

cc B/L

PRIME MINISTER

RICHMOND YARD

You asked for chapter and verse on the decision that ODA should move into Richmond Yard.

The Cabinet Office note at Flag A describes the chronology. The plain fact is that you have never explicitly agreed that ODA should move into this building: indeed, on one occasion you questioned this move. But you did see a DOE letter on 29 April 1985 (Doc 8) which said

"PSA expects the development to be completed in the first half of 1987; the Cabinet Office and ODA will then be able to move into the renovated and the new buildings before the lease on the ODA present accommodation in Eland House expires at the end of 1987."

The salient papers are as follows:

Doc 1: A minute of 15 September 1983 from Sir Robert Armstrong asking Robin Butler's views on registering a bid for Richmond Terrace for the central departments (Cabinet Office and PM's office).

Doc 2: Robin's reply of 23 September 1983 encouraging Robert to speak up in the Prime Minister's interest, but not referring to the ODA angle.

Strangely, we cannot find the No.10 copies of this correspondence.

Doc 3: A minute by Robin to Robert recording your view that the needs of Cabinet Office and No.10 had a higher priority for the use of Richmond Terrace than the FCO.

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Doc 4: Another minute from Robin to Robert reinforcing your views on this issue.

Doc 5: A letter of 26 November 1984 from Robert to the Permanent Secretary, PSA, recording your view that the requirements of the central departments should have priority over the ODA for accommodation in Richmond Terrace.

Doc 6: A reply of 29 November 1984 from the Permanent Secretary to Robert opening up discussions on Cabinet Office accommodation.

Doc 7: A letter of 28 January 1985 from Robert to the PSA Permanent Secretary which tacitly accepts that the Cabinet Office requirements could be met "without too much disturbance to the ODA planning".

You were not shown Docs 5, 6 and 7 because, I suppose, your wish that Cabinet Office requirements should be met appeared to have been satisfied.

Doc 8: A DOE progress report of 29 April 1985 to Andrew Turnbull which contained the statement quoted above.

Perhaps I am too charitable, but I do not think that this is all evidence of a fiendish plot à la Sir Humphrey Appleby to pull the wool over your eyes. It seems that the juggernaut simply rolled on on the assumption that the building would house ODA. Your intervention in 1984 seems to have been interpreted as a wish to find extra accommodation for the Cabinet Office - which was certainly the reason why Robert originally raised the issue (Doc 1) - and not to keep ODA out of Richmond Yard. The matter was eventually settled without, I think, further reference to you because it seemed that the Cabinet Office was satisfied (Doc 2) that its needs

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could be met without disturbance to the ODA plans.

So we have arrived at the present unsatisfactory situation. The worrying feature of the whole story is that there is not much evidence of anyone taking an overall look at the best deployment of this new accommodation. (Note the Cabinet Office chronology at Flag A does not cite any collective Ministerial decision on the use of the building.) The option of bringing DHSS Ministers into Whitehall does not appear to have been canvassed.

What to do?

There are still the three options set out in my minute of yesterday at Flag B covering Sir Robert Armstrong's original submission at Flag C, i.e.

1. Allow ODA to move in.
2. Move in 680 of the 1160 DES staff now housed at Elizabeth House, with ODA staff going to the Elizabeth House complex.
3. Move in "core groups" (Private Offices and key officials) from both DES and DHSS.

Note that options 2 and 3 have the costs summarised in my minute at Flag B.

Whatever you decide, I recommend that you should give firm instructions that such important decisions on Whitehall accommodation are taken in a proper collective Ministerial forum and the outcome reported to you.

N.L.W.

(N.L. WICKS)

13 June 1986

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MR WICKS
_____Richmond Yard

You asked me to look back at the earlier papers, to see how and when the decision to allocate this accommodation was taken, and when No 10 would first have become aware of the issue.

2. The story begins with the Prime Minister's approval of the Secretary of State for the Environment's proposal of 22 July 1982 to proceed with the development. At that stage the concentration was on the Parliamentary accommodation, but there is a reference to a minute from Mr Heseltine to Mr Pym dated September 1982, not on our files and not I think copied to you, provisionally allocating to the Foreign and Commonwealth Office the space which was to be used for Government offices.

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3. On 9 September 1983 the new Secretary of State for the Environment (Mr Jenkin) minuted the Foreign and Commonwealth Secretary proposing that the FCO diplomatic wing should relinquish its claim in favour of the ODA whose needs were greater and more urgent. In the light of this Sir Robert Armstrong minuted to Mr Butler on 15 September¹⁹⁸³; it is possible that this was the first notification to No 10 that the building had been provisionally allocated to the ODA. Mr Butler's^{DOC 2} minute in response dated 23 September did not take up that point but dealt rather with the possible bids by the central Departments.

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On 3 October the Foreign and Commonwealth Secretary agreed to the allocation of the bulk of Richmond Yard to the ODA. On 7 October Sir Robert Armstrong noted the possible bid for some space for future expansion of the central Departments. On 16 November the Secretary of State for the Environment minuted the Foreign and Commonwealth Secretary that he had noted this marker, but since

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the possibilities were uncertain and decisions on Richmond Yard could not be held up any longer he was asking the PSA to proceed with detailed planning of Richmond Yard to meet ODA's requirements. Subsequent action was based on this decision.

→ See DOCS 3+4

5. The matter was reopened on the Prime Minister's instructions in 1984. In Sir Robert Armstrong's letter of 26 November 1984 to Mr Manzie, copied to Mr Butler, he recorded that she took the view that the requirements of the central Departments should take priority over those of ODA; and he put in a firm bid for 10,000 sq ft for the central Departments. In his reply of 29 November (also copied to Mr Butler) Mr Manzie pointed out that space in the Richmond Terrace building, which was part of the Richmond Yard project but had not been allocated to ODA, could be made available without prejudice to ODA's requirements. It was agreed (Sir Robert Armstrong's letter of 28 January 1985) that the accommodation divisions of the Departments concerned should work up detailed plans on this basis.

6. In April 1985 the Prime Minister asked for a note on progress with the Richmond Yard project, which was furnished in the form of a letter on 29 April 1985 to Andrew Turnbull from the Private Secretary to the Secretary of State for the Environment. This document does confirm the plan that ODA and (if necessary) parts of the Cabinet Office should move to Richmond Yard as soon as the project was completed.

Carl Bowden

PP M C STARK

13 June 1986