



Ref. A09581

MR BUTLER

*P1. type attached draft
for my signature.*

ERS

30.9.

The Secretary of State for Defence minuted the Prime Minister on 6 September, suggesting a feasibility study of his proposal that the space in the Old Admiralty Building (OAB) vacated by the Treasury and Management and Personnel Office staff who are due to move into the Government offices in Great George Street (GOGGS) should be occupied by the Ministry of Defence, rather than by the Northern Ireland Office (NIO) and the Foreign and Commonwealth Office (FCO) staff who are due to move out of GOGGS.

2. The Ministry of Defence came out of the OAB in 1968, when the Civil Service Department moved into it. This is the third attempt by the Ministry of Defence to recover the building.

3. The decision to move the Treasury and Management and Personnel Office now in the OAB into GOGGS was a consequence of last November's decisions on the partition of the CSD. The resulting moves for NIO and FCO staff were accepted by the Secretary of State for Northern Ireland and, with some reluctance, by the Foreign and Commonwealth Secretary. The transfer of FCO staff into the OAB has already begun, and some 70 staff have moved. Work is already in train, and expenditure has been incurred, on communications facilities for the NIO in the OAB. A change of plan now would thus entail some wasted expenditure.

4. The Secretary of State for Defence did not copy his minute to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, whose staff would be most directly affected by the Secretary of State for Defence's proposal.

5. The Secretary of State for the Environment, in a minute which he has copied to the Foreign and Northern Ireland Secretaries, has argued strongly against the Secretary of State for Defence's proposal, on the ground that the PSA is too far committed to, and has gone too far in expenditure on, the existing plan. I recommend that the Prime Minister should support the Secretary of State for the Environment. I attach a draft letter.

RIA

ROBERT ARMSTRONG

29 September 1982

DRAFT LETTER TO PRIV SEC, SECRETARY OF STATE FOR DEFENCE

The Prime Minister has seen your Secretary of State's minute of 6 September copied to the Chancellor of the Exchequer and the Secretary of State for the Environment, but not to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, suggesting that there should be a detailed feasibility study of his proposal that, when former staff of the Civil Service Department move into Great George Street, Northern Ireland Office and Foreign and Commonwealth Office staff moving out of Great George Street should not go to the Old Admiralty Building but to some other building, and the Ministry of Defence should move into the Old Admiralty Building.

The Prime Minister has also seen the Secretary of State for the Environment's minute of 24 September.

The Prime Minister agrees with the Secretary of State for the Environment that it is too late to change plans. Some Foreign and Commonwealth Office staff have already moved into the Old Admiralty Building, and significant amounts of expenditure have already been incurred in preparation for the move of the Northern Ireland Office. That expenditure would be wasted and all the moves (including the move of Treasury and Management and Personnel Office staff into Great George Street) greatly delayed if there were now to be a change of plan.

The Prime Minister notes that, after the proposed moves are complete that, there may be a little surplus space in the Old Admiralty Building which could be made available to the Ministry of Defence.

I am sending copies of this letter to the Private Secretaries to the Chancellor of the Exchequer, the Secretaries of State for Foreign and Commonwealth Affairs, Northern Ireland and the Environment, the Lord Privy Seal and Sir Robert Armstrong.

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AFO
NIO
JOE
LPS, CO

10 DOWNING STREET

From the Principal Private Secretary

1 October 1982

The Prime Minister has seen your Secretary of State's minute of 6 September copied to the Chancellor of the Exchequer and the Secretary of State for the Environment, but not to the Foreign and Commonwealth Secretary or to the Secretary of State for Northern Ireland, suggesting that there should be a detailed feasibility study of his proposal that, when former staff of the Civil Service Department move into Great George Street, Northern Ireland Office and Foreign and Commonwealth Office staff moving out of Great George Street should not go to the Old Admiralty Building but to some other building, and the Ministry of Defence should move into the Old Admiralty Building.

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FERB

Richard Mottram, Esq.,
Ministry of Defence.

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10 DOWNING STREET

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Prime Minister

MOD Accommodation

The Chancellor is going to offer
no comment.

Agree with Mr Heseltine that
there should be no change of plan?

M/S 29/9

Yes
no



Prime Minister

(2)

We await the
Chancellor's views.

Prime Minister

GOVERNMENT ACCOMMODATION

MUS 27/9

The Secretary of State for Defence sent me a copy of his minute to you about Government Accommodation.

Unfortunately his suggestion comes rather too late. The time-table for collocating the Treasury and MPO was approved by yourself and the Chancellor several months ago. FCO have already started to move into Old Admiralty Building and the Northern Ireland Office will follow shortly. We are working to a tight time-table and all the moves have been planned without using decant space. It would therefore be impossible to introduce an extra party at this stage, without disrupting and delaying the planned moves, particularly for N10 whose communications centre is being reprovided in Old Admiralty Building. There is, I think you will agree, no scope for a change of direction now.

In the past MOD have expressed an interest in acquiring more accommodation in Old Admiralty Building. We are hoping there will be a little surplus space to offer them when the collocation moves have been completed.

I am copying this minute to the Chancellor of the Exchequer, the Foreign Secretary, the Secretary of State for Northern Ireland, the Secretary of State for Defence and Sir R Armstrong.

MHS

MICHAEL HESELTINE

24 September 1982

Govt. Mach : (Incl of CSD + Hmt) 146.



Prime Minister (2)

We await the Chancellor's
and Mr Heseltine's views on
this proposal.

ms 7/9

MO 20/17

PRIME MINISTER

GOVERNMENT ACCOMMODATION

One important lesson of the Falkland Islands Operation was how vital it was to be able to have under one roof in this building, with self-contained total control over access, at least the key operational and policy elements of the Ministry. At the next level it was also clear how inconvenient was the scatter of MOD supporting staff across a miscellany of smaller buildings.

2. I understand that, as part of the reorganization of the CSD, it is the intention to concentrate in the Treasury in Great George Street the elements at present housed in Old Admiralty Building. I am sure this is right and should help both efficiency and morale.

3. But it is not self-evident to me that staff which will need to be displaced, including presumably the NIO, should go into the Old Admiralty Building. The MOD already occupies part of the building. There would be gains in security and savings in house-keeping overheads if it was wholly occupied by Defence staff. And just as the concentration of the expanded Treasury in Great George Street would be psychologically beneficial, there would I believe be similar intangible benefits in a defence concentration once again in a traditional defence building.

4. I am not suggesting a net overall increase in defence numbers in the broad Whitehall area. Indeed with the surrender of part of the Adelphi last year and of the Metropole Building in Northumberland Avenue later this decade our numbers will be going down, in part flowing from the reduction in Headquarters numbers.



What I am suggesting is that if the MOD could concentrate further in the Old Admiralty Building we could make available equivalent space nearby in return by offering up for example Northumberland House (close to Trafalgar Square and Whitehall), and Savoy Hill House, off the Strand.

5. I would not ask for this proposal to be approved without detailed feasibility study. But I would ask that the chain of moves should be studied now. I believe there is an imaginative opportunity which needs to be seized.

6. I am sending copies to the Chancellor of the Exchequer, the Secretary of State for Environment and Sir R Armstrong.

J.W.

CONQUEROR

Ministry of Defence

6th September 1982



SEP 1982



COMPANIO