

From the Minister for Health

DEPARTMENT OF HEALTH AND SOCIAL SECURITY
ALEXANDER FLEMING HOUSE
ELEPHANT AND CASTLE LONDON SE1 6BY
TELEPHONE 01-407 5522 EXT

Mark Addison Esq The Private Secretary 10 Downing Street LONDON SW1

BF / Nognir respone

21 March 1985

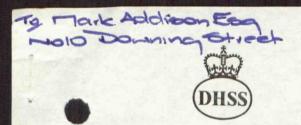
Dear Mr Acoison,

ST GEORGE'S HOSPITAL

In view of the Prime Minister's previous interest in the sale of this property, you may wish to be aware of the attached letter sent today to Grosvenor Estates.

yours sincerely

MISS A COWELL Assistant Private Secretary



With the Compliments of the Private Secretary to the Minister of State (Hank)

DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Alexander Fleming House

Elephant and Castle

London, S.E.I.

Copy of reply one requested



DEPARTMENT OF HEALTH AND SOCIAL SECURITY

Alexander Fleming House, Elephant & Castle, London SEI 6BY Telephone 01-407 5522

From the Minister for Health

J N C James Esq The Grosvenor Estate The Grosvenor Office 53 Davies Street LONDON W1Y 1FH

21 March 1985

De M Jan

ST GEORGE'S HOSPITAL

You will recall our luncheon meeting in October, when we were able to agree upon the terms of a formula which would operate to establish finally the price for the Department's freehold property at St George's Hospital. The detailed terms of our agreement were clearly set down in my letter to you dated 16 October 1984.

You may therefore understand my considerable surprise when I learned that nearly five months after our meeting, matters have still to be resolved. A contract accurately reflecting our agreement was issued to your lawyers in early January and I understand that although meetings have taken place, there seems little resolve on the part of the estate or its advisers to bring matters to a conclusion.

It would be disappointing indeed if you and I had to once again be in personal contact concerning this now much protracted situation and in all the circumstances, may I request that you take whatever steps are necessary to ensure an exchange of contracts without futher unnecessary delay.

Bas whe

KENNETH CLARKE

St Gerrops harpital Markonner 0 0 5 22 Man 1005

THE GROSVENOR ESTATE TELEPHONE THE GROSVENOR OFFICE. TRUSTEES 01-408 0988 THE DUKE OF WESTMINSTER 53 DAVIES STREET. SIR RICHARD BAKER WILBRAHAM, BL TELEGRAMS LONDON, WIY IFH. H. A.C. EDWARDS GROUSE LONDON WI J. N. C. JAMES SECRETARY: J. E. HOK TELEX 27401 M. D. T. LOUP J. R. SCLATER The Rt. Hon. Kenneth Clarke, QC, MP, Minister for Health, Department of Health and Social Security, Alexander Fleming House, Elephant & Castle, London, SEl 6BY. 1st April, 1985 My Jea Minsote ST. GEORGE'S HOSPITAL Thank you for your letter dated 21st March 1985. I share your concern but, equally, I am certain there is no lack of endeavour on our part to resolve a complex series of arrangements. The difficulties giving rise to the present position appear to stem not so much from the terms of the agreement we reached last October, but rather from the undertakings, commitments and approvals additional thereto required commercially acceptable document, many seem unduly oppressive bearing in mind the short-term nature of the Department's interest. Inevitably a number of these requirements involve fundamental amendments to our existing agreement with the LIB and thus take time to resolve. However, following further meetings last week, I am hopeful that significant progress can be made very shortly. Today, I have seen a copy of Messrs. Boodle Hatfield and Company's letter to Messrs. Linklaters and Paines dated 1st April in which the unresolved

and outstanding points of principle are clearly identified. Messrs. Boodle Hatfield & Company will be seeking early meetings to settle these matters.

Whilst I understand only too well your feelings of frustration at the apparent delay, a number of interlocking agreements are involved which can only be dealt with on a step-by-step basis. I can assure you, however, that we are anxious to settle these matters as soon as possible in order that we can move into the development phase.

J.N.C. James

Not Learn ST. Georges Hozputa Jan. 82 Cher A9A & 4

, 1