

1. MR. POWELL ^{CDP 12/13}
2. PRIME MINISTER

RF || CF.
PL of it a merit.
MEA 14/3

You asked how the Lord Mayor of Westminster could have been intending to use Lancaster House for a reception to mark, among other things, his leaving office.

FCO confirm that Lancaster House is normally used by Ministers for entertaining foreign visitors. But PSA hold the lease. Though the guidelines governing use of the building are applied in the first instance by the Foreign Office, the PSA/DOE in the end have the right to take the final decision. In this case, the Lord Mayor approached the FCO who referred it to DOE. DOE said they would be content.

FCO have a strong interest in maintaining the prestige and availability of Lancaster House. On the other hand, the PSA have to try to maximise the income they receive from it. FCO tell me that they are looking at the pattern of use of Lancaster House at present. They have taken note of our interest and will keep us informed.

MEA

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(Mark Addison)

12 March 1986

NOTE FOR THE FILE

I confirmed with Robert Culshaw that FCO were indeed reviewing the guidelines for the use of Lancaster House, and were aware of the need to keep us informed.

MUGY

MARK ADDISON

1 May 1986