



Eilidh Whiteford MP  
House of Commons  
London  
SW1A 0AA

10 January 2012

Dear Eilidh,

**DEPARTMENTAL BUILDINGS: HM TREASURY**

In my response to your recent parliamentary question (7 November 2011, col 94W), requesting information about any plans that HM Treasury had for building or refurbishment projects, I promised a letter with more details of the cost of the project to improve space in 1 Horse Guards Road.

Optimising the space in 1 Horse Guards Road will allow HM Treasury to more than double the occupancy of the building compared to the original plans. Letting space to other public sector occupants, including the Cabinet Office, is anticipated to generate additional annual rental income of some £10.1 million a year by the end of the Spending Review period. The project involves space consolidation, building refurbishment and infrastructure upgrades, which will have a total cost of up to £16 million.

It is also intended that this will, in turn, unlock further moves to rationalise the Government estate in central London and help deliver additional savings for the Government as a whole.

A copy of this letter has been placed in the Library of the House.

Yours ever,

Chloe

CHLOE SMITH MP