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Prime Minister
(see the expected
response.
W.C.W.

Treasury Chambers, Parliament Street, SW1P 3AG 26.7

The Rt Hon Richard Luce MP
 Minister for the Arts
 Office of Arts and Libraries
 Room 62/2
 Government Offices
 Great George Street
 London
 SW1

ant
 25th July 1988

Dear Richard,

THE THYSSEN COLLECTION AND CANARY WHARF

Thank you for copying to me your letter of ~~18~~ ¹⁹ July to Nicholas Ridley. *Har*

You say in your letter that the Thyssen negotiations have been "brought to an end". But it is clear, however, from Robin Butler's minute of 21 July, which I have seen, that there remains a real possibility that we may still acquire the collection. Robin reports Peter Smithers' understanding that negotiations with the Spanish may be quite close to breaking down and that a further approach to us from the trustees may not be long delayed. I think it would be premature to conclude that the prospect has finally disappeared.

But even if there was no prospect whatever of the UK acquiring Thyssen I am afraid I would not be able to accept your proposal. I understand your reluctance to miss the opportunity of an alternative gallery development at Canary Wharf. Cabinet, however, was only prepared to make additional resources available to acquire the Thyssen collection because of the unique opportunity it presented both to enrich the range of Old Master paintings in this country and strengthen the holding of distinguished modern paintings. I do not see how we could regard your new proposal as being in that category. You told the National Portrait Gallery last March that the

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proposal to acquire the Royal Dental Hospital in Leicester Square was not a sufficiently high priority to justify the £6 million costs. I cannot agree to making additional resources available for that, or any other, proposal, over and above your existing three-year programme.

I am copying this letter to the Prime Minister, and Nicholas Ridley and to Sir Robin Butler.

Yours Ever,
John Major

JOHN MAJOR

ARTS + AMENITIES : Thurden PTZ





Action this day

cc BT
GF

Prime Minister

Ref. A088/2244

MR WICKS

Content with the draft reply and the arrangements generally?

Thyssen Collection

N.C.W
21.7

As you will have seen, I wrote to Mr Coleridge in the terms attached to my minute of 18 July, with the Prime Minister's amendments.

2. Mr Coleridge replied agreeing that a Written Answer should be given tomorrow, Friday. However, he suggested some amendments to the draft Answer, of which most were minor and unexceptionable, but one was major. This was that the Trustees wanted to remove the penultimate sentence which recorded their request that, should circumstances change, they would want to have the opportunity of contacting the Government again about a long term location in the United Kingdom. The Trustees felt that this sentence would cause them difficulties with the Spanish Government: that is understandable.

3. However, I have said to Mr Coleridge that, without making it clear that any further approach would have to come from the Trustees, I did not think that British Ministers would be prepared to say that they would look at the matter afresh. Mr Coleridge recognises this, and, subject to the Prime Minister's approval, we have agreed on a final sentence to the Parliamentary Answer, as follows:

"The Government has said that, should circumstances change and the Trustees approach the Government about a long term location in the United Kingdom, we would be ready to look at the matter afresh".

Yes not

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I believe that this protects the Government's position and makes it clear that the Government is not prepared to run after the Trustees.

4. I should therefore be grateful for the Prime Minister's approval to the attached Question and Answer, which will be given tomorrow. Briefing is being arranged for Press Offices.

5. Before the Answer is given, the Secretary of State for the Environment is arranging for Mr Reichman and the Birmingham City Council to be told how matters lie.

6. I have spoken to Sir Peter Smithers and told him what we intend. He has asked me to tell the Prime Minister that he is not despondent about the prospects of the Collection eventually coming here. Indeed, he thinks that the negotiations with the Spanish may be quite close to breaking down and a further approach to us from the Trustees may not be long delayed.

7. You asked for my advice on whether the Prime Minister should write to Baron Thyssen. I recommend that she should not do so at this stage. Baron Thyssen has not replied to her last letter and is not likely to be expecting a further letter from the Prime Minister. The view of both Sir Peter Smithers and Mr Coleridge is that a further letter from the Prime Minister to the Baron is neither necessary nor desirable at this stage.

8. I am copying this minute to the Private Secretaries to the Foreign and Commonwealth Secretary, the Chancellor of the Exchequer, the Secretary of State for the Environment, the Attorney General and the Minister for the Arts.

R.B.

ROBIN BUTLER

21 July 1988

DRAFT WRITTEN QUESTION AND ANSWER

Q. To ask the Minister for the Arts: whether the Government has received a reply to its proposal for the future of the Thyssen-Bornemisza Collection.

A. The Trustees of the Thyssen-Bornemisza Collections Trust have informed the Government that they have decided not to pursue the British proposal at the present time. Baron Thyssen-Bornemisza has entered into preliminary accord with the Spanish Government which is intended to lead to a loan of most of the Collection for display in Madrid for a period of up to 10 years. The Trustees have decided to try to achieve a full agreement with the Spanish Government along those lines. In these circumstances, Her Majesty's Government has withdrawn its proposal. The Government has said that, should circumstances change and the Trustees approach the Government about a long-term location in the United Kingdom, we would be ready to look at the matter afresh.

ACT + AMENITIES: Thussen PT2



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ARTS + AMENITIES: National Portrait Gallery, Aug 86

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From the Minister for the Arts

OFFICE OF ARTS AND LIBRARIES
Horse Guards Road
London SW1P 3AL
Telephone 01-270 5929

Prime Minister

To see the house's

bid for a new site

18 July 1988

C88/3719

The Rt Hon Nicholas Ridley MP
Secretary of State for the Environment
2 Marsham Street
LONDON SW1

Dear Nicholas,

*for the National Portrait
Gallery. W.C.U*

THE THYSSEN COLLECTION AND CANARY WHARF

Now that the Thyssen negotiations have been brought to an end, I believe that Canary Wharf could still offer a major opportunity for enhancing the attractions of London Docklands which it would be a great pity to miss.

As you know, Mr Reichman, the developer, was enthusiastic about making a site available for the prospective Thyssen Gallery and indicated that he would probably be ready to make a substantial contribution to its construction. This would be in keeping with his experience of making a large financial contribution to community projects in his New York development. I suggest therefore that we should explore whether the possibility of providing for an art gallery in Docklands at an advantageous cost is still open, rather than simply let it go by default.

The National Portrait Gallery has outgrown its building in Trafalgar Square and has for some years been seeking a new home. No suitable existing building has been available and the cost of providing a new one has seemed prohibitive. The Gallery has therefore fallen back on a much less than optimal plan for spilling over into some buildings in Orange Street, and hopes shortly to launch an appeal to raise funds for that purpose.

In fact a new purpose-built Gallery in Docklands (which the trustees would welcome) would provide a much better setting for this major national asset and tourist attraction. In addition the present building in Trafalgar Square could then be used to relieve the considerable pressures of space that confine our other national museums and prevent them from showing their collections to full advantage.

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Work would clearly have to be done to establish what such an initiative would cost, and how we could maximise the private sector contribution. I suggest that we should now agree to explore this without any commitment at this stage, to see whether it is worth pursuing. The key point here would be to establish whether this is an opportunity not to be missed.

Copies of this letter go to the **Prime Minister**, Nigel Lawson, John Major and Sir Robin Butler.

RICHARD LUCE

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Richard