public transport.

Availability

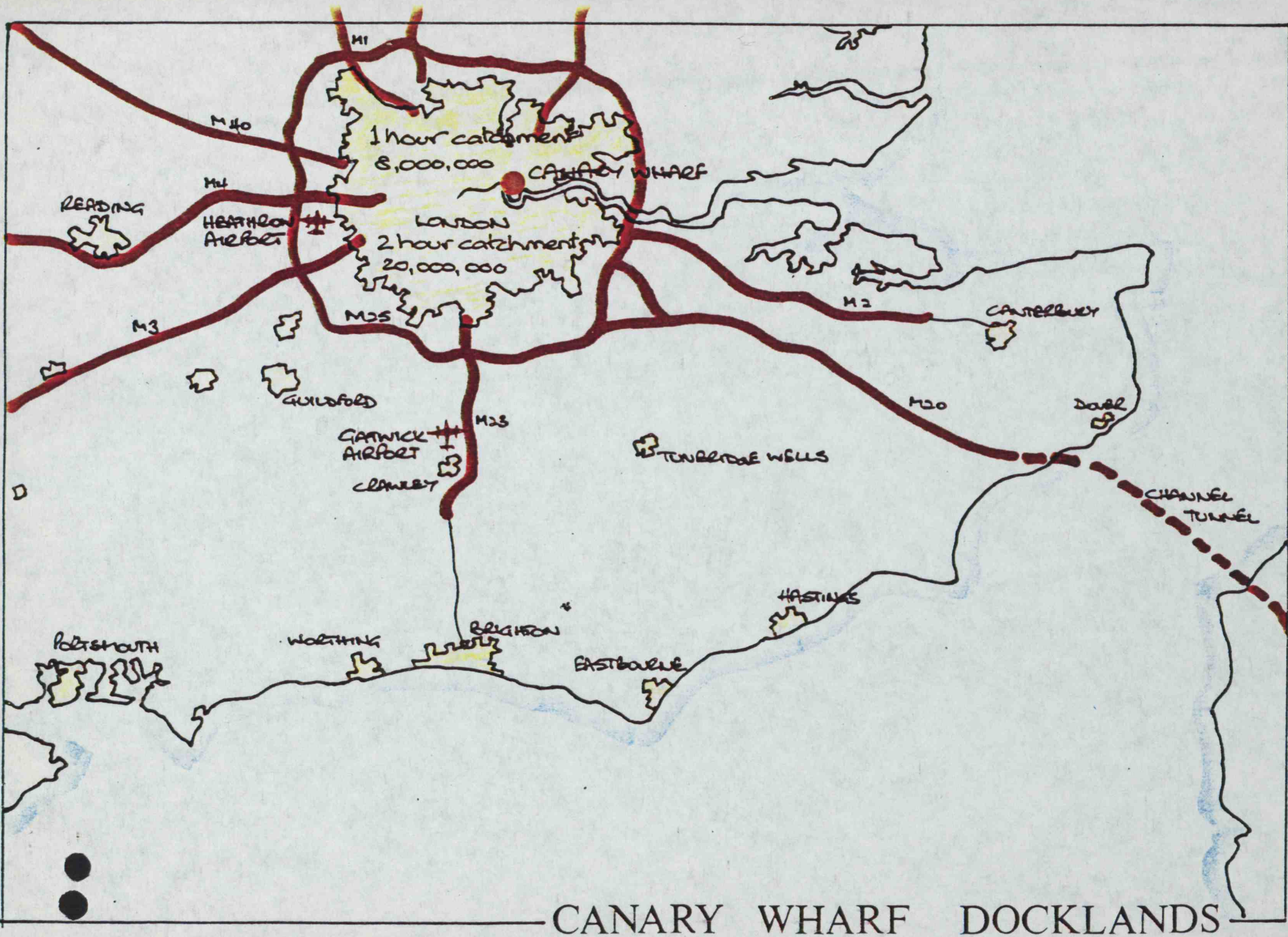
The Developer is prepared to make the site available free of charge. The construction of a gallery would be timed to coincide with the development of Canary Wharf. The West Ferry Circus area is expected to be completed by 1991 and the gallery could be available by that date.

