

Prime Minister



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SOMERSET HOUSE

Following your correspondence with Professor Randolph Quirk, Michael Heseltine asked for a report to be prepared on the bid from King's College to take over Somerset House. The report is attached. It sets out details of the accommodation; its present use; the estimated cost of moving the present occupants; possible alternative homes for them; and other means of getting greater public benefit from this unique site. The main points to emerge from the report are summarised in the final paragraph, 28.

The present position is that we have already offered the Fine Rooms to the Courtauld Institute. The rest of the building was designed as Government offices (it is one of the oldest listed buildings designed for this purpose) and would need substantial alterations if Kings College took over, requiring listed building consent. The costs of rehousing the Inland Revenue and the Principal Registry of the Family Division seem clearly to outweigh any rent we might be able to charge King's College.

Having visited Somerset House and inspected the buildings, I believe that complete vacation would be expensive and difficult to justify. The only possibility that we could discuss with Professor Quirk would be that of vacating the East Wing provided this can be achieved in an acceptable manner with King's College bearing the additional costs. This would probably mean moving the Principal Registry out of Somerset House to some other location close to the Royal Courts of Justice.



I would also add that I believe whatever the decision on this matter, we should in any case seek to open the magnificent courtyard and Embankment frontage more to the public.

Copies of the report have also been sent to Nicholas Ridley, Quintin Hailsham and Keith Joseph for their comments, in view of their close interest in this accommodation.

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T K

30 March 1983

SOMERSET HOUSE: APPROACH BY KING'S COLLEGE UNIVERSITY OF LONDON

1. In March 1982 the Vice Chancellor of London University and the Principal of King's College wrote to the Secretary of State for the Environment proposing that Somerset House should be made available to the College for expansion. In December 1982 the Vice Chancellor raised the same issue with the Prime Minister.

2. This paper deals with the background to that request, and its possible consequences and implications for the Government estate and the departments which would be affected.

SOMERSET HOUSE AND KING'S COLLEGE

3. Somerset House was constructed between 1776 and about 1801 on the site of a former Royal Palace for use as Government offices. The present occupants are Inland Revenue (since the 1850s) and the Principal Registry of the Family Division (Probate and Divorce Registries) - PRFD - part of the Lord Chancellor's Department.

4. The use of the building is restricted by the Crown Lands Act 1775 to Public Offices. Legislation is currently proposed (in connection with the offer of the North Wing to the Courtauld Institute, described in paragraph 8 below) to enable the Secretary of State to grant leases for other purposes but until this is enacted the restriction remains binding.

KING'S COLLEGE

5. King's College was constructed between 1829 and 1835 to form an architectural unity with Somerset House on the Victoria Embankment frontage. The two buildings are not linked internally but there is a gateway between King's College Yard and the Court of Somerset House.

EARLIER INTEREST BY KING'S COLLEGE

6. The Government has received regular approaches from King's College since the 1950s to take over all or part of Somerset House. In 1972 the approach was accompanied by a campaign in the Evening Standard and an adjournment debate in the House. The last approach was in 1977. On the present occasion 16 MPs have so far written in support of King's College.

7. The proposals have always been rejected in the past, the main grounds being that:

- its occupants do not wish to move;
- it would be very expensive to find them alternative accommodation in an acceptable location.

8. The latest bid has been given fresh impetus by the Government's recent decision to offer the North Wing of Somerset House to the Courtauld Institute, University of London. For the purpose of this report the North Wing of Somerset House has therefore been excluded and this report deals only with the remainder, the East, South, West and New Wings.

OCCUPATION OF SOMERSET HOUSE

9. About 850 Inland Revenue and 230 PRFD full-time staff currently occupy Somerset House, using about 170,000 sq ft of office space and about 95,000 sq ft of storage and other ancillary space. The Inland Revenue staff in the building are mainly central policy and operational staff, including those in regular contact with Ministers and their technical advisers, and the Solicitor's Office with constant High Court business. There are also extensive supporting facilities, including a large reprographics unit, areas for the receipt of goods, and for receipt and dispatch of papers from and to their network of

local offices, a library and storage areas. PRFD maintains the Divorce and Probate Registries going back to 1858. These are available for public inspection, thus requiring a large amount of storage space. There are also 14 large rooms used by Registrars for Chamber hearings and 2 large general public enquiry rooms.

Can be stored on floor

Mod to the existing could be used

10. These requirements mean that the proportion of storage and ancillary space is much greater than usual in Government offices. Somerset House is a unique building with high ceilings and substantial structural strength in the basements. This has enabled a considerable part of the basement storage areas to be inter-floored with steel decking, nearly doubling the storage capacity in those parts. It would be unlikely that a replacement building could be found offering similar office and storage facilities under the same roof.

PROBABLE REQUIREMENTS ON RELOCATION OF INLAND REVENUE AND PRFD

11. The walls between rooms in Somerset House are load-bearing and cannot easily be moved to match minimum staff entitlements. Inland Revenue and PRFD therefore occupy rather more office space than would be needed in a more flexible building. If it were possible to accommodate them nearer to minimum accommodation standards an estimated 125,000 - 150,000 sq ft of office spacer would be required (20,000 - 45,000 sq ft less than now).

