CC MASTER SET 10 DOWNING STREET From the Private Secretary 24 October 1983 The Prime Minister took a meeting today to discuss the re-development of the Bridge Street site. Your Secretary of State, the Lord Privy Seal, the Chief Secretary and the Chief Whip were present. Opening the meeting, the Prime Minister said that she found the present state of the Bridge Street site intolerable. The Lord Privy Seal agreed with this view. Phase 1 of the re-development of the site would provide 180 offices for Members and their support staff. Moreover, it would enable more room to be provided in the House itself by enabling a number of officers of the House to be accommodated elsewhere. The report of the Services Committee which had favoured such a re-development was due to be debated in the reasonably near future; it was likely that a substantial majority of the House would favour the Committee's proposals. If this was so it would constitute a clear mandate for the Government to press ahead with Phase 1. Not to do so would be unpopular in the House as well as leaving the buildings on the site in their present deplorable condition. The Chief Secretary agreed in principle that re-development of the Bridge Street site was desirable not simply on Parliamentary accommodation grounds but also on aesthetic grounds. The problem was however not simply the cost but the likely pressure for additional accommodation from other Parliamentary and Government offices. For example, the Exchequer and Audit Department had a very good case for re-location from their current offices at Blackfriars and might also have a claim on Bridge Street. The Prime Minister commented that she recognised that a number of such claims could be made; in this case however Parliamentary needs had to have priority. /The meeting noted CONFIDENTIAL

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The meeting noted that the estimated cost of Phase 1 was some £23 million, most of which would be spread over the three years 1985/6-1987/8. The Department of the Environment could find some £7 million towards this by reducing other work in the Houses of Parliament programme. The difference constituted a bid for additional resources. Nevertheless the Prime Minister said that such was the urgent need for work on Phase 1 to press ahead that she was prepared to accept the bid. The current proposals were not ideal in that they involved the retention of the existing Whitehall facade which, in her view, had no architectural merit. Nevertheless, it would be impossible to go back to the drawing board. She invited therefore the Chief Secretary and the Secretary of State for the Environment to consider how the cost of the project might best be met with a view to making rapid progress following the anticipated approval of the report of the Services Committee in the forthcoming House of Commons debate.

I am sending copies of this letter to David Heyhoe (Lord Privy Seal's Office), John Gieve (Chief Secretary's Office, H.M. Treasury) and Murdo Maclean (Chief Whip's Office).

TIMOTHY FLESHER

Roger Bright, Esq., Department of the Environment.

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