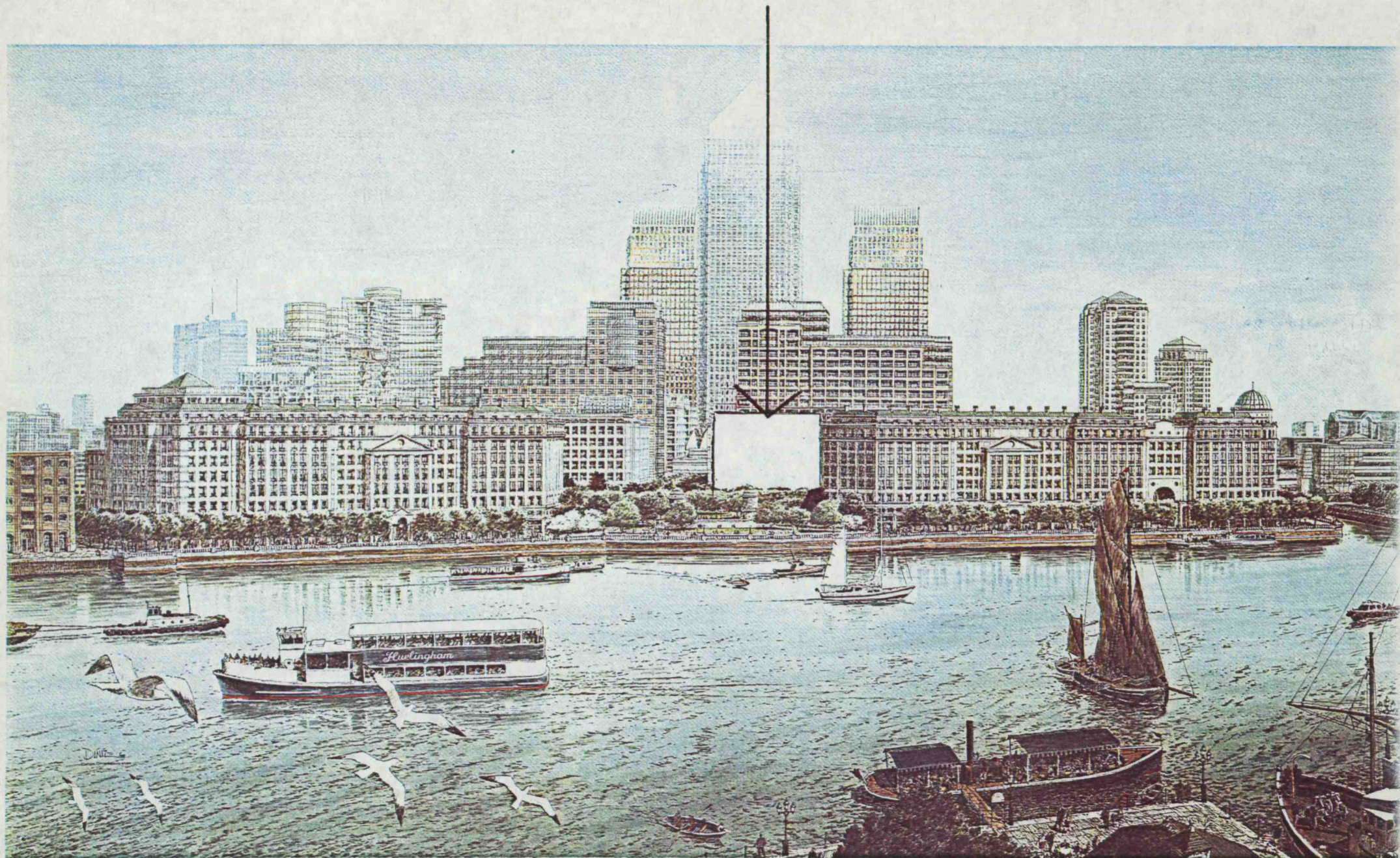
Commentary

The LDDC intends that Docklands should become a self-contained third business district. Though the developers have plans for retail and leisure facilities, the district will be, compared with other sectors of London, short on major public buildings.

Provision of a gallery here would be a great prize for Docklands. We understand that Paul Reichman would be prepared to contribute to the cost of the gallery.

