

Acad 2079

THE GROSVENOR ESTATE

TRUSTEES

THE DUKE OF WESTMINSTER
SIR RICHARD BAKER WILBRAHAM, Bt
P.H.D. CRICHTON
H.A.C. EDWARDS
J.N.C. JAMES
M.D.T. LOUP
J.R. SCLATER

THE GROSVENOR OFFICE,

53 DAVIES STREET,
LONDON, W1Y 1FH.

SECRETARY: J. E. HOK

TELEPHONE
01-408 0988

TELEGRAMS
GROUSE LONDON W1

TELEX 27401

1) Mr Butler
2) Prime Minister
I will ask DHSS for a report
and a draft reply.

The Rt. Hon. Mrs. Margaret Thatcher, MP,
10 Downing Street,
London, S.W.1.

Dictated: 14th September, 1984
DWB 19/9

My Dear Prime Minister,

RE: ST. GEORGE'S HOSPITAL

I write to you concerning the above as you were kind enough to show an interest in this important project when I called upon you some time ago.

It is with a great sense of sadness that I have to inform you that we have decided to break off all negotiations with the DHSS concerning the purchase of their freehold interest. We have tried hard to come to terms within the context of an economically viable scheme but, frankly, the intransigence and lack of realism shown by the Department and their advisers over many months leaves us with no alternative. Against the background of our detailed negotiation and agreement with the District Valuer, acting on behalf of the Department, coupled with the valuation advice we have received from three firms of chartered surveyors, we find the 'second opinion' from Richard Ellis to be out of touch with reality. Equally, we were disappointed at the Department's summary rejection of our suggestion that in an endeavour to reach a settlement fair to both parties, the matter should be referred to the Lands Tribunal.

We, for our part, over two years have lived up to our obligations and it is sad to see an exciting and original scheme die because of the attitude of the Department and their advisers.

As I leave on Exercise Lionheart in the morning, I am asking Jimmy James to sign this letter on my behalf.

Yours sincerely,

Westminster
pp [Signature]

THE DUKE OF WESTMINSTER

I have spoken to DHSS, who are shattered. They thought that they were just about to reach a deal with Grosvenor.

The account I have been given suggests that DHSS had put a reasonable proposition to Grosvenor

F.R.B. 19.9.

NAT HEALTH

8r genys

Jane

15 LEX STAGI
GRAND LONDON W1
TELEPHONE

THE GROSVENOR ESTATE

THE GROSVENOR OFFICE
23 DAVIES STREET
LONDON, W1Y 1FH
SECRETARY: L. HOB

TRUSTEES
THE DUKE OF WESTMINSTER
27, BEDFORD SQUARE, W.1
P. H. B. BENTON
H. C. BOWEN
J. M. JAMES
R. O. L. JONES
J. R. SCOTTER

RECEIVED
1954

1954

GROSVENOR



I have spoken to DMS
who are pleased. They thought
that they were just about to
make a deal with Grosvenor.
The account I have been
given suggests that DMS had put a
tentative proposition to Grosvenor

1954

Duke of WESTMINSTER

25/9



VSC.

10 DOWNING STREET

From the Private Secretary

20 September 1984

I enclose a copy of a letter to the Prime Minister from the Duke of Westminster about St. George's Hospital.

I should be grateful if you could provide as soon as possible a background note on the course of the negotiations between the Grosvenor Estate and your Department since this matter last came to the Prime Minister's attention, together with a draft reply for the Prime Minister's signature.

(David Barclay)

S.A. Godber, Esq.,
Department of Health and Social Security.

SR