

PRIME MINISTER

Meeting arranged  
1430 ~ 24/10.

The Bridge Street Site

I understand you asked what plans there were for the redevelopment of this site.

The long answer is set out in the attached letter from John Biffen's Office which describes the conclusions of the report of the Services Committee on the subject.

The short answer is that the Committee recommends that the redevelopment should be split into two phases. The plan at Flag A shows the areas covered by Phase I and Phase II. Phase I would involve the restoration and conversion of the buildings facing onto Parliament Street to provide 180 offices to accommodate 90 MPs and their support staff. The cost of this work would be £15 m at 1982 prices, spread over 5 years. If it started immediately the development might be finished by 1986/87.

The Services Committee reached no conclusion on Phase II. It simply published without comment a study by surveyors of the prospects for a mixed development of this part of the site. The surveyors concluded that private sector organisations would be interested in undertaking a construction for a mixed Parliamentary/commercial complex which might provide accommodation for 200 or so MPs and their staff without cost to public funds. The Services Committee said that they would consider the options for Phase II further in the light of the House's reaction to their report. The surveyors' report at Flag B sets out their Phase II proposals in more detail.

Since the Services Committee reported, the Department of the Environment and the Treasury have been arguing about how the cost of Phase I of the redevelopment should be met. Essentially, the Department of the Environment have said that they cannot meet the total cost of Phase I from their existing PES provision.

/ They

They sought Treasury agreement to additional sums of £5 m being made available in 1985/86 and 1986/87. The Treasury refused to agree to this in advance of the 1983 public expenditure round. The Treasury also put down a marker saying that there could be no presumption that any public funds would be made available for the development of Phase II. (The Chief Secretary's letter of 9 May at Flag C ).

The Department of the Environment will shortly be making a bid for the additional expenditure described above as part of this year's expenditure round. They have been delaying the debate on the Services Committee report until the Government's position has been agreed. They will be pressing for a debate in November. I have told them to copy all further correspondence to us.

CRSR

We must meet to discuss this. The buildings on the site are a disgrace in the heart of the Capital.

mb

27 September, 1983.

Willie Rickett

While we are in the States, could you please see if DOE can provide a sketch map

PARLIAMENT STREET AND BRIDGE STREET REDEVELOPMENT

showing the areas covered by Phase 1 and Phase 2

This development is taking part in two phases. Phase 1. This is the development of new Parliamentary accommodation and the Department of the Environment are now trying to obtain funds from PES. They are hoping for a November date. Phase 2 will aim to attract private investment but as yet this is only an idea with no firm plans or timetable.

respectively, and let us know whether there are any plans for the ultimate use of the development created by Phase 2.

Work on Richmond Terrace is already underway and should be completed by mid-1986.

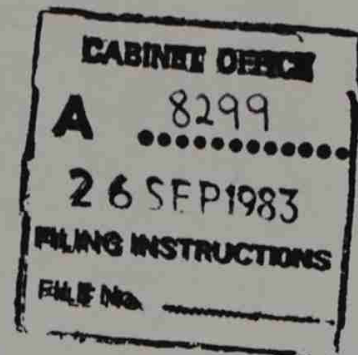
FERS

23.9.



10 DOWNING STREET

*From the Principal Private Secretary*



Sir Robert Armstrong



We spoke about your minute of 15 September A083/2607 on the future occupancy of the redeveloped Richmond Terrace.

I do not see it as likely that the whole of the Prime Minister's office would be moved out of 10 Downing Street in the foreseeable future. As you say, it is bulging at the seams, and we might require room to take some overflow. But this would be unlikely to require special facilities which need be taken into account in planning the design of Richmond Terrace at present. In practice, I would expect that, if more accommodation had to be found for the Prime Minister's office, we would first ask you if you could find such room in the Cabinet Office, and that might displace staff from the Cabinet Office who would have to be accommodated in Richmond Terrace.

The Prime Minister's main interest in the current redevelopment of central London offices is, as you know, to find an alternative home for those now occupying Somerset House, so that Somerset House could be released for Kings College. I suggest that you and I will have to speak up for the Prime Minister's interest in this matter, since there is no reason to suppose that the Inland Revenue or Lord Chancellor's Department will do so! But I do not know whether Richmond Terrace itself would or could play any part in providing new accommodation for those in Somerset House.

F.R.B.

23 September, 1983.

Susan so done  
M and over  
to Monica  
asap. M



10 DOWNING STREET

Michael,

The Parliament Street  
+ Bridge Street redevelopment  
is taking part in two  
phases:

Phase I - This is the  
development of new  
Parliamentary accommodation,  
and Environment are now  
trying to obtain funds  
from PES - they are hoping  
for a November debate.

Phase II will aim to  
attract private investment,  
but as yet this is  
only an idea, with no  
firm plans or timetable.

Work on Richmond  
Terrace is already

under way, and  
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by mid-1986.

Susan

19.9.82.

CABINET OFFICE  
Ref. A083/2607  
A .....  
MR BUTLER

c-~~H~~ Stevens

FILING INSTR

FILE No There is correspondence going on among Ministers, not inherently important enough to be copied to the Prime Minister, about the future occupancy of the redeveloped Richmond Terrace.

2. It has been provisionally allocated to the Overseas Development Administration, which has to leave Eland House not later than 1992. The Foreign and Commonwealth Office are considering whether they would prefer to use it for other FCO purposes than the ODA; but the Department of the Environment is encouraging the FCO to stick to the allocation to the ODA.

3. I think that we ought just to consider whether we want to register a bid for Richmond Terrace (or at any rate some part of it) to be available for the central Departments. I am not suggesting that the Prime Minister's office or the Cabinet Office should move from their present buildings, and the management and personnel side of the Cabinet Office is in the course of moving into the New Public Offices, where it will be alongside the Treasury - and that makes good operational sense. The Office of Arts and Libraries will also go into the New Public Offices shortly.

4. But both 10 Downing Street and the Cabinet Office are bulging. We have no rooms for ad hoc Committees of Inquiry or anything of that kind. If there was any idea that the Prime Minister's office was likely to grow at all significantly over the next few years, we certainly ought to consider registering a bid.

5. Perhaps we could have a word.

**ROBERT ARMSTRONG**

ROBERT ARMSTRONG

15 September 1983