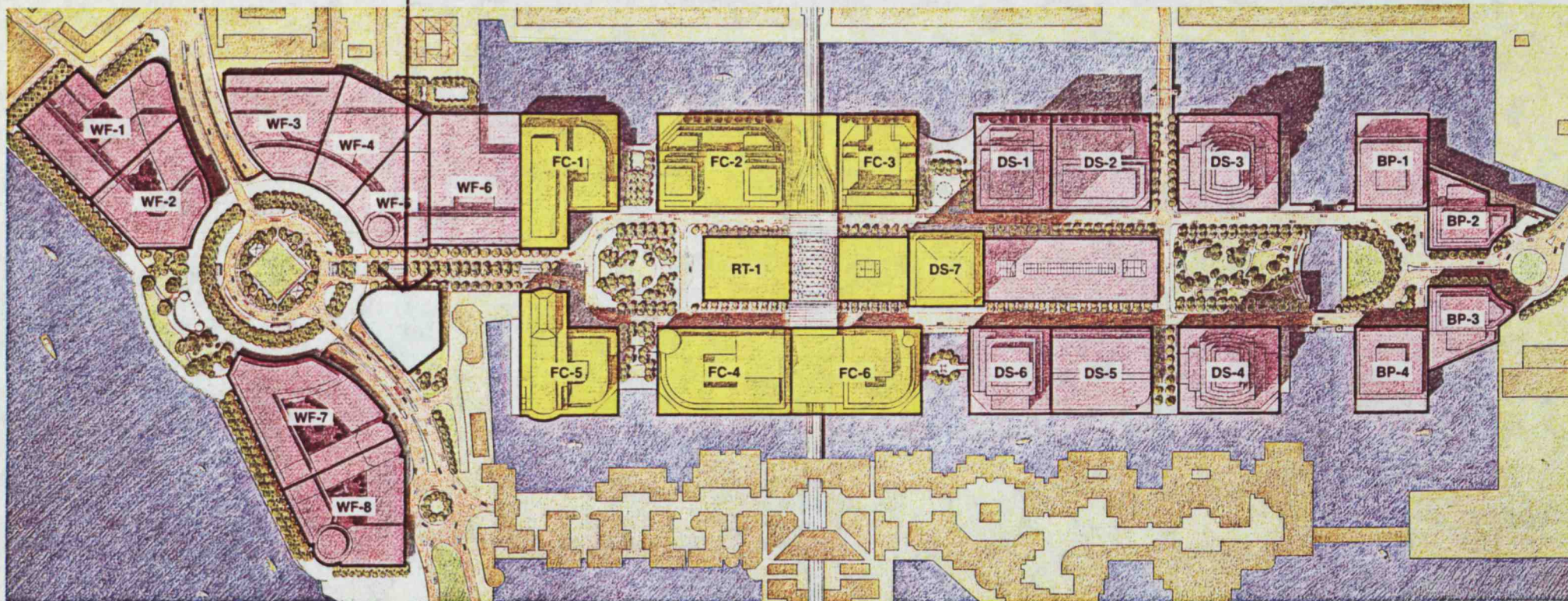






A VIEW OF CANARY WHARF FROM THE RIVER THAMES

SITE PLAN



0 10 50 100 M

SUBJECT TO CHANGE WITHOUT NOTICE

November 1987

ARCHITECTS & ENGINEERS: Skidmore, Owings & Merrill
 LANDSCAPE ARCHITECTS: Hanna/Olin, Ltd.

KEY
 Phase 1 Buildings
 Phase 2 Buildings

CONSULTING ENGINEERS: Ove Arup & Partners
 TRANSPORT CONSULTANTS: Storr, Davies & Gleave, Ltd

West Ferry Circus

Parcel Designation	Parcel Size (s.f.)	Gross Floor Area (s.f.)
WF-1	79,400	361,000
WF-2	61,700	281,000
WF-3	61,300	163,000
WF-4	52,600	239,000
WF-5	47,000	234,000
WF-6	81,300	299,000
WF-7	91,200	369,000
WF-8	74,800	302,000
TOTAL	549,300	2,248,000

Founders Court

Parcel Designation	Parcel Size (s.f.)	Gross Floor Area (s.f.)
FC-1	75,200	722,000
FC-2	121,600	627,000
FC-3	45,900	278,000
FC-4	75,000	570,000
FC-5	75,700	638,000
FC-6	74,500	382,000
TOTAL	467,900	3,217,000

Retail

Parcel Designation	Parcel Size (s.f.)	Gross Floor Area (s.f.)
RT-1	32,600	90,000
TOTAL	32,600	90,000

Docklands Square

Parcel Designation	Parcel Size (s.f.)	Gross Floor Area (s.f.)
DS-1	51,400	365,000
DS-2	65,500	499,000
DS-3	65,500	1,150,000
DS-4	74,900	1,150,000
DS-5	58,500	462,000
DS-6	45,900	345,000
DS-7	138,000	1,700,000
TOTAL	499,700	5,671,000

