



10 DOWNING STREET

*From the Principal Private Secretary*

SIR ROBERT ARMSTRONG

Richmond Terrace

When the Foreign Secretary was discussing Foreign Office expenditure during his bilateral with the Prime Minister this morning, the Prime Minister, after referring to the scope for the Foreign Office to close unnecessary posts added, "and you are not having Richmond Terrace either". The Foreign Secretary said that the reason why he wanted Richmond Terrace was to house the ODA there and thus save administrative expenditure. Charles Powell tells me that this appeared to shake the Prime Minister a little and she concluded by saying that he should not think that she had taken a final decision on the matter.

You should know that this matter has been opened up with the Foreign Office.

*Leib*

E. R. BUTLER

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