

DSE
CT.

File



10 DOWNING STREET

From the Private Secretary

22 September 1983

THE HAGUE: HM AMBASSADOR'S RESIDENCE

During the Prime Minister's visit to The Hague earlier this week, the Netherlands Foreign Minister raised with her over dinner the problem of the Ambassador's residence. He expressed concern that we might be intending to move to another, more modern, residence.

The Prime Minister said to me later that she would like to look at this issue again on her return to London. I had the impression from talking to Philip Mansfield that there had been some new developments, and in particular that we might now be able to purchase the present residence at a very favourable price. The Prime Minister did of course read the brief that was submitted for her visit to The Hague, but I think it would now be helpful if you could consult HM Ambassador about the latest developments and provide some revised advice for the Prime Minister on this matter. I would not expect her to be able to deal with it until she returns from North America at the end of next week.

BF

A. J. COLES

John Holmes, Esq.,
Foreign and Commonwealth Office.



PRIME MINISTER'S TALKS WITH MR LUBBERS AND CHANCELLOR KOHL
19-21 SEPTEMBER 1983

BRIEF L: POSSIBLE CHANGE OF AMBASSADOR'S RESIDENCE, THE HAGUE

ESSENTIAL FACTS

1. The Residence, at Westeinde 12-14, is leased from the St Bonificius Foundation of 'Stichting' (Roman Catholic Church authorities), and has housed successive British Ambassadors since 1861. The lease expires in December 1999, HMG having the right to break it in December 1984 and every 5th year thereafter. We are presently responsible for all repairs. The house is conveniently located, has imposing public rooms, and is a considerable diplomatic asset. But it is also excessively large by today's standards, and expensive to run. In early 1980 the FCO Minister of State decided that this Residence should be retained, but since 1981 the house has suffered serious subsidence. This has prompted us to look again at other options, and although the landlord has offered to pay for repairs consequent on the subsidence, Ministers are now being asked to agree to purchase another suitable and conveniently located house in a good part of town (at Plein 1813), and to break the lease of the present Residence in December 1984. Financial appraisals show this to be distinctly the most economic option in the longer term (showing a net saving to HMG in present day terms of some £700,000).

2. HM Ambassador has argued in favour of staying at 12-14 Westeinde, for the following reasons:

- a) historical connections, prestige, distinction;
- b) possible resentment by influential Dutch with whom the landlord has close links;
- c) convenience for entertainment;
- d) security - Sir R Sykes was murdered by Irish terrorists as he was leaving 12-14 Westeinde in 1979 and the Dutch police have now mastered the local security problems.

/However,



However, the proposed house would be distinctive, secure and operationally effective. The balance of pros and cons (attached) points strongly in the direction of a move. The economic advantage is clear, and would more than offset the political disadvantages of moving.



WESTEINDE 12-14

PLEIN 1813

Pros

- i) Associated with HMG since 1861.
- ii) Excellent entertaining areas.
- iii) Favoured (just) by Dutch police.
- iv) Strongly favoured by HM Ambassador.

Pros

- i) More economic.
- ii) Freehold.
- iii) Excellent and convenient area of town.
- iv) Detached house with representationally more useful garden.
- v) Closer to space guideline.
- vi) Structurally sound.

Cons

- i) Uncertainty over structural stability.
- ii) Leasehold.
- iii) Deteriorating area of town.
- iv) Probability of nearby redevelopment.
- v) Three times the space guidelines.

Cons

- i) Purchase price of £666,700 hard to finance.
- ii) Some initial further capital outlay necessary, including for security.
- iii) Possibly difficult negotiations with Westeinde landlord (who has some influential Dutch friends).