12. On the other hand, while there may be scope to reduce office space requirements, storage space requirements would increase in a more conventional building lacking the unusual features of Somerset House described in paragraph 9 above.

13. These matters would have to be studied in depth with Inland Revenue and PRFD, but it is thought that the net effect would be to increase their overall accommodation costs.

RE-LOCATION: VIEWS OF THE PRESENT OCCUPANTS

14. The Lord Chancellor and the Financial Secretary to the Treasury have been consulted about re-location. The Lord Chancellor has said that he would need a building with similar facilities to Somerset House and equally near to the Royal Courts of Justice in the Strand. The Registrars cannot operate without ready access to their files and therefore the storage facilities must be located with the office facilities. A copy of the Lord Chancellor's letter dated 5 July 1982 is attached.

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Lord
doesn't!*

15. The Financial Secretary to the Treasury finds any re-location proposals unacceptable. It would in his view cause great disruption to move Inland Revenue from Somerset House; it would also set back PSA's accommodation strategy of the last few years of concentrating Inland Revenue HQ buildings in an area between the Strand and Holborn. A copy of the Financial Secretary's letter dated 6 July 1982 is attached.

16. These reactions suggest that any re-location proposals would have to be limited to an area not very far distant from Somerset House, say, within a radius of half-a-mile and north of the river. *Why?*

RE-LOCATION: THE SCOPE FOR ALTERNATIVES

17. A building exactly equivalent to Somerset House would almost certainly be impossible to find. We have therefore considered a number of possibilities within the identified area although none of these would provide the required amount of storage and ancillary facilities under the same roof. As examples only, two of these possibilities are:

CAA House, Kingsway

This is expected to be available in about 2 years and has some 195,00 sq ft of office accommodation plus 9,500 sq ft of storage and other use. It is therefore about the right size and is in the right location but it offers very little storage space which means that expensive office space would have to be used for storage purposes which would clearly be wasteful. The probable rental value at today's levels would be in the region of £3M per annum. It is already partitioned and a detailed study would be required to ascertain the extent to which existing partitioning could be used; but some alterations would almost certainly be required.

The City of London School Site

This is a new air-conditioned development scheduled for completion in phases between mid-1985 and mid-1987. It will offer about 360,000 sq ft of accommodation which is much more than is required. A rent has not yet been quoted but is likely to be over £6M per annum at today's levels. The location may not be acceptable and the same remarks would apply as to uneconomic use of expensive office space for storage and ancillary purposes. In addition, air-conditioned accommodation is not normally taken for Government use as in practice it is found to be expensive to run and difficult to partition to Departmental requirements. As this is a new development it might be possible to incorporate Government requirements and partitioning into the contract provided a hiring decision is taken early enough but a study would need to be mounted to examine in detail how the accommodation could be used and to establish a use for the surplus accommodation above Inland Revenue and PRFD requirements.

Another approach would be to split Inland Revenue and PRFD and seek to re-locate them in separate buildings.

18. There are clearly a number of possibilities but all would require detailed study and unless the storage and ancillary facilities can be split from the office use, the end result is likely to be use of expensive office space for other purposes, which cannot be recommended. The ideal alternative would be to provide purpose-built accommodation but this is most unlikely because of difficulties in finding a suitable site and the necessary capital expenditure. It would in any event take a considerable time to implement.

FINANCIAL IMPLICATIONS OF KING'S COLLEGE TAKING OVER SOMERSET HOUSE

19. On today's rental levels and in the preferred location a suitable building (or buildings) to rehouse Inland Revenue and PRFD would be likely to command a rent of the order of £3 million. Because it would take a year or more to make a building of this size ready for occupation, "negatory" rent of £3M could also be incurred.

20. Against this can be set the rental income from Somerset House. Because of the age and historic nature of the structure, a market rent would be unlikely to exceed £1½M per annum. King's College is however, thought likely to seek a subsidised rent; an outright sale might also be considered so that the Government was no longer involved.

21. In addition to rental costs, the cost of occupational works to the new building(s) in rehousing Inland Revenue and PRFD and removal costs would have to be taken into account. This would require a detailed study but could be about £3M, excluding the costs of upheaval for the Departments involved.

POSSIBILITY OF OFFERING KING'S COLLEGE EAST WING ONLY

22. The East Wing abuts King's College Yard. It contains about 35,000 sq ft of office space on ground to third floors plus some 12,000 sq ft of basement and mid-basement storage and ancillary space and is occupied partly by Inland Revenue and partly by PRFD. It might be possible to re-locate Inland Revenue from the office space they occupy in the East Wing (24,703 sq ft) into the space occupied by PRFD elsewhere in Somerset House (21,616 sq ft). If PRFD could then be entirely rehoused away from Somerset House this would enable the East Wing to be occupied by King's College. This would require a detailed study and consultation with both Departments. We do not know, however, whether King's College would be content with the East Wing only in the long term.