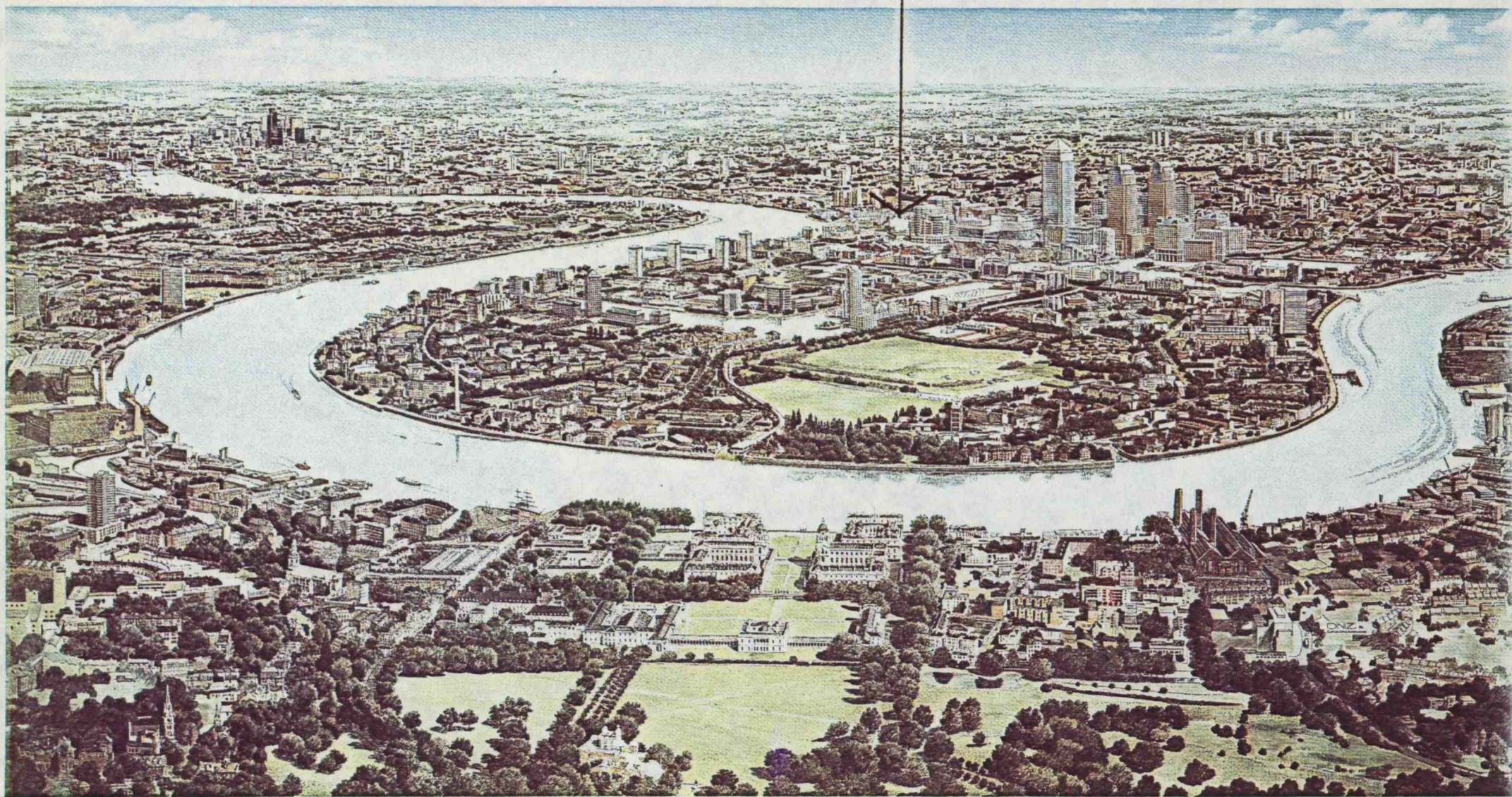
Blackwall Place

Parcel Designation	Parcel Size (s.f.)	Gross Floor Area (s.f.)
BP-1	48,400	296,000
BP-2	36,300	291,000
BP-3	35,000	291,000
BP-4	43,200	296,000
TOTAL	162,900	1,174,000

GRAND TOTAL	1,712,400	12,400,000
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A VIEW OF CANARY WHARF FROM THE WEST



A VIEW OF CANARY WHARF FROM GREENWICH