DERIVING GREATER PUBLIC BENEFIT FROM SOMERSET HOUSE

23. This has been the subject of much discussion over a long period. In the early 1970s the Evening Standard held an easy competition to find a better use for the North Wing of Somerset House which includes the Fine Rooms. Among the many suggestions made were a new home for the Foreign Office, a residential European Discussion Centre, a home for the Learned Societies, various public and private museums, a centre for architecture, a home for the Minister of Arts and a home for the Directorate of Ancient Monuments. It has now been decided that the Courtauld Institute should occupy this Wing.

24. As Somerset House was one of the first purpose-built Government office blocks, non-office use would involve considerable and expensive internal reconstruction for which listed building consent and legislation would be necessary. When Sir George Young visited the building in November he confirmed that office use seemed most appropriate, but he also commented that some attempt should be made to provide easier public access to the courtyard. At present the public are free to enter on foot but he felt that the presence of custody guards at the entrance was forbidding. He also felt that the courtyard

facades of the building would benefit from cleaning and that consideration should be given to the replacement of the original cobbles. If the courtyard could be made more of a tourist attraction perhaps part of one of the ground floor wings could be opened up to some commercial use such as a shop.

25. These proposals are being studied and reports obtained. Cleaning the facades should be straightforward but replacing cobbles would have to take account of any rooms below and of the extensive car parking facilities in the courtyard. Security and commercial uses will need particular study.

26. Another possible use for Somerset House would be to concentrate there many of the public records currently available for inspection elsewhere in Central London.

27. If there were more need for the public to visit Somerset House then the objective of deriving greater benefit from the site would be achieved. It would require a careful study to ensure the right combination of uses and it would probably take 5-10 years to reach the end result. Depending upon the amount of space required, it might be possible to reserve some areas of the building for hearings, inquiries, tribunals, etc, particularly those to which the public has access. Some commercial uses ought to be feasible such as a tourist shop selling souvenirs, photographs and historical literature and perhaps with facilities for obtaining family trees and the like. Catering facilities would no doubt be welcome and perhaps it might be possible to open up the riverside terrace. However, any significant change would carry similar financial implications to those outlined above. The possibilities have not been discussed with the Departments concerned.

SUMMARY

28. The main points to emerge from this paper are as follows:

- (i) Somerset House was constructed for Government Office use at the end of the 18th Century;

- (ii) King's College have regularly made unsuccessful approaches to take over all or part of the building since the 1950s; *About time they succeeded*
- (iii) the present occupants are the Inland Revenue (since the 1850s) and the Principal Registry of the Family Division (PRFD) of the High Court;
- (iv) Inland Revenue have been following a strategy in recent years of concentrating all their HQ operations in buildings in the vicinity of Somerset House; the Financial Secretary has said that he would find the disruption of a move out unacceptable;
- (v) PRFD needs to be located near to the Royal Courts of Justice in the Strand, with which it has regular business; the Lord Chancellor has said that alternative accommodation would need to be equidistant;
- (vi) both departments - but in particular PRFD - have storage requirements which are exceptional but for which Somerset House is well suited; finding alternative accommodation which meets these requirements in Central London is likely to be difficult and would involve uneconomic use of expensive office space for storage;
- (vii) alternative accommodation is likely to result in a net increase in costs because the rents (which could be of the order of £3m) could not be off-set by a commercial rent for Somerset House (probably £1.5m at most); in addition, relocation costs and the costs of alterations to the new buildings to meet the requirements of Inland Revenue and PRFD could also amount to £3m;

(viii) it could be possible to offer King's College the East Wing only, by concentrating Inland Revenue in the remaining Wings of Somerset House; this would require PRFD to move out of Somerset House to another building within half a mile of the Royal Courts;

(ix) if the objective is to derive greater public benefit from the architectural and historic qualities of Somerset House, this might be achieved without relocating the present occupants but by opening up the Main Courtyard - perhaps its finest feature - to general public access, cleaning the facade of the building and possibly introducing some limited commercial activities, such as a tourist shop.

Gov Buildings Nov 82
Quirk / Somerset House



30 MAR 1983

COMMERCIAL

FROM:

THE RT. HON. LORD HAILSHAM OF ST. MARYLEBONE, C.H., F.R.S., D.C.L.

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HOUSE OF LORDS,
SW1A 0PW

14th April, 1983

The Right Honourable
Tom King, MP
Secretary of State for the Environment,
2 Marsham Street,
London, SW1.

Prime Minister:

*The Lord Chancellor
defers his reply*

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TJ

14/4

My dear Tom:

Thank you for sending me a copy of your report on the bid by King's College to take over Somerset House. Having read it, I am even more convinced that it will be difficult, if not impossible, to find acceptable alternative accommodation for the Principal Registry of the Family Division in the vicinity of the Royal Courts of Justice. Nevertheless I, and my officials, are very willing to meet to discuss the proposal further, as necessary. I understand that the Prime Minister has now convened a meeting on Monday 9th May to consider your report.

I am sending a copy of this letter to the Prime Minister, Nicholas Ridley and Keith Joseph.

Yrs:

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Govt Bldg,
June 1983,
Prof. Quirk - London
University new